DB (INTERNATIONAL) STOCK BROKERS LTD.

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

402, New Delhi House, 27 Barakhamba Road, New Delhi - 110 001
TEL.: 011-43606162, Email : compliance@dbonline.in, website: www.dagabusiness.com
CIN : L67120HR1992PLC035349

Dated: 29th August, 2019

To
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

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

Dear Sir/ Ma'am,

As per the Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 please find enclosed the Annual Report along with Notice of Annual General Meeting which is to be held on Friday 27th day of September, 2019 at the registered office of the Company at 756, Sector 23A, Gurgaon, Haryana-122017.

The Company has commenced the dispatch of the Annual Report for the financial year 2018-19 along with the Notice of 27th AGM to its shareholders through following modes on 29th August, 2019:

- Through E-Mail;
- Through courier, speed post, registered post and other permitted means in physical copies.

Kindly take the same in your records.

Thanking you,
Yours faithfully,

For DB (International) Stock Brokers Limited

DB (International) Stock Brokers Limited New Delhi

Himanshi Mittal
Compliance Officer
Encl: As Above



ANNUAL REPORT 2019

Global in VISION
Rooted in INDIAN VALUES

DB (International) Stock Brokers Ltd.

Board of Directors

Mr. Shiv Narayan Daga (Managing Director)
Mr. Chandra Mohan Bahety (Independent Director)
Mr. Milap Chand Bothra (Independent Director)
Mr. Brajesh Sadani (Independent Director)
Mr. Sachin Kumar Rathi (Director)
Ms. Shikha Mundra (Woman Director)

Chief Financial Officer
Mr. Vishnu Kumar Sharma

Company Secretary
Ms. Himanshi Mittal

Auditors
Chaudhry Vigg James & Co.
Chartered Accountants
New Delhi

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

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

Registered Office
756, Sector 23-A
Gurugram, Haryana-122017

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

DB (INTERNATIONAL) STOCK BROKERS LIMITED
Regd. Office: 756, Sector 23A, Gurugram Haryana–122017
Corporate Office: 402, New Delhi House, 27 Barakhamba Road, New Delhi - 110001
CIN: L67120HR1992PLC035349
Website: www.dbonline.in
Email Id: compliance@dbonline.in
Tel No: 011-43606162

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of DB (International) Stock Brokers Limited will be held on Friday, September 27, 2019 at 4:00 P.M. at the registered office of the Company at 756, Sector 23A, Gurugram, Haryana – 122017 to transact the following business:

ORDINARY BUSINESS:

1 To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) for the financial year ended March 31, 2019 together with the reports of Board of Directors and Auditors thereon.

2 To appoint Statutory Auditor of the Company to hold office from the conclusion of this AGM till the conclusion of 32nd Annual General Meeting and to fix their remuneration and to pass the following resolution thereof:

"**RESOLVED THAT** 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 Gupta Verma & Sethi, Chartered Accountants, be and are hereby appointed as the Statutory Auditor of the Company in place of M/s Chaudhry Vigg James & Co. as their tenure has been completed, to hold office from the conclusion of this AGM till the conclusion of the 32nd Annual General Meeting subject to ratification of the appointment by the members at ensuing AGM 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 any one of the director of the company be and is hereby authorized to do all such acts, deeds and things as may be considered necessary or incidental to give effect to the above resolution.

SPECIAL BUSINESS:

1. Change of Registered Office of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 12 read with Rule 27 of Companies (Incorporation) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, and subject to consent of the members of the Company, registered office of the Company propose to shift within same state and ROC Jurisdiction from 756, Sector 23A, Gurugram, Haryana-122017 to House No. 70, Housing Board Colony (old) Near Mini Secretariat, Rewari, Haryana-123401

"RESOLVED FURTHER THAT any one of the director of the company be and is hereby authorized to do all such acts, deeds and things as may be considered necessary or incidental to give effect to the above resolution.

For DB (International) Stock Brokers Limited

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Place: New Delhi
Date: August 13, 2019

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and to vote instead of himself. A proxy need not be a member of the Company, the instrument of proxy in order to be effective must be deposited at the Registered/ Corporate office of the Company duly completed and signed not later than 48 hours before the commencement of the meeting.
2. The register of Members and Share Transfer Book will remain closed from September 23, 2019 to September 27, 2019 both days inclusive.
3. 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).
4. Electronic copy of the notice convening the Twenty Seventh 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.
5. Members may also note that the Annual Report for the financial year 2018-19 including the notice convening the Twenty Seventh Annual General Meeting will also be available on the Company's website **www.dbonline.in**, which can be downloaded from the website. The physical copies of the aforesaid documents will also be available at the Company's registered office in Gurugram for inspection during normal business hours on all the working days except Saturday. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the members may also send their requests to the Company's investor email id: **investors@dbonline.in.**

6. Voting through Electronic Means

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

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

i. The voting period begins on September 24, 2019 (9:00 a.m.) and ends on September 26, 2019 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (September 20, 2019) of Record Date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. The shareholders should log on to the e-voting website **www.evotingindia.com**

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.

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

	For members holding shares in demat form and physical form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax department (applicable for both demat shareholders as well as physical shareholders) ● 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. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the dividend bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ● If both the details are not recorded with the depository or company, please enter the member id/folio number in the dividend bank details field as mentioned in instruction (v).

ix. After entering these details appropriately, click on 'SUBMIT' tab.

x. 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.

xi. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.

xii. Click on the EVSN of "DB (International) Stock Brokers Limited" on which you choose to vote.

xiii. 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.

xiv. Click on the "RESOLUTION FILE LINK" if you wish to view the entire resolution details.

xv. 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.

xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xviii. 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.

xix. 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.

xx. 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.

xxi. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. September 20, 2019 may follow the same instructions as mentioned above for e-voting.

xxii. 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.

7. Members who do not have access to remote e-voting facility may send duly completed Ballot form annexed herewith to, Ms. Deepika Bansal of D Bansal & Associates, Practicing Company Secretary, (Membership No. A47810, COP No.17506, at the registered office of the Company not later than September 24, 2019 (5:00 p.m. IST). Any person who becomes a member of the Company after the dispatch of the notice of the meeting and holding shares as on the cut-off date i.e. September 20, 2019 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./DP ID and client ID No. Ballot form received after Tuesday, September 24, 2019 (5:00 p.m. IST) will be treated as invalid. A member can opt for only one mode of voting i.e. either through remote e-voting or by ballot. If a member casts vote by both modes, then voting done through remote e-voting shall prevail and the ballot form shall be treated as invalid.
8. 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.
9. A blank proxy form along with attendance slip is enclosed herewith.
10. Members/Proxies are requested to bring attendance slip duly filled in along with the copy of annual report at the meeting.
11. For any investor related queries, communication may be sent to us by email to **investors@dbonline.in.**
12. Shareholders who have not encashed/received dividend for the previous Financial Year upto March 31, 2013, and whose shares are not transferred to IEPF account may please approach the Company or Registrar and Transfer Agent (RTA).

For DB (International) Stock Brokers Limited

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Place: New Delhi
Date: August 13, 2019

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

Item No. 1

The registered office of the company is situated in Gurugram, Haryana. The Board is of the view that the business of the company may be carried on more efficiently, economically and advantageously if the registered office of the company is shifted from Gurugram to Rewari.

In view of the above, it is recommended that registered office of the company to be shifted from Gurugram to Rewari.

As per the provisions of section 12 of the companies Act, 2013, a company may shift its registered office from Gurugram to Rewari by passing a special resolution in the General Meeting of the company. Therefore the Board of Directors recommends item no. 1 as a special resolution.

None of the Directors, Key Managerial Personnel or their relatives is in any way concerned or interested in the proposed Special resolution.

For DB (International) Stock Brokers Limited

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Place: New Delhi
Date: August 13, 2019

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office: 756, Sector 23A, Gurugram, Haryana–122017
Corporate Office: 402, New Delhi House, 27 Barakhamba Road, New Delhi - 110001
CIN: L67120HR1992PLC035349
Website: www.dbonline.in
Email Id: compliance@dbonline.in
Tel No: 011-43606162

DIRECTORS REPORT

To the Members

Your directors have immense pleasure in presenting Twenty Seventh Annual Report on the business and operations of the company together with the Audited statement of Accounts for the financial year ended March 31, 2019.

1. Financial Results

During the year under review, the financial results of your Company are as follows:

(₹ Lacs)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Gross receipts	197.26	588.09	196.84	588.09
Profit before tax	(378.14)	83.68	(375.45)	87.71
Provision for tax	1.06	23.53	(0.19)	24.77
Deferred tax liability/(assets)	119.09	3.22	(118.25)	3.22
Profit before share of profit of associate	(260.11)	56.93	(257.01)	59.72
Share of profit in associate	0.00	0.01	0.00	0.00
Profit after tax	(260.11)	56.94	(257.01)	59.72
Brought forward from previous year	2387.44	2330.09	2390.06	2329.93
Appropriations:				
Other comprehensive income: Remeasurement of post employment benefit obligations (net of tax)	0.88	0.41	0.88	0.41
Balance transferred to balance sheet	2128.21	2387.44	2133.93	2390.06
Earnings per equity share (basic)	(0.74)	0.16	(0.73)	0.17

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

2. DIVIDEND

No Dividend have been declared for the current financial year.

3. UNCLAIMED DIVIDEND

As per provisions of Section 124 of the Companies Act, 2013, the amount of unclaimed dividend outstanding for more than seven years are due to transfer to IEPF A/c and shall be transferred within 30 days from the date of completion of 7 years.

4. DEPOSITS

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

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

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

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

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

7. 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).

8. CORPORATE GOVERNANCE

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

9. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the criteria for applicability of the provisions of social responsibility as per section 135 of the Companies Act 2013 is not applicable to the company. The net profit of the company is below Rs.5.00 crore. The board of directors of the company is always enthusiastic for carrying on the social activities as per Companies Act by defraying the resources out of the income of the company but due to loss as compared to profits in preceding years; the board of directors is constrained to initiate such responsibility.

10. LOANS, GUARANTEES OR INVESTMENTS

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

11. 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.

12. STATUTORY AUDITORS

M/s Gupta Verma & Sethi, Chartered Accountants, be and are hereby appointed subject to the approval by members as the Statutory Auditor of the Company in place of M/s Chaudhry Vigg James & Co. as their tenure has completed, to hold office from the conclusion of this AGM till the conclusion of the 32nd Annual General Meeting subject to ratification of the appointment by the members at ensuing AGM 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.

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

There were no qualifications, reservations, adverse remarks or disclaimers made by M/s Chaudhry Vigg James & Co., Statutory Auditors & M/s D Bansal & Associates, Practicing Company Secretary in their Audit Reports. The Secretarial Auditor's report by Ms. Deepika Bansal of M/s D Bansal & Associates, Company Secretary in Practice has been obtained and annexed as per Annexure II to this Report.

14. DIRECTORS APPOINTMENT AND REMUNERATION

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

15. ANNUAL RETURN

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

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) 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.

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

18. BOARD MEETINGS

The Company held six board meetings during the financial year under review on May 26, 2018, August 10, 2018, November 12, 2018, January 09, 2019, February 07, 2019 and February 12, 2019.

19. DIRECTORS

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 Woman Director and Non- Executive Director respectively.

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

Mr. Vishnu Kumar Sharma and Ms. Himanshi Mittal are other KMPs designated as Chief Financial Officer and Company Secretary of the Company respectively.

20. 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.

21. 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 com-

pany 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.

22. SUBSIDIARY COMPANY

The Company has one wholly owned subsidiary Company in the name of Daga Business (International) Stock Brokers (IFSC) Private Limited.

23. BOARD COMMITTEE

Company has four Committees of Board, viz,

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Independent Director Committee.

24. 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.

25. PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

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

The information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection by Members at the registered office of the Company between 2.00 p.m. IST and 4.00 p.m. IST on any working day (Monday to Friday), upto the date of the Twenty Seventh 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.

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

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

During the financial year 2018-19, no cases in the nature of sexual harassment were reported at any workplace of

the company.

27. ACKNOWLEDGEMENTS

Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities 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

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Place: New Delhi
Date: August 13, 2019

Annexure "I"
DB (International) Stock Brokers Limited

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Operating results & financial performance:

DB (International) Stock Brokers Limited is a listed Company. The Company is engaged in single line of business i.e. Stock Broking and provides depository participant services of CDSL. The company's total income for the year under review is Rs. 196.84 Lacs during the year under review and Loss before tax amounts to Rs. 375.45 Lacs on standalone basis and the Company's total income for the year under review is Rs. 197.26 Lacs during the year under review and Loss before tax amounts to Rs. 378.14 Lacs on consolidated basis.

2. Industry trend and business analysis:

The trend in the stock market remain volatile but the retail investors were reluctant to participate in secondary market because the market value of the shares have increased too much that they were avoiding purchase of well performed Company's shares keeping in mind that effect of the government policies are yet to be reflected on ground. 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 transparent markets with increasingly wide geographic footprint have increased the number of trading avenues offering diverse pools of liquidity.

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

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

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 withstand the challenges posed by the current environment.

5. Risks and concerns:

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

6. Internal control system and their adequacy:

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

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

Besides, the Audit Committee reviews the internal controls at periodic intervals.

7. Human resources:

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

8. Cautionary statement:

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

9. Key financial ratios:

S. No.	Ratios	FY 2018-19	FY 2017-18
1	Debtor's turnover (days)	4	10
2	Inventory turnover (days)	-	-
3	Interest coverage ratio (times)	(204.56)	274.30
4	Current ratio (times)	2.88	6.47
5	Debt equity ratio (times)	-	-
6	Operating profit margin ratio (%)	(189.88)	14.97
7	Net profit margin ratio (%)	(130.57)	10.15

10. Net worth comparison:

			Amount in ₹
		As at March 31, 2019	**As at March 31, 2018**
Capital + Free Reserves		**388,041,124**	**413,654,830**
Less: non-allowable assets		2.88	6.47
(a)	Fixed assets	6,086,436	35,110,639
(b)	Pledged Securities	-	-
(c)	Member's card	-	-
(d)	Non-allowable securities (unlisted securities)	12,605,000	12,855,000
(e)	Bad deliveries	-	-
(f)	Doubtful debts and advances*	10,543,874	367,228
(g)	Prepaid expenses, losses	3,514,279	653,455
(h)	Intangible assets	245,107	656,848
(i)	30% value of marketable securities	1,746,720	1,746,720
(j)	Deferred tax assets	13,295,092	1,502,494
Net Worth		**340,004,616**	**360,762,446**

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

Annexure II

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2019

[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

756, Sector -23A, Gurugram, Haryana-122017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DB (International) Stock Brokers Limited (CIN:L67120HR1992PLC035349) (hereinafter called the "Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the DB (International) Stock Brokers Limited`s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance no need mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the Secretarial compliance based on books, papers, minute books, forms and returns filed and other records maintained by DB (International) Stock Brokers Limited for the financial year ended on March 31, 2019, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(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, 1992;

(c) The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993 regarding the companies Act and dealing with clients.

2. We have also examined compliance with the applicable SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into by the Company with the National Stock Exchange of India Limited and Bombay Stock Exchange of India Limited.

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

4. We further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, the Company has complied with the following Regulation applicable specifically to the Company which is as follows:

(i) SEBI (Stock Brokers and Sub Brokers) Regulation, 1992.

5. We further report that since the Secretarial Standards SS-1 and SS-2 are applicable, the company has complied with the same.

6. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were in our opinion, not attracted during the financial year under report:

a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009.

c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008

d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

7. The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under in relation to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not attracted during the financial year under report.

8. We further report that:

The Board of Directors of the Company is duly constituted with proper balance of;

i. Executive Directors, Non -Executive Directors and Independent Directors. The Change in the composition of the Board of Directors of the Company which took place during the year under review was carried out in compliance with the provisions of the Act.

ii. Adequate notice is given to all directors to schedule the Board meetings, 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 in the meeting.

iii. Decisions at the meetings of the Board of Directors of the Company were carried through, on the basis of majority and there were no dissenting views by the member of the Board of Directors during the period under review.

9. We have relied on the representations made by the Company and its officers for the compliance of various applicable laws, rules, regulations and guidelines and after examining the system and mechanism followed by the Company for compliances, we report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure the compliance of applicable laws, rules, regulations and guidelines.

10. We further report that during the audit period, the Company has;

a) Not allotted any shares/debentures:

b) The Company has created two charge and satisfied one of the old charge.

c) Not made any redemption/buy back of securities,

d) Not entered into mergers/amalgamations/reconstruction etc. and

e) Not entered into foreign technical collaboration

For D Bansal & Associates
Company Secretaries

Sd/-
Deepika Bansal
(Propreitor)
Membership No: 47810
COP No: 17506

Place: New Delhi
Date: August 13, 2019

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

ANNEXURE A

Secretarial Audit Report of DB (International) Stock Brokers Limited for the financial year ended March 31, 2019

To
The Members,
DB (International) Stock Brokers Limited
756, Sector - 23A, Gurugram, Haryana-122017

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 correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed, provide 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 obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. In respect of filling of forms/ returns by the Company, related to the period under audit, we have not observed any material non-compliance, which can have bearing on the financials of the Company and have not reported in our audit report.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For D Bansal & Associates
Company Secretaries

Sd/-
Deepika Bansal
(Propreitor)
Membership No: 47810
COP No: 17506

Place: New Delhi
Date: August 13, 2019

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2019

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

I. REGISTRATION & OTHER DETAILS:		
2	Date of Incorporation	February 28, 1992
3	Name of the Company	DB (International) Stock Brokers Limited
4	Category/Sub-category of the Company	Limited by shares/ Non –Government Company
5	Address of the Registered office & contact details	756, SECTOR 23A GURUGRAM, HARYANA-122017
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Abhipra Capital Limited , A- 387, Dilkhush Industrial Area, G.T.Karnal Road, Azadpur, Delhi-110033, 011-42390700

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Stock Broking activity	9971	100
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
2	Daga Business (International) Stock Brokers (IFSC) Private Limited	U65999GJ2017PTC097369	Subsidiary	100	2 (87)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2018)				No. of Shares held at the end of the year [As on March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	10,505,000	-	10,505,000	30.01%	10,505,000	-	10,505,000	30.01%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	10,505,000	-	10,505,000	30.01%	10,505,000	-	10,505,000	30.01%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	10,505,000	-	10,505,000	30.01%	10,505,000	-	10,505,000	30.01%	0.00%

B. Public									
Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	1.40%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
	-	-	-			-	-		
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	-	-		-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
	-	-	-						
i) Others (specify)	-	-	-	0.00%	4,91,520	-	4,91,520	1.40%	1.40%
Sub-total (B)(1):-	-	-	-	0.00%	4,91,520	-	4,91,520	1.40%	1.40%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	18,445,499	-	18,445,499	52.70	17,718,105	-	17,718,105	50.62%	0.16%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders	5,197,344	25,500	5,222,844	14.94%	5,437,005	23,000	5,460,005	15.60%	0.02%
c) Others (specify)	-	-	-	-	-	-	-	-	0.00%
HUF	815,968	-	815,968	2.31%	815,979	-	815,979	2.33%	0.02%
Non Resident Indians	9,631		9,631	0.28%	8,041	-	8,041	0.02	-0.25%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	1,058	-	1,058	0.00%	1,350	-	1,350	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - DR	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	24,469,500	25,500	24,495,000	69.99%	24,472,000	23,000	24,495,000	69.99%	0.00%
Total Public (B)	24,469,500	25,500	24,495,000	69.99%	24,472,000	23,000	24,495,000	69.99%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	34,974,500	25,500	35,000,000	100.00%	34,977,000	23,000	35,000,000	100.00%	0.00%

(ii) Shareholding of Promoter

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% charges in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encum-bered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SHIV NARAYAN DAGA	5,780,000	16.51%	0	5,780,000	16.51%	0	0.00%
2	SHARDA DAGA	2,048,000	5.85%	0	2,048,000	5.85%	0	0.00%
3	SHEETAL PERIWAL	752,000	2.15%	0	752,000	2.15%	0	0.00%
4	SHIKHA MUNDRA	650,000	1.86%	0	650,000	1.86%	0	0.00%
5	SHIV NARAYAN DAGA (HUF)	1,275,000	3.64%	0	1,275,000	3.64%	0	0.00%
	TOTAL	10,505,000	30.01%		10,505,000	30.01%	0	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	April 01, 2018		10,505,000	30.01%	10,505,000	30.01%
	Changes during the year			-	-	-	-
	At the end of the year	March 31, 2019		10,505,000	30.01%	10,505,000	30.01%

(iv) Shareholding Pattern of top ten Shareholders

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	April 01, 2018					
1	Guru Kirpa Finvest Limited			4,404,496	12.58%	4,404,496	12.58%
2	Sharma Gandhi Hire Purchase Limited			3,596,106	10.27%	3,596,106	10.27%
3	Shanker Credits Private Limited			1,596,583	4.56%	1,596,583	4.56%
4	Shreyans Finlease Private Limited			1,492,449	4.26%	1,492,449	4.26%
5	Dhanleela Investment & Trading Co Limited			1,182,252	3.38%	1,182,252	3.38%
6	Mohan Leasing Limited			750,000	2.14%	750,000	2.14%
7	P S Global Limited			551,435	1.58%	551,435	1.58%
8	Ankush Poly Engineering Private Limited			513,753	1.47%	513,753	1.47%
9	Veritas India Limited			500,000	1.43%	500,000	1.43%
10	Rector Investment Private Limited			415,000	1.18%	415,000	1.18%
	Total			1,542,464		1,542,464	
	At the end of the year	March 31, 2019					
1	Roopam Financers Private Limited			1,330,000	3.80	1,330,000	3.80
2	P S Global Limited			551,435	1.58	551,435	1.58
3	Veritas India Limited			500,000	1.43	500,000	1.43
4	New KMS Finance Pvt. Ltd.			5,846,544	16.70	5,846,544	16.70
5	Mohan Leasing Limited			750,000	2.14	750,000	2.14
6	Dhanleela Investment & Trading Co Limited			1,182,252	3.38	1,182,252	3.38
7	Mangaljyoti Syndicate Private Limited			1,453,061	4.15	1,453,061	4.15
8	KSB Fininvest Private Limited			680,000	1.94	680,000	1.94
9	Ankush Poly Engineering Private Limited			513,753	1.47	513,753	1.47
10	Vishal Investfin Private Limited			1,350,000	3.86	1,350,000	3.86

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SHIV NARAYAN DAGA						
	At the beginning of the year	April 01, 2018		5,780,000	16.51%	5,780,000	16.51%
	Changes during the year			-	-	-	-
	At the end of the year	March 31, 2019		5,780,000	16.51%	5,780,000	16.51%
2	SHIKHA MUNDRA						
	At the beginning of the year	April 01, 2018		650,000	1.86%	650,000	1.86%
	Changes during the year			-	-	-	-
	At the end of the year	March 31, 2019		650,000	1.86%	650,000	1.86%

VI. INDEBTEDNESS

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

(₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Shiv Narayan Daga	Shikha Mundra	(₹)
	Designation	Managing director	WTD	0
1	Gross salary			0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,100,000	2,100,000	4,200,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, Employer Contribution in provident fund	252,000	252,000	504,000
	Total (A)	23,52,000	23,52,000	47,04,000
	Ceiling as per the Act within the permissible limit as per the provisions of the Companies Act	-	-	-

B. Remuneration to other Directors

S.No.	Particulars of Remuneration	Name of Directors			Total Amount
					(₹)
1	Independent Directors	-	-	-	
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

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

S.No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total
	Name	Vishnu Kumar Sharma	Himanshi	(₹)
	Designation	CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,043,000	298,287	1,341,287
	(b) Value of perquisites u/s 17(2) Incometax Act, 1961	2000	NIL	2000
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total	10,45,000	298,287	13,43,287

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

Sd/-
Shiv Narayan Daga
(Director)
DIN: 00072264
Address: B-146, Surajmal Vihar
Delhi-110092

Sd/-
Shri Sachin Kumar Rathi
(Director)
DIN: 01013130
Address:
S/o. Choru Lal Rathi, Outside Jassusar Gate
Bikaner-334004 Rajasthan - India

Place: New Delhi
Dated: August 13, 2019

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 4 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Company's Philosophy

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

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

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

Board of Directors

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

S. No.	Name	Designation	DIN	Category
1.	Mr. Shiv Narayan Daga	Managing Director	00072264	Non Independent Whole-time 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 Executive Director

- Ms. Shikha Mundra is the daughter of Mr. Shiv Narayan Daga and none of the other directors are related to each other.
- None of them hold shares or convertible instruments in the company.
- The Board members of DB (International) Stock Brokers Limited (Independent and Non-Independent) are afforded every Opportunity to familiarize themselves with the Company, its management and its operations and above all, the company perspective & issues. They are made to interact with senior management personnel for enabling a good understanding of the Company, its various operations and the industry of which it is a part.
- As the main business of the company is to provide services related to Stock Broking and Depository Participants, for taking these business activities in consideration it is necessary that Board of Director should have knowledge about the same.

- All Board of Directors of the Company is having good knowledge and experience about Stock broking and DP operations.
- None of the Independent Director resigned during the year from his directorship.

Board Meetings:

During the year, the Board of Directors met 6 times on May 26, 2018, August 10, 2018, November 12, 2018, January 09, 2019, February 07, 2019 and February 12, 2019.

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	-	-
			Daga Business (International) Stock Brokers (IFSC) Private Limited		
Ms. Shikha Mundra	5	Yes	NIL	-	-
Mr. Chandra Mohan Bahety	5	Yes	MPA Financial Services Private Limited	Audit Committee	Chairman
			AAL Insolvency Professional Private Limited	Nomination & Remuneration Committee	Member
			MPA Insurance Brokers Private Limited		
			Balaji Nirman Private Limited	Independent Director's Committee	Member
			MPA Assets Management Limited		
			Megapix Tradelink Private Limited		
Mr. Brajesh Sadani	5	Yes	Nil	Stakeholders Relationship Committee	Member
				Audit Committee	Member
				Independent Director's Committee	Member
				Nomination & emuneration Committee	Chairman
Mr. Sachin Kumar Rathi	5	Yes	Daga Business (International) Stock Brokers (IFSC) Private Limited	Nomination & Remuneration Committee	Member
				Stakeholders Relationship Committee	Member

Mr. Milap Chand Bothra	6	Yes	Bothra Credit and Holdings Private Limited	Stakeholders Relationship Committee Audit Committee Independent Director`s Committee	Chairman Member Member

Audit Committee

In Compliance with Regulation of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, the Board of Directors has constituted an Audit Committee comprising the following Directors:

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

During the year, Audit committee met four times on May 26, 2018, August 10, 2018, November 12, 2018 and February 12, 2019.

Nomination & Remuneration Committee

The remuneration Committee comprises of following Directors:

- Mr. Brajesh Sadani (Independent Non-Executive Director) Chairman
- Mr. Sachin Kumar Rathi (Non Independent Non-Executive Director) Member
- Mr. Chandra Mohan Bahety (Independent Non-Executive Director) Member

During the year Nomination & Remuneration Committee met thrice on May 28, 2018, July 27, 2018 and November 27, 2018.

Stakeholders Relationship Committee

The Committee comprises of following Directors:

- Mr. Milap Chand Bothra (Independent Non-Executive Director) Chairman
- Mr. Brajesh Sadani (Independent Non-Executive Director) Member
- Mr. Sachin Kumar Rathi (Non-Executive Director) Member

During the year, Stakeholders Relationship Committee met thrice on May 28, 2018, July 27, 2018 and November 20, 2018.

During the year, no complaint was received from investors. The requests received for share transfer upto March 31, 2019 has been completed within the time frame prescribed by the statutory authorities as well as SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

Remuneration to Directors

The Company does not pay any remuneration/compensation to the Non-executive Directors.

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 January 09, 2019.

General Body Meetings

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

Year	Date	Time	Location
2015-2016	September 28, 2016	05:00 p.m. IST	756, Sector 23A, Gurugram-122017 (Haryana)
2016-2017	September 29, 2017	05:45 p.m. IST	756, Sector 23A, Gurugram-122017 (Haryana)
2017-2018	August 17, 2018	05:45 p.m. IST	756, Sector 23A, Gurugram-122017 (Haryana)
2018-2019	January 31, 2019	04:00 p.m. IST	756, Sector 23A, Gurugram-122017 (Haryana)

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. Details of the policy are available on our website, at https://www.dbonline.in/Admin/Pdf/1981418124WHISTLE%20BLOWER%20POLICY.pdf
- Material Subsidiary policy adopted by the company details of the same is available on our website, at https://www.dbonline.in/Admin/Pdf/180717491MATERIAL%20SUBSIDIARY%20POLICY.pdf
- Details of Related Party Transaction policy available on our website, at https://www.dbonline.in/Admin/Pdf/721555445POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf
- No funds raised through Preferential Allotment and Qualified Institutions Placement.
- Certificate from Practising Company Secretary as required under Part C of Schedule V of LODR, received from Ms. Deepika Bansal , COP No. 17506, representing M/s. D Bansal & Associates, Practising 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 2019. The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate is annexed to this Report.

Means of Communication

As per Regulation 47 of the SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015, the financial results of the Company were published in the "Business Standard" (English) and "Veer Arjun" (Hindi) 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. 27th Annual General Meeting : Will be held on Friday, September 27, 2019 at 04:00 p.m. IST at 756 Sector-23A, Gurugram-122017 (Haryana) at the registered office of the Company.

B. Financial Calendar : April 01, 2018 to March 31, 2019

C. Book Closure Date : September 23, 2019 to September 27, 2019 (Both days inclusive)

D. Listing on Stock Exchange : The Shares of the Company are listed on the Bombay Stock Exchange and National Stock Exchange and the Annual Listing Fee for the year 2019-2020 have been paid

E. Market Price Data : in ₹

MARKET PRICE DATA

In ₹

	MONTH	BSE		NSE	
		HIGHEST PRICE	LOWEST PRICE	HIGHEST PRICE	LOWEST PRICE
1.	April, 2018	8.40	8.40	8.65	8.50
2.	May, 2018	8.40	8.40	8.50	8.50
3.	June, 2018	8.56	8.56	8.65	8.50
4.	July, 2018	8.56	8.39	8.50	8.50
5.	August, 2018	8.82	8.40	8.50	8.45
6.	September, 2018	10.71	8.40	8.85	8.45
7.	October, 2018	9.25	8.80	9.00	8.55
8.	November, 2018	9.13	8.27	9.35	7.20
9.	December, 2018	8.40	7.47	8.80	6.55
10.	January, 2019	8.40	8.00	8.80	8.35
11.	February, 2019	8.80	8.80	8.35	7.95
12.	March, 2019	8.80	8.80	7.95	7.25

F. NSE SYMBOL : DBSTOCKBRO (National Stock Exchange)
BSE CODE : 530393 (Bombay Stock Exchange)

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

H. ISIN : INE921B01025

I. 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.

J. Distribution Schedule as on March 31, 2019

Distribution Schedule

Shareholding Nominal Value of ₹	No. of Shareholders	No. of Shares
Upto 2500	728	168,470
2501-5000	31	111,330
5001-10000	10	69,781
10001-20000	6	97,258
20001-30000	4	105,170
30001-40000	1	38,825
40001-50000	2	91,869
50001-100000	25	1,987,587
100000 & above	44	32,329,710
TOTAL	**851**	**35,000,000**
Category	No of shares	% of Shareholding
Promoter & Promoter Group	10,505,000	30.01%
Others	24,495,000	69.99%
Total	**35,000,000**	**100%**

K. **Dematerialization of Shares:** 3,49,77,000 equity shares representing 99.93 % of total paid up capital in dematerialized form and 23,000 equity shares representing 0.07 % of total paid up capital in physical form as on March 31, 2019.

L. **Address for Correspondence:** Shareholders correspondence may be addressed to the Company Secretary of DB (International) Stock Brokers Limited at its corporate office at 402, New Delhi House, 27, Barakhamba Road, New Delhi-110001, Email id: compliance@dbonline.in

On behalf of the Board of Directors
For DB (International) Stock Brokers Limited

Place: New Delhi
Date: August 13, 2019

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

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

Sd/-
Vishnu Kumar Sharma
(CFO)

Sd/-
Himanshi Mittal
Company Secretary

CEO/CFO CERTIFICATION

Certificate of Managing Director on Financial Statement under

Pursuant to SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015

I, Vishnu Kumar Sharma, Chief Financial Officer hereby certify that:

a. I have reviewed financial statement and the cash flow statement for the financial year ended March 31, 2019 and that to the best of my knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative 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/-

Place: New Delhi **Vishnu Kumar Sharma**

Date: May 29, 2019 **(Chief Financial Officer)**

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office: 756, Sector-23A Gurugram-Haryana-122017

CIN- L67120HR1992PLC035349

Phone: 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 2018-2019.

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.

Sd/-

Place: New Delhi **Shiv Narayan Daga**

Date: May 29, 2019 **(Managing Director)**

DIN: 00072264

Address: B-146, Surajmal Vihar

New Delhi-110092

Certificate on Corporate Governance

TO THE MEMBERS OF
DB (INTERNATIONAL) STOCK BROKERS LIMITED

We have examined the compliance of the conditions of Corporate Governance by DB (International) Stock Brokers Limited ('the Company') for the year ended on March 31, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2019.

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.

Place : New Delhi
Date : May 29, 2019

FOR D BANSAL & ASSOCIATES
PRACTICING COMPANY SECRETARY
Deepika Bansal
ACS- 47810
COP- 17506

AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENT

Chaudhry Vigg James & Co.
CHARTERED ACCOUNTANTS
Z 8, Hauz Khas
New Delhi-110016

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, 2019, 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, 2019, the loss 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 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 Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	***Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)*** The application of the new revenue accounting standard involves certain key judgements 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 recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves 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(J) to the Standalone Financial Statements	***Principal Audit Procedures*** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new 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 new revenue accounting standard. ♦ Selected a sample of continuing and new contracts and performed the following procedures: ♦ Read, analysed 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. ♦ 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	***Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates*** 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.	***Principal Audit Procedures*** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • 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 unauthorised 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 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.
3	***Evaluation of uncertain tax positions*** The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 29 to the standalone financial statements	***Principal Audit Procedures*** Obtained details of completed tax assessments and demands for the year ended March 31, 2019 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. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.
4	***Recoverability of Indirect tax receivables***	***Principal Audit Procedures*** We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.

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 mis-statement 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 mis-statement, 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 mis-statement, 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 mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

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

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

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

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

Report on other legal and regulatory requirements

1. 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

   (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 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 Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

ii. The Company 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 Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of 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")

We have audited the Internal Financial Controls over financial reporting of **DB (INTERNATIONAL) STOCK BROKERS LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 judgement, including the assessment of the risks of material mis-statement 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company'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 mis-statements 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, 2019, 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 Chaudhry Vigg James & Co.
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

(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) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the Standalone Financial Statements, the lease agreements are in the name of the Company.

(ii) The Company is a service company, accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to the parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

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

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) The disputed income tax matters include tax demands from tax authorities for assessment years 2013-2014 and 2011-2012. The Company has filed appeals and the appeals are pending before the appellate authority. 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.

(viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.

(ix) The company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) and term loans, and hence reporting under clause 3(ix) of the order is not applicable to the company.

(x) To the best our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence 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) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

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

For Chaudhry Vigg James & Co
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended March 31, 2019

1. Background of the Reporting entity

DB (International) Stock Brokers Limited (the 'Company'), a Public Limited Listed Company is engaged in stock brocking and depository participant services of CDSL. The Company is domiciled in India and its registered office is situated at 756, Sector 23-A Gurugram, Haryana-122017

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, 2019 were authorized and approved for issue by the Board of Directors on May 29, 2019.

ii) Current versus non-current classification

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

An asset is treated as current when it is:

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

A liability is treated as current when:

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

The Company classifies all other liabilities as non-current.

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

iii) Basis of measurement

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

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

iv) Use of Estimates and Judgements

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

Estimates and underlying assumptions are reviewed on an ongoing 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, 2019 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;

B. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS - 116 - Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS-116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12. The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment features with negative compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan amendment, curtailment or settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business combinations and Ind AS 111 – joint arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

C. 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 is 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 subsidiaries

Investments in equity instruments of subsidiary/associate are 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.

D. 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.

E. 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.

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 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.

F. 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 six years.

Gains or losses arising from derecognition 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.

G. Employee benefits

Short-term employee benefits:

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

Long-term employee benefits:

i. *Defined contribution plans:*

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

ii. *Defined benefit plans:*

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

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

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

Remeasurements 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.

H. Exceptional items

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

I. 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:

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.

J. 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.

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.

K. Leases

i. Determining whether an arrangement contains a lease:

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on re-assessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases:

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

iii. Lease payments:

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives (if any) received are recognised as an integral part of the total lease expense over the term of the lease.

L. 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.

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.

M. 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 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.

N. 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.

O. 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.

P. 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.

Q. 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.

R. 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.

S. 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
Standalone Balance Sheet as at March 31, 2019
Regd. Office: 756, Sector 23A, Gurugram, Haryana-122017
CIN: L67120HR1992PLCO35349
www.dbonline.in

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
		₹	₹
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	6,086,436	35,110,639
Intangible assets	3(b)	245,107	656,848
Financial assets:			
Investments	4(i)	18,427,400	18,677,400
Other financial assets	4(ii)	8,415,000	7,815,000
Deferred tax assets (net)	5	13,295,092	1,502,494
Income tax assets (net)	6	1,221,544	1,221,544
Other non-current assets	7	17,067,000	45,767,000
Total Non-current assets		**64,757,579**	**110,750,925**
Current assets			
Inventories	8	-	-
Financial assets:			
Trade receivables	9(i)	13,832,413	2,743,609
Cash and cash equivalents	9(ii)	35,143,042	83,011,666
Bank balances other than above	9(iii)	333,432,569	240,655,515
Other financial assets	9(iv)	63,939,178	33,972,393
Current tax assets (net)	10	2,409,008	39,596
Other current assets	11	4,188,139	901,047
Total current assets		**452,944,349**	**361,323,826**
TOTAL ASSETS		**517,701,928**	**472,074,751**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	70,000,000	70,000,000
Other equity	13	318,041,124	343,654,830
Total equity		**388,041,124**	**413,654,830**
Non-current liabilities			
Provisions	14	3,122,418	2,562,016
Total non-current liabilities		**3,122,418**	**2,562,016**
Current liabilities			
Financial liabilities:			
Short-term borrowings	15(i)	-	-
Trade payables:			
- to micro, small and medium enterprises	15(ii)	-	-
- to others	15(ii)	111,795,685	52,691,915
Other financial liabilities	15(iii)	13,807,011	2,764,050
Other current liabilities	16	787,985	337,459
Provisions	17	147,705	64,481
Total current liabilities		**126,538,386**	**55,857,905**
Total liabilities		**129,660,804**	**58,419,921**
TOTAL EQUITY AND LIABILITIES		**517,701,928**	**472,074,751**

Significant accounting policies	**1-2**
The accompanying notes are an integral part of the financial statements	**2-35**

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Place: New Delhi
Date: May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Himanshi Mittal
Company Secretary

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		₹	₹
Revenue from operations	18	18,359,280	58,734,634
Other income	19	1,325,000	74,833
Total income		**19,684,280**	**58,809,467**
Expenses			
Employee benefits expense	20	23,702,589	24,769,754
Finance costs	21	1,815,848	1,194,901
Depreciation and amortisation expense	22	2,782,279	961,573
Other expenses	23	23,363,413	23,112,517
Total expenses		**51,664,129**	**50,038,745**
(Loss)/ profit before exceptional items and tax		**(31,979,849)**	**8,770,722**
Exceptional items:	24		
Loss on sale of property, plant and equipment		(5,565,199)	-
(Loss)/ profit before tax		**(37,545,048)**	**8,770,722**
Tax expense:	25		
Current tax (including earlier years)		(18,539)	2,477,356
Deferred tax (credit)/expense		(11,825,212)	321,783
Total tax expense		**(11,843,751)**	**2,799,139**
(Loss)/ profit for the year		**(25,701,297)**	**5,971,583**
Other comprehensive Income	26		
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		127,312	59,995
Income tax relating to these items		(39,721)	(18,538)
Other comprehensive income for the year, net of tax		**87,591**	**41,457**
Total comprehensive income for the year		**(25,613,706)**	**6,013,040**
(Loss)/earnings per equity share before exceptional items (Basic and Diluted)	**27**	**(0.62)**	**0.17**
(Loss)/earnings per equity share after exceptional items (Basic and Diluted)		**(0.73)**	**0.17**
Significant accounting policies	**1-2**		
The accompanying notes are an integral part of the financial statements	**2-35**		

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Place: New Delhi
Date: May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Himanshi Mittal
Company Secretary

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Standalone Statement of changes in equity for the year ended March 31, 2019

A) Change in equity share capital	(In ₹) Amounts
Balance as at April 1, 2017	**70,000,000**
Changes in equity share capital during the year	-
Balance as at March 31, 2018	**70,000,000**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**70,000,000**

B) Changes in other equity
For the year ended March 31, 2019

Particulars	Reserves and surplus			Total
	Securities premium account	General reserve	Retained earnings	
As at April 1, 2018	**76,000,000**	**28,648,432**	**239,006,398**	**343,654,830**
Profit for the year	-	-	(25,701,297)	(25,701,297)
Other comprehensive income:				
Impact of re-measurement of post employment benefit obligations	-	-	87,591	87,591
Total comprehensive income	-	-	**(25,613,706)**	**(25,613,706)**
As at March 31, 2019	**76,000,000**	**28,648,432**	**213,392,692**	**318,041,124**

For the year ended March 31, 2018

Particulars	Reserves and surplus			Total
	Securities premium account	General reserve	Retained earnings	
As at April 1, 2017	**76,000,000**	**28,648,432**	**232,993,358**	**337,641,790**
Profit for the year	-	-	5,971,583	5,971,583
Other comprehensive income:				
Impact of re-measurement of post employment benefit obligations	-	-	41,457	41,457
Total comprehensive income	**-**	**-**	**6,013,040**	**6,013,040**
As at March 31, 2018	**76,000,000**	**28,648,432**	**239,006,398**	**343,654,830**

a) Securities premium account: This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

b) General reserve: This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

c) Retained earnings: This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Sd/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Standalone Cash Flow Statement for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹	₹
Cash flow from operating activities:		
Net profit before taxation	(37,545,048)	8,770,722
Adjustments for:		
Depreciation and amortisation expense	2,782,279	961,573
(Gain)/loss on disposal of investments	(1,325,000)	-
Loss/(gain) on disposal of property, plant and equipment	5,565,199	(74,833)
Finance costs	169,111	35,610
Operating (loss)/profit before working capital changes	**(30,353,459)**	**9,693,072**
Change in operating assets and liabilities:		
Change in other financial assets (non-current)	(600,000)	-
Change in trade receivables	(11,088,804)	462,412
Change in other financial assets (current)	(49,766,786)	(7,570,204)
Change in other current assets	(3,287,092)	249,289
Change in provisions	770,938	627,882
Change in trade payables	59,103,770	28,363,928
Change in other financial liabilities	11,042,961	(452,258)
Change in other current liabilities	450,526	301,815
Cash (used in) /generated from operations	**(23,727,946)**	**31,675,936**
Direct taxes paid	(2,657,980)	(1,654,574)
Net cash inflow (used in)/generated from operating activities	**(26,385,926)**	**30,021,362**
Cash flows from investing activities		
Net proceeds from/ (Investment in) property, plant and equipment and capital advances	50,088,467	58,690,498
Net proceeds from/ (Investment in) associate company	1,575,000	-
Share application money paid for investment in subsidiary	-	(12,500,000)
Net (Investment in)/ proceeds from bank deposits and other balances	(72,977,054)	(93,844,980)
Net cash (used in) investing activities	**(21,313,587)**	**(47,654,482)**
Cash flows from financing activities:		
Finance cost paid	(169,111)	(35,610)
Net cash (used in) financing activities	**(169,111)**	**(35,610)**
Cash and cash equivalents at the beginning of the financial year	83,011,666	100,680,396
Net (decrease) in cash and cash equivalents	(47,868,624)	(17,668,730)
Cash and cash equivalents at end of the year	**35,143,042**	**83,011,666**
Cash and cash equivalents include:		
Balance with bank in current accounts	34,970,526	82,883,762
Cash on hand	172,516	127,904
	35,143,042	**83,011,666**

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Sd/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2019

(In ₹)

Particulars	3(a) Property, Plant and Equipment						3(b) Intangible Assets
	Building	Computer	Furniture & Fixtures	Vehicles	Office Equipment	Total	Computer software
Gross Block							
As at April 1, 2018	**29,664,020**	**1,269,128**	**188,379**	**3,671,202**	**2,003,802**	**36,796,531**	**890,626**
Additions during the year	-	2,653,767	-	-	62,164	2,715,931	-
Sales/Adjustments	29,664,020	-	-	-	-	29,664,020	234,783
As at March 31, 2019	**-**	**3,922,895**	**188,379**	**3,671,202**	**2,065,966**	**9,848,442**	**655,843**
Accumulated depreciation							
As at April 1, 2019	15,832	**386,143**	**119,606**	**417,257**	**747,054**	**1,685,892**	**233,778**
Charge for the year	513,375	786,892	15,797	1,016,207	273,051	2,605,321	176,958
Sales/Adjustments	529,207	-	-	-	-	529,207	-
As at March 31, 2019	**-**	**1,173,035**	**135,403**	**1,433,464**	**1,020,105**	**3,762,006**	**410,736**
Net Block							
As at March 31, 2019	-	2,749,860	52,977	2,237,738	1,045,861	6,086,436	245,107
As at March 31, 2018	29,648,188	882,985	68,773	3,253,945	1,256,748	35,110,639	656,848
Gross Block							
As at April 1, 2017	-	**650,128**	**188,379**	**902,837**	**1,709,935**	**3,451,279**	**580,843**
Additions during the year	29,664,020	619,000	-	2,946,510	293,867	33,523,397	309,783
Sales/Adjustments	-	-	-	178,145	-	178,145	-
As at March 31, 2018	29,664,020	**1,269,128**	**188,379**	**3,671,202**	**2,003,802**	**36,796,531**	**890,626**
Accumulated depreciation							
As at April 1, 2017	-	187,315	74,844	298,915	443,448	1,004,522	63,023
Charge for the year	15,832	198,828	44,762	227,790	303,606	790,818	170,755
Sales/Adjustments	-	-	-	109,448	-	109,448	-
As at March 31,2018	**15,832**	**386,143**	**119,606**	**417,257**	**747,054**	**1,685,892**	**233,778**
Net Block							
As at March 31, 2018	29,648,188	**882,985**	**68,773**	**3,253,945**	**1,256,748**	**35,110,639**	**656,848**
As at March 31, 2017	-	**462,813**	**113,535**	**603,922**	**1,266,487**	**2,446,757**	**517,820**

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2019

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
4	**Financial assets (non-current)**		
(i)	**Trade investments:**		
	In Equity instrument of subsidiary company (Unquoted)		
	-Daga Business (International) Stock Brokers (IFSC) Private Limited	12,500,000	12,500,000
	12,50,000 (Previous Year 12,50,000) Equity Shares of ₹ 10/- each fully paid up		
	Non-trade investments: In Equity instrument of associate company (Unquoted) (at cost):		
	Flourishing Apartments Private Limited 1,050 (previous year 3,550) equity shares of ₹ 100 each fully paid up	105,000	355,000
	In Equity instrument of other company (Quoted) (at cost): Effingo Textile & Trading Limited (Formerly known as Malti Textile Mills Limited)*	5,822,400	5,822,400
	58,22,400 (previous year 58,22,400) equity shares of ₹ 1 each fully paid up		
	Total investments	**18,427,400**	**18,677,400**
	Aggregate book value of quoted investment*	7,185,824	7,185,824
	Aggregate amount of unquoted investments	355,000	355,000
	Total investments	**7,540,824**	**7,540,824**
	*Book value as at March 31, 2017 has been taken as reference for fair value because the equity share was last traded on January 06, 2015. The book value is approximately close to fair value and therefore the instrument has been valued at cost. - All the investments in equity shares of subsidiary and associate are measured as per Ind AS-27 “Separate Financial Statements”. - Owing to the dilution in shareholding in Flourishing Apartments Private Limited, it ceased to be an associate w.e.f. February 20, 2019.		
(ii)	**Other financial assets Unsecured, considered good:**		
	Security deposits	890,000	890,000
	Membership deposits	7,525,000	6,925,000
	Total other financial assets	**8,415,000**	**7,815,000**
5	**Deferred tax assets (net)**		
	Deferred tax liabilities arising on account of:		
	Difference in written down value of fixed assets	(60,078)	(619,066)
	Deferred tax assets arising on account of:		
	Provision for post employment benefit obligations	1,020,278	811,588
	Business loss	9,322,230	-
	Unabsorbed depreciation	600,718	-
	Short term capital loss	1,094,864	-
		11,978,013	192,521
	MAT credit entitlement	1,317,079	1,309,973
	Total deffered tax assets (net)	**13,295,092**	**1,502,494**

5(a)	Movement in deferred tax assets	March 31, 2018	Utilisation of MAT credit	Recognised other comprehensive income	Recognised in profit and loss	March 31, 2019
	Deferred tax liabilities arising on account of:					
	Difference in written down value of property, plant and equipment	(619,066)	-	-	558,988	(60,078)
	Deferred tax assets arising on account of:					
	Provision for post employment benefit obligations	811,588	-	(39,721)	248,412	1,020,278
	Business loss	-	-	-	9,322,230	9,322,230
	Unabsorbed depreciation	-	-	-	600,718	600,718
	Short-term capital loss	-	-	-	1,094,864	1,094,864
		192,521	-	(39,721)	11,825,212	11,978,013
	MAT credit entitlement	1,309,973	7,106	-	-	1,317,079
	Total movement in diferred tax assets	**1,502,494**	**7,106**	**(39,721)**	**11,825,212**	**13,295,092**

5(b)	Movement in deferred tax assets	March 31, 2017	Utilisation of MAT credit	Recognised other comprehensive income	Recognised in profit and loss	March 31, 2018
	Deferred tax liabilities arising on account of:					
	Difference in written down value of property, plant and equipment	(147,734)	-	-	(471,332)	(619,066)
	Deferred tax assets arising on account of:					
	Provision for post employment benefit obligations	680,576	-	(18,538)	149,550	811,588
	Business loss	-	-	-	-	-
	Unabsorbed depreciation	-	-	-	-	-
	Short term capital loss	-		-	-	-
		532,842	-	(18,538)	(321,783)	192,521
	MAT credit entitlement	2,092,496	(782,523)	-	-	1,309,973
	Total movement in diferred tax assets	**2,625,338**	**(782,523)**	**(18,538)**	**(321,783)**	**1,502,494**

		As at March 31, 2019	As at March 31, 2018
		₹	₹
6	**Income tax assets (net)**		
	Unsecured, considered good:		
	Income tax refundable (net)	1,221,544	1,221,544
	Total income tax assets (net)	**1,221,544**	**1,221,544**
7	**Other non-current assets**		
	Unsecured, considered good:		
	Capital advances (refer note 34)	10,100,000	39,100,000
	Income tax deposited under protest (refer note 29)	6,967,000	6,667,000
	Total other non-current assets	**17,067,000**	**45,767,000**
8	**Inventories**		
	(At lower of cost and NRV)		
	Stock-in-trade (securities)	-	-
	Total inventories	**-**	**-**

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
9	**Financial assets (current)**		
(i)	**Trade receivables:**		
	Trade receivables outstanding for a period less than six months from the date they are due for payment:		
	Secured, considered good	3,320,345	7,464,137
	Trade receivables outstanding for a period more than six months from the date they are due for payment:		
	Secured, considered good	10,512,068	279,473
	Total trade receivable	**13,832,413**	**2,743,609**
(ii)	**Cash and cash equivalents:**		
	Balance with bank in current accounts	34,970,526	82,883,762
	Cash on hand	172,516	127,904
	Total cash & cash equivalents	**35,143,042**	**83,011,666**
(iii)	**Bank balances other than (ii) above** **Fixed deposits with original maturity within 3 months:**		
	-As margin money against overdraft (refer note 15 (iii))	-	11,300,000
	-Under lien with exchange	-	45,900,000
	Fixed deposits with original maturity within 3 to 12 months:		
	-As margin money against overdraft (refer note 15 (iii))	69,500,000	43,700,000
	-Under lien with exchange	263,750,000	139,450,000
	Earmarked balances: -Unclaimed dividend account	182,569	305,515
	Total bank balances	**333,432,569**	**240,655,515**
(iv)	**Other financial assets** **Unsecured, considered good:**		
	Receivable from subsidiary company	764,747	664,747
	Security deposits	-	252,000
	Additional base capital	5,188,814	11,920,000
	Interest accrued	1,374,105	1,335,646
	Deferred option premium	55,111,638	-
	Derivative asset recoverable [at fair value]	1,499,874	-
	Fixed deposits with original maturity more than 12 months:		
	-Under lien with exchange	-	19,800,000
	Total other Financial Assets	**63,939,178**	**33,972,393**
10	**Current tax assets/(liabilities) (net)**		
	Current tax assets		
	TDS receivable	2,409,008	1,722,289
	MAT credit utilised	(7,106)	782,523
		2,401,902	**2,504,812**
	Current tax liabilities		
	Provision for income tax	(7,106)	2,465,216
		(7,106)	**2,465,216**
	Total current tax assets/(liabilities) (net)	**2,409,008**	**39,596**

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
11	**Other current assets**		
	Advances other than capital advances:		
	Unsecured, considered good		
	Prepaid expenses	3,514,279	653,455
	Receivable from exchanges	568,724	221,572
	Other advances	105,137	26,020
	Total other current assets	**4,188,139**	**901,047**
12	**Equity share capital**		
	Authorised share capital	100,000,000	100,000,000
	50,000,000 (previous year 50,000,000) equity shares of ₹ 2 each		
		100,000,000	**100,000,000**
	Issued, subscribed and paid up capital	70,000,000	70,000,000
	35,000,000 (previous year 35,000,000) equity shares of ₹ 2 each fully paid up)		
		70,000,000	**70,000,000**
(i)	**Movements in equity share capital**		
		Number of shares	**Equity share capital (par value)**
	Balance as at the beginning of the period	35,000,000	35,000,000
	Add: Issued during the period	-	-
	Balance as at the end of the period	**35,000,000**	**70,000,000**
(ii)	**Terms/rights attached to equity shares** The Company has one class of equity shares having a par value of ₹ 2 per equity 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.		
(iii)	**Details of shareholders holding more than 5% shares of the company #**		
		Number of shares	**Number of shares**
	New KMS Finance Private Limited	5,846,544	-
	Shiv Narayan Daga	5,780,000	5,780,000
	Sharda Daga	2,048,000	2,048,000
	Guru Kirpa Finvest Limited	122,770	4,464,000
	Sharma Gandhi Hire Purchase Limited	-	3,596,106
		% holding	**% holding**
	New KMS Finance Private Limited	16.70	-
	Shiv Narayan Daga	16.51	16.51
	Sharda Daga	5.85	5.85
	Guru Kirpa Finvest Limited	0.35	12.75
	Sharma Gandhi Hire Purchase Limited	-	10.27
(iv)	*# As per the records of the Company, including register of members* 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.		

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
13	**Other equity**		
(i)	**Securities premium account**		
	Balance as at the beginning of the year	76,000,000	76,000,000
	Balance as at the end of the year	**76,000,000**	**76,000,000**
(ii)	**Other reserves**		
	General Reserve		
	Balance as at the beginning of the year	28,648,432	28,648,432
	Add: transferred from surplus in the Statement of Profit and Loss	-	-
	Balance as at the end of the year	**28,648,432**	**28,648,432**
(iii)	**Retained earnings**		
	Balance as at the beginning of the year	239,006,398	232,993,358
	Profit for the year	(25,701,297)	5,971,583
	Items of OCI recognised	87,591	41,457
	Balance as at the end of the year	**213,392,692**	**239,006,398**
	Total reserves and surplus	**318,041,124**	**343,654,830**
14	**Long-term Provisions**		
	Provision for defined benefit obligations :		
	Provision for gratuity (refer to note 30)	3,122,418	2,562,016
	Total long-term provisions	**3,122,418**	**2,562,016**
15	**Financial liabilities (current)**		
(i)	**Bank overdraft (secured)***	-	-
		-	-
	*** The Company has taken secured bank overdraft facility with limit upto ₹ 6.95 crores as on March 31, 2019 (₹ 5.50 crores as on March 31, 2018). The key terms are as mentioned below:** - Nature : Overdraft limit - Rate : Highest fixed deposit rate plus 1% (as on March 31, 2019 - 9%) - Tenor : Repayable on demand - Secured : Against fixed deposits with banks held as margin money		
(ii)	**Trade payables**		
	- Due to micro, small and medium enterprises	-	-
	- Due to others	111,795,685	52,691,915
		111,795,685	**52,691,915**
(iii)	**Other financial liabilities**		
	Retention of deposits	-	222,056
	Deferred option premium	11,205,721	-
	Unclaimed dividend^	182,569	305,515
	Other payables	2,418,721	2,236,479
		13,807,011	**2,764,050**
	There was unpaid dividend amount as on March 31, 2018 of ₹ 3,05,515/- outstanding against dividend declared during the financial years 2010-2011 and 2011-12. Out of which, unpaid dividend of ₹ 1,22,946/- for the financial year 2010-2011 was transferred to "Investor Education and Protection Fund" during the financial year 2018-2019. The unpaid dividend amount balance of ₹ 1,82,569/- as on March 31, 2019 has been maintained in titled "Indusind Dividend Account" with Indusind bank.		
16	**Other current liabilities**		
	Statutory dues payable	787,985	337,459
	Total other current liabilities	**787,985**	**337,459**
17	**Short-term provisions**		
	Provision for employee benefits:		
	Provision for gratuity (refer to note 30)	147,705	64,481
	Total short term provisions	**147,705**	**64,481**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
18	**Revenue from operations**		
	Sale of services:		
	Brokerage and related income	32,805,475	28,721,125
	Income from trading in securities (net)	(37,715,150)	13,789,529
	Interest income on financial assets (fixed deposits)	23,268,955	16,223,980
	Total revenue	**18,359,280**	**58,734,634**
19	**Other income**		
	Profit on sale of investment in associate	1,325,000	-
	Profit on sale of property, plant and equipment	-	74,833
	Total other income	**1,325,000**	**74,833**
20	**Employee benefits expense**		
	Salaries and other allowances	22,067,788	23,271,638
	Contribution to provident and other funds (refer note 30)	727,702	573,092
	Post employement benefit obligation (Gratuity)	770,938	753,882
	Staff welfare expenses	136,161	171,142
	Total employee benefit expense	**23,702,589**	**24,769,754**
21	**Finance costs**		
	Interest	169,111	35,610
	Bank guarantee commission	1,646,736	1,159,291
	Total finance costs	**1,815,848**	**1,194,901**
22	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3(a))	2,605,321	790,818
	Amortisation of intangible assets (refer note 3(b))	176,958	170,755
	Total depreciation and amortisation expense	**2,782,279**	**961,573**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
23	**Other Expenses**		
	Stock exchange expenses	4,470,109	1,937,642
	Depository charges	387,722	528,451
	Client introduction charges	2,963,473	3,957,469
	Power and water charges	1,061,467	1,160,183
	Rent	1,137,700	2,144,235
	Repairs and maintenance:		
	- Computer	818,504	399,251
	- Vehicle	193,156	163,439
	- Office	181,928	284,588
	- Others	286,442	662,754
	Rates and taxes	4,000,723	3,679,770
	Travelling and conveyance	43,820	155,437
	Legal and professional	4,181,600	4,509,142
	Fees and subscription	580,409	520,122
	Insurance	65,019	38,690
	Annual maintenance charges	296,814	538,822
	Communication expenses	2,412,204	2,011,541
	Printing and stationery	229,783	320,663
	Miscellaneous expenses	52,541	100,319
	Total other expenses	**23,363,413**	**23,112,517**
23(i)	**Legal and professional expenses include payment to auditor**		
	As auditor*:		
	Audit fee	15,150	15,150
	Limited review	5,000	5,000
	Tax audit	10,000	10,000
	Total	**30,150**	**30,150**
	*** exclusive of service tax/ GST**		
24	**Exceptional items**		
	Loss on sale of property, plant and equipment*	5,565,199	-
	Total exceptional items	**5,565,199**	**-**
25	**Income tax (credit)/expense**		
	Current tax		
	- Current tax (including earlier years)	(18,539)	2,477,356
	Total current tax (credit)/expense	**(18,539)**	**2,477,356**
	Deferred tax		
	- Deferred tax (credit)/ expense	(11,825,212)	321,783
	Total deferred tax (credit)/ expense	(11,825,212)	321,783
	Total income tax (credit)/expense	**(11,843,751)**	**2,799,139**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
25(a)	**Effective tax reconciliation**		
	(Loss)/profit before tax	**(37,545,048)**	**8,770,722**
	(Deferred tax credit)/income tax expense in profit and loss as per effective tax rate#	(11,714,055)	2,710,153
(i)	Impact of other comprehensive income	39,721	18,538
(ii)	Impact of change in tax rate for earlier year for deferred tax	1,869	49,560
(iii)	Impact of taxes of earlier years	(18,538)	12,140
(iv)	Impact of other miscellaneous items	(152,748)	8,747
	Expected tax after adjustments	**(11,843,751)**	**2,799,139**
	As per Statement of Profit and Loss		
	Tax charged to Statement of Profit and Loss:		
	Current tax (including earlier years)	(18,539)	2,477,356
	Deferred tax (credit)/charge	(11,825,212)	321,783
		(11,843,751)	**2,799,139**
	#The tax rate used for the financial year 2018-19 reconciliations above is the corporate tax rate of 31.20% payable on taxable profits under the Income Tax Act, 1961.		
26	**Other comprehensive income**		
	Items that will not be reclassified to profit or loss		
	Remeasurement of post employment benefit obligations	127,312	59,995
	Income tax relating to these items	(39,721)	(18,538)
		87,591	**41,457**
27	**(Loss)/ earnings per equity share (basic and diluted)**		
	Total number of equity shares outstanding during the year	35,000,000	35,000,000
	Weighted average number of equity shares for basic and diluted earnings per share (face value of ₹ 2 per share)	35,000,000	35,000,000
	(Loss)/ profit before OCI attributable to equity shareholders' before exceptional items (for basic and diluted earning)	(21,872,440)	5,971,583
	(Loss)/ earnings per equity share before exceptional items (basic and diluted)	**(0.62)**	**0.17**
	(Loss)/ profit before OCI attributable to equity share-holders' after exceptional items (for basic and diluted earning)	(25,701,297)	5,971,583
	(Loss)/ earnings per equity share after exceptional items (basic and diluted)	**(0.73)**	**0.17**
28	**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.		

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
	Claims against the company not acknowledged as debts		
	Income tax matter, disputed and under appeal*	45,916,620	44,440,260
		45,916,620	**44,440,260**
	*The above amount includes demand from tax authorities for assessment years 2013-2014 and 2011-2012. The Company has filed an appeal and the appeal is pending before the appellate authority. 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.		
30	**Post-employment benefit plans**		
i)	The Company has a defined benefit gratuity plan (unfunded). 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, 2019	**For the year ended March 31, 2018**
		₹	₹
a.	**Changes in defined benefit obligation**		
	Liability at the beginning of the year	2,626,497	2,058,610
	Interest cost	203,554	159,542
	Current service cost	567,384	594,340
	Benefits paid (if any)	-	(126,000)
	Actuarial (gain)/loss	(127,312)	(59,995)
	Liability at the end of the year	**3,270,123**	**2,626,497**
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	129,841	(45,169)
	Experience adjustment (gain)/ loss for plan liabilities	(257,153)	(14,826)
	Total amount recognized in other comprehensive income	**(127,312)**	**(59,995)**
c.	**Key results (the amount to be recognized in the balance sheet):**		
	Present value of the obligation at the end of the period	3,270,123	2,626,497
	Fair value of plan assets at end of period	-	-
	Net liability/(asset) recognized in balance sheet and related analysis	3,270,123	2,626,497
	Funded status	(3,270,123)	(2,626,497)
d.	**Expense recognized in the statement of profit and loss:**		
	Interest cost	203,554	159,542
	Current service cost	567,384	594,340
	Past service cost	-	-
	Expected return on plan asset	-	-
	Expenses to be recognized in statement of profit and loss	**770,938**	**753,882**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
e.	**Other comprehensive (income) / expenses (remeasurement)**		
	Actuarial (gain)/loss - obligation	(127,312)	(59,995)
	Actuarial (gain)/loss - plan assets	-	-
	Total actuarial (gain)/loss	**(127,312)**	**(59,995)**
	Cumulative total actuarial (gain)/loss	**(187,307)**	**(59,995)**
f.	**Net interest cost**		
	Interest cost on defined benefit obligation	203,554	-
	Interest income on plan assets	-	-
	Net interest Cost (income)	**203,554**	**-**
g.	**Experience adjustmen**t:		
	Experience adjustment (gain)/ loss for plan liabilities	(257,153)	(14,826)
	Experience adjustment gain/ (loss) for plan assets	-	-
h.	**Summary of membership data at the date of valuation and statistics based thereon:**		
	Number of employees	38	48
	Total monthly salary	1,573,840	1,651,540
	Average past service (years)	5.5	4.3
	Average future service (years)	18.3	18.9
	Average age (years)	41.7	41.1
	Weighted average duration (based on discounted cash flows) in years	16	18
	Average monthly salary	41,417	34,407
i.	**The assumptions employed for the calculations are tabulated:**		
	Discount rate	7.75 % per annum	7.50 % per annum
	Salary growth rate	5.00 % per annum	5.00 % per annum
	Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
	Withdrawal rate (per annum)	5.00% p.a. (18 to 30 Years)	5.00% p.a. (18 to 30 Years)
	Withdrawal rate (per annum)	3.00% p.a. (30 to 44 Years)	3.00% p.a. (30 to 44 Years)
	Withdrawal rate (per annum)	2.00% p.a. (44 to 60 Years)	2.00% p.a. (44 to 60 Years)
	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.		

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
j.	**Benefits valued:**		
	Normal retirement age	60 years	60 years
	Salary	Last drawn qualifying salary	Last drawn qualifying salary
	Vesting period	5 Years of service	5 Years of service
	Benefits on normal retirement	15/26 * Salary * Past Service (year)	15/26 * Salary * Past Service (year)
	Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
	Maximum limit	2,000,000	1,000,000
k.	**Current liability (*expected payout in next year as per schedule III to the Companies Act, 2013) :**		
	Current liability (short term)*	147,705	64,481
	Non current liability (long term)	3,122,418	2,562,016
	Total liability	**3,270,123**	**2,626,497**

		As at March 31, 2019
l.	**Effect of plan on entity's future cash flows**	
i)	**Funding arrangements and funding policy**	
	Not applicable	
ii)	**Estimate of expected benefit payments (In absolute terms i.e. undiscounted) Year**	₹
	April 01, 2019 to March 31, 2020	259,570
	April 01, 2020 to March 31, 2021	143,997
	April 01, 2021 to March 31, 2022	156,349
	April 01, 2022 to March 31, 2023	289,067
	April 01, 2023 to March 31, 2024	157,363
	April 01, 2024 onwards	2,263,777

iii) Sensitivity analysis: Significant actuarial assumptions for the determination of the defined benefit obligations 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 obligations 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 at March 31, 2019**
Defined benefit obligations (base)	32,70,123 @ Salary Increase Rate : 5%, and discount rate :7.75%
Liability with x% increase in discount rate	30,06,917; x=1.00% [change (8)%]
Liability with x% decrease in discount rate	35,73,700; x=1.00% [change 9%]
Liability with x% increase in salary growth rate	35,78,620; x=1.00% [change 9%]
Liability with x% decrease in salary growth rate	29,97,988; x=1.00% [change (8)%]
Liability with x% increase in withdrawal rate	33,12,166; x=1.00% [change 1%]
Liability with x% decrease in withdrawal rate	32,20,325; x=1.00% [change (2)%]

m. 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 increased will increase the plan's liability. Increase in salary increased 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 ₹ 7.27 lacs (previous year ₹ 5.73 lacs) towards provident fund, a defined contribution plan.

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

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

31 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) Associate:

Flourishing Apartments Private Limited (till February 20, 2019)

(c) 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, appointed on August 17, 2018) (Daughter of Mr. Shiv Narayan Daga)

Mr. Vishnu Kumar Sharma (CFO) (resigned on August 10, 2018 & reappointed on February 07, 2019)

Ms. Himanshi Mittal (Company Secretary & Compliance Officer) (joined on March 06, 2018)

(i) Transactions with related parties:	Year ended March 31, 2019	Year ended March 31, 2018
	₹	₹
(a) Salary and Allowances:		
Mr. Shiv Narayan Daga (Managing Director)	2,100,000	1,600,000
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)	2,100,000	1,616,000
Ms. Sheetal Periwal (Executive Vice President, appointed on August 17, 2018) (Daughter of Mr. Shiv Narayan Daga)	1,050,000	-
Mr. Vishnu Kumar Sharma (CFO) (resigned on August 10, 2018 & reappointed on February 07, 2019)	1,045,000	276,000
Ms. Himanshi Mittal (Company Secretary & Compliance Officer) (joined on March 06, 2018)	298,287	22,000
	-	341,749
	6,591,287	**3,855,749**
(b) Defined Contribution plan:		
Mr. Shiv Narayan Daga (Managing Director)	504,000	384,000
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)	504,000	234,000
Ms. Sheetal Periwal (Executive Vice President, appointed on August 17, 2018) (Daughter of Mr. Shiv Narayan Daga)	252,000	-
	1,260,000	**618,000**
(c) Rent:		
Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)	264,000	348,000
	264,000	**348,000**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
(d)	**Reimbursement of expenses (recoverable)**		
	Daga Business (International) Stock Brokers (IFSC) Private Limited	100,000	664,747
		100,000	**664,747**
(e)	**Share subscription money paid:**		
	Daga Business (International) Stock Brokers (IFSC) Private Limited	-	12,500,000
		-	**12,500,000**
(ii)	**Closing balance as at the year end:**		
	(a) Reimbursement of expenses (recoverable)		
	Daga Business (International) Stock Brokers (IFSC) Private Limited	764,747	664,747
		764,747	**664,747**

32 Financial instruments by category

Particulars	Fair value hierarchy (levels)	March 31, 2019		March 31, 2018	
		FVTPL	Amortised cost*	FVTPL	Amortised cost*
Financial assets					
Investments (non current)	3	-	18,427,400	-	1,86,77,400
Other financial assets (non current)	3	-	8,415,000	-	7,815,000
Trade receivables	3	-	13,832,413	-	2,743,609
Cash and cash equivalents	3	-	35,143,042	-	8,3011,666
Bank balance other than above	3	-	333,432,569	-	240,655,515
Derivative instruments not designated as hedging instruments	2	56,611,512	-	-	-
Other financial assets (current)	3	-	7,327,666	-	33,972,393
Total financial assets		**56,611,512**	**416,578,090**		**386,875,583**
Financial liabilities					
Trade payables	3	-	111,795,685	-	52,691,915
Derivative instruments not designated as hedging instruments	2	11,205,721	-	-	-
Other financial liabilities	3	-	2,601,290	-	2,764,050
Total financial liabilities		**11,205,721**	**114,396,975**		**55,455,965**

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

Fair value hierarchy
Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:
Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities. [Though, presently the Company does not have any Level 1 financial instruments.]

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

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Derivatives [Call & Put options, Un-hedged] are valued using valuation techniques with market observable inputs and these are Marked to Market based on prevailing quoted rates, as applicable.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.
The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.
There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year. [Though, presently the Company does not have any Level 1 financial instruments.]

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

32(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.

32(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.

32(c) **Price risk:** The Company has open positions in derivatives [Call & Put options, Un-hedged] and these are open to volitality in market.

32(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.

33 **Financial instruments and cash deposits**

March 31, 2019 **In ₹**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Investments (non current)	18,427,400	-	18,427,400
Other financial assets (non current)	8,415,000	-	8,415,000
Trade receivables	13,832,413	-	13,832,413
Cash and cash equivalents	35,143,042	-	35,143,042
Bank balance other than above	333,432,569	-	333,432,569
Derivative instruments not designated as hedging instruments	56,611,512	-	56,611,512
Other financial assets (current)	7,327,666	-	7,327,666

	March 31, 2018			In ₹
	Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount**
	Investments (non current)	18,677,400	-	18,677,400
	Other financial assets (non current)	7,815,000	-	7,815,000
	Trade receivables	2,743,609	-	2,743,609
	Cash and cash equivalents	83,011,666	-	83,011,666
	Bank balance other than above	240,655,515	-	240,655,515
	Derivative instruments not designated as hedging instruments	-	-	-
	Other financial assets (current)	33,972,393	-	33,972,393

34 Commitments:

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements (excluding those relating to investments (Note 4(i))

	As at March 31, 2019	As at March 31, 2018
	₹	₹
Capital commitment for purchase of property, plant and equipment (net of advance paid)	-	8,900,000

35 Figures of GST input credit claim is not reconciled with the GSTN data.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Place: New Delhi
Date: May 29, 2019

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/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT

Chaudhry Vigg James & Co.
CHARTERED ACCOUNTANTS
Z 8, Hauz Khas
New Delhi-110016

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, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	***Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)*** The application of the new revenue accounting standard involves certain key judgements 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 recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves 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	***Principal Audit Procedures*** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new 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 new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: ♦ Read, analysed 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. ♦ 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	***Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates*** 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.	***Principal Audit Procedures*** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • 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 unauthorised 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 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.
3	***Evaluation of uncertain tax positions*** The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 29 to the Consolidated Financial Statements	***Principal Audit Procedures*** Obtained details of completed tax assessments and demands for the year ended March 31, 2019 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. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.
4	***Recoverability of Indirect tax receivables***	***Principal Audit Procedures*** We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material mis-statement, 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 mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 mis-statement 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 mis-statement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, mis-representations, or the override of internal control.
- Obtain an understanding of Internal Financial Controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on other legal and regulatory requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

   (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 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 Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements.

      ii. The Company 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 Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of 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")

We have audited the Internal Financial Controls over financial reporting of **DB (INTERNATIONAL) STOCK BROKERS LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on 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 judgement, including the assessment of the risks of material mis-statement 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company'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 mis-statements 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, 2019, 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 Chaudhry Vigg James & Co.
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

(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) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the Consolidated Financial Statements, the lease agreements are in the name of the Company.

(ii) The Company is a service company, accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to the parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

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

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) The disputed income tax matters include tax demands from tax authorities for assessment years 2013-2014 and 2011-2012. The Company has filed appeals and the appeals are pending before the appellate authority. 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.

(viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised moneys by way of Initial Public Offer or Further Public Offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

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

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

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

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended March 31, 2019

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 756, Sector 23-A Gurugram, Haryana – 122017. 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. Inter-company 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 (including Other Comprehensive Income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

ii) Associate

Investment in entity in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The Consolidated Statement of Profit and Loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. The Group discontinues the use of equity method from the date when investment ceases to be an associate.

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, 2019 were authorized and approved for issue by the Board of Directors on May 29, 2019.

ii) Current versus non-current classification

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

An asset is treated as current when it is:

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

A liability is treated as current when:

- It is expected to be settled in normal operating cycle of the Group
- 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 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 ongoing 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, 2019 is included in the following notes:

- Note 6 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

- Note 31 – measurement of defined benefit obligations: key actuarial assumptions;

D. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from April 1, 2019:

Ind AS - 116 - Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group will adopt Ind AS-116, effective annual reporting period beginning April 1, 2019. The Group will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Group will recognise a lease liability measured at the present value of the remaining lease payments. The right-to-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Group will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Group will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Group is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 01, 2019, the Group will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Group recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12. The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment features with negative compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan amendment, curtailment or settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

Ind AS 28 – Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business combinations and Ind AS 111 – joint arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

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

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

(i) Fair value hedges:

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

(ii) Cash flow hedges:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion is 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 subsidiaries

Investments in equity instruments of subsidiary/associate are 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 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.

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 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.

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 six years.

Gains or losses arising from derecognition 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 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.

Remeasurements 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, there 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

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:

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

i. Determining whether an arrangement contains a lease:

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on re-assessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases:

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

iii. Lease payments:

Payments made under operating leases are generally recognised in Profit or Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives (if any) received are recognised as an integral part of the total lease expense over the term of the lease.

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 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
- 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.

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
Consolidated Balance Sheet as at March 31, 2019

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
		₹	₹
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	6,086,436	35,110,639
Intangible assets	3(b)	245,107	656,848
Investment accounted for using the equity method	4	-	371,154
Financial assets:			
Investments	5(i)	5,927,400	5,822,400
Other financial assets	5(ii)	8,415,000	7,815,000
Deferred tax assets (net)	6	13,378,940	1,550,171
Income tax assets (net)	7	1,221,544	1,221,544
Other non-current assets	8	17,067,000	45,767,000
Total non-current assets		**52,341,427**	**98,314,756**
Current assets			
Inventories	9	-	-
Financial assets:			
Trade receivables	10(i)	13,832,413	2,743,609
Cash and cash equivalents	10(ii)	36,040,297	95,511,666
Bank balances other than above	10(iii)	344,040,988	240,655,515
Other financial assets	10(iv)	64,281,411	33,621,806
Current tax assets (net)	11	2,409,008	116,292
Other current assets	12	4,188,139	901,047
Total current assets		**464,792,256**	**373,549,935**
TOTAL ASSETS		**517,133,683**	**471,864,691**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	70,000,000	70,000,000
Other equity	14	317,469,879	343,392,854
Total equity		**387,469,879**	**413,392,854**
Non-current liabilities			
Provisions	15	3,122,418	2,562,016
Total non-current liabilities		**3,122,418**	**2,562,016**
Current liabilities			
Financial liabilities:			
Bank overdrafts	16(i)	-	-
Trade payables:			
- to micro, small and medium enterprises	16(ii)	-	-
- to others	16(ii)	111,795,685	52,691,915
Other financial liabilities	16(iii)	13,810,011	2,815,966
Other current liabilities	17	787,985	337,459
Provisions	18	147,705	64,481
Total current liabilities		**126,541,386**	**55,909,821**
Total liabilities		**129,663,804**	**58,471,837**
TOTAL EQUITY AND LIABILITIES		**517,133,683**	**471,864,691**

Significant accounting policies	**1-2**
The accompanying notes are an integral part of the Financial Statements	**2-36**

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Sd/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		₹	₹
Revenue from operations	19	18,417,254	58,734,634
Other income	20	1,308,846	74,833
Total Income		**19,726,100**	**58,809,467**
Expenses			
Employee benefits expense	21	23,702,589	24,769,754
Finance costs	22	1,815,848	1,194,901
Depreciation and amortisation expense	23	2,782,279	961,573
Other expenses	24	23,673,978	23,515,020
Total expenses		**51,974,694**	**50,441,248**
Profit before tax and share of profit in associate		**(32,248,594)**	**8,368,219**
Exceptional items:	25		
Loss on sale of property, plant and equipment		(5,565,199)	-
(Loss)/ profit before tax		**(37,813,793)**	**8,368,219**
Tax expense:	26		
Current tax (including earlier years)		105,834	2,352,983
Deferred tax expense/(credit)		(11,909,061)	321,783
Total tax expense		**(11,803,227)**	**2,674,766**
Share of profit in associate		-	277
(Loss)/ profit for the year		**(26,010,566)**	**5,693,730**
Other comprehensive income	27		
Items that will not be re-classified to profit or loss:			
Re-measurement of post employment benefit obligations		127,312	59,995
Income tax relating to these items		(39,721)	(18,538)
Other comprehensive income for the year, net of tax		**87,591**	**41,457**
Total comprehensive income for the year		**(25,922,975)**	**5,735,187**
(Loss)/earnings per equity share before exceptional items (Basic and Diluted)	28	**(0.63)**	**0.16**
(Loss)/earnings per equity share after exceptional items (Basic and Diluted)		**(0.74)**	**0.16**

Significant accounting policies **1-2**

The accompanying notes are an integral part of the financial statements **2-36**

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382
Place: New Delhi
Date: May 29, 2019

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/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2019

A) Change in Equity Share Capital	(In ₹) Amounts
Balance as at April 1, 2017	**70,000,000**
Changes in equity share capital during the year	-
Balance as at March 31, 2018	**70,000,000**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**70,000,000**

B) Changes in other equity
For the year ended March 31, 2019

Particulars	Reserves and surplus			Total
	Securities premium account	General reserve	Retained earnings	
As at April 1, 2018	**76,000,000**	**28,648,432**	**238,744,422**	**343,392,854**
Profit for the year	-	-	(26,010,566)	(26,010,566)
Other comprehensive income:				
Impact of re-measurement of post employment benefit obligations	-	-	87,591	87,591
Total comprehensive income	-	-	**(25,922,975)**	**(25,922,975)**
As at March 31, 2019	**76,000,000**	**28,648,432**	**212,821,447**	**317,469,879**

For the year ended March 31, 2018

Particulars	Reserves and surplus			Total
	Securities premium account	General reserve	Retained earnings	
As at April 1, 2017	**76,000,000**	**28,648,432**	**233,009,235**	**337,657,667**
Profit for the year	-	-	5,693,730	5,693,730
Other comprehensive income:				
Impact of re-measurement of post employment benefit obligations	-	-	41,457	41,457
Total comprehensive income	**-**	**-**	**5,735,187**	**5,735,187**
As at March 31, 2018	**76,000,000**	**28,648,432**	**238,744,422**	**343,392,854**

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 re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Sd/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Consolidated Cash Flow Statement for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹	₹
Cash flow from operating activities		
Net profit before taxation	(37,813,793)	8,368,219
Adjustments for:		
Depreciation and amortisation expense	2,782,279	961,573
(Gain)/loss on disposal of investments	(1,308,846)	-
Loss/(gain) on disposal of property, plant and equipment	5,565,199	(74,833)
Finance costs	169,111	35,610
Operating (loss)/profit before working capital changes	**(30,606,050)**	**9,290,569**
Change in operating assets and liabilities:		
Change in other financial assets (non-current)	(600,000)	-
Change in trade receivables	(11,088,804)	462,412
Change in other financial assets (current)	(50,459,606)	(7,219,617)
Change in other current assets	(3,287,092)	249,289
Change in provisions	770,938	627,882
Change in trade payables	59,103,770	28,363,928
Change in other financial liabilities	10,994,045	(400,342)
Change in other current liabilities	450,526	301,815
Cash (used in) /generated from operations	**(24,722,273)**	**31,675,936**
Direct taxes paid	(2,657,979)	(1,654,574)
Net cash inflow (used in)/ generated from operating activities	**(27,380,252)**	**30,021,362**
Cash flows from investing activities		
Net proceeds from/ (Investment in) property, plant and equipment and capital advances	50,088,467	58,690,498
Net proceeds from/ (Investment in) associate company	1,575,000	-
Net (Investment in)/ proceeds from bank deposits and other balances	(83,585,473)	(93,844,980)
Net cash (used in)/ generated from investing activities	**(31,922,006)**	**(35,154,482)**
Cash flows from financing activities		
Finance cost paid	(169,111)	(35,610)
Net cash used in financing activities	**(169,111)**	**(35,610)**
Cash and cash equivalents at the beginning of the financial year	95,511,666	100,680,396
Net (decrease)/ increase in cash and cash equivalents	(59,471,369)	(5,168,730)
Cash and cash equivalents at end of the year	**36,040,297**	**95,511,666**
Cash and cash equivalents include:		
Balance with bank in current accounts	35,867,780	95,383,762
Cash on hand	172,517	127,904
	36,040,297	**95,511,666**

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Sd/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

DB (International) Stock Brokers Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2019

(In ₹)

Particulars	3(a) Property, plant and equipment						3(b) Intangible assets
	Building	Computer	Furniture & Fixtures	Vehicles	Office equipment	Total	Computer software
Gross block							
As at April 1, 2018	**29,664,020**	**1,269,128**	**188,379**	**3,671,202**	**2,003,802**	**36,796,531**	**890,626**
Additions during the year	-	2,653,767	-	-	62,164	2,715,931	-
Sales/adjustments	29,664,020	-	-	-	-	29,664,020	234,783
As at March 31, 2019	**-**	**3,922,895**	**188,379**	**3,671,202**	**2,065,966**	**9,848,442**	**655,843**
Accumulated depreciation							
As at April 1, 2018	**15,832**	**386,143**	**119,606**	**417,257**	**747,054**	**1,685,892**	**233,778**
Charge for the year	513,375	786,892	15,797	1,016,207	273,051	2,605,321	176,958
Sales/adjustments	529,207	-	-	-	-	529,207	-
As at March 31, 2019	**-**	**1,173,035**	**135,403**	**1,433,464**	**1,020,105**	**3,762,006**	**410,736**
Net block							
As at March 31, 2019	-	2,749,860	52,977	2,237,738	1,045,861	6,086,436	245,107
As at March 31, 2018	29,648,188	882,985	68,773	3,253,945	1,256,748	35,110,639	656,848
Gross block							
As at April 1, 2017	-	**650,128**	**188,379**	**902,837**	**1,709,935**	**3,451,279**	**580,843**
Additions during the year	29,664,020	619,000	-	2,946,510	293,867	33,523,397	309,783
Sales/adjustments	-	-	-	178,145	-	178,145	-
As at March 31, 2018	**29,664,020**	**1,269,128**	**188,379**	**3,671,202**	**2,003,802**	**36,796,531**	**890,626**
Accumulated depreciation							
As at April 1, 2017	**-**	**187,315**	**74,844**	**298,915**	**443,448**	**1,004,522**	**63,023**
Charge for the year	15,832	198,828	44,762	227,790	303,606	790,818	170,755
Sales/adjustments	-	-	-	109,448	-	109,448	-
As at March 31,2017	15,832	**386,143**	**119,606**	**417,257**	**747,054**	**1,685,892**	**233,778**
Net block							
As at March 31, 2018	29,648,188	882,985	68,773	3,253,945	1,256,748	35,110,639	656,848
As at March 31, 2017	-	462,813	113,535	603,922	1,266,487	2,446,757	517,820

DB (International) Stock Brokers Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2019

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
4	**Investments accounted for using equity method:**		
	In Equity instrument of associate company (Unquoted) (at cost):		
	Flourishing Apartments Private Limited	-	355,000
	Add: share in profit of associate accounted for using Equity method	-	16,154
	1,050 (previous year 3,550) equity shares of ₹ 100 each fully paid up		
	Total Investments	**-**	**371,154**
5	**Financial assets (non-current)**		
(i)	**In Equity instrument of associate company (Unquoted) (at cost):**		
	Flourishing Apartments Private Limited	105,000	-
	1,050 (previous year 3,550) equity shares of ₹ 100 each fully paid up		
(ii)	**In Equity instrument of other company (Quoted) (at cost):**		
	Effingo Textile & Trading Limited (Formerly known as Malti Textile Mills Limited)*	5,822,400	5,822,400
	58,22,400 (previous year 58,22,400) equity shares of ₹ 1 each fully paid up		
	Total financial assets (non-current)	**5,927,400**	**5,822,400**
	Aggregate book value of quoted investment*	7,185,824	7,185,824
	Aggregate amount of unquoted investments	355,000	355,000
	Total Investment	**7,540,824**	**7,540,824**
	*Book value as at March 31, 2017 has been taken as reference for fair value because the equity share was last traded on January 06, 2015. The book value is approximately close to fair value and therefore the instrument has been valued at cost. - All the investments in equity shares of subsidiary and associate are measured as per Ind AS-27 "Separate Financial Statements". - Owing to the dilution in shareholding in Flourishing Apartments Private Limited, it ceased to be an associate w.e.f. February 20, 2019.		
(iii)	Other financial assets		
	Unsecured, considered good:		
	Security deposits	890,000	890,000
	Membership deposits	7,525,000	**6,925,000**
	Total other financial assets	**8,415,000**	**7,815,000**
6	**Deferred tax assets (net)**		
	Deferred tax liabilities arising on account of:		
	Difference in written down value of property, plant and equipment	(60,078)	(6,19,066)
	Deferred tax assets arising on account of:		
	Provision for post employment benefit obligations	1,020,278	811,588
	Business loss	9,406,079	-
	Unabsorbed depreciation	600,718	-
	Short-term capital loss	1,094,864	-
		12,061,861	192,521
	MAT credit entitlement	1,317,079	1,357,650
	Total deffered tax assets (net)	**13,378,940**	**1,550,171**

6(a)	Movement in deferred tax assets	March 31, 2018	Utilisation of MAT credit	Recognised in other comprehen-sive income	Recognised in profit and loss	March 31, 2018
	Deferred tax liabilities arising on account of:					
	Difference in written down value of property, plant and equipment	(628,424)	-	-	5,58,988	(60,078)
	Deferred tax assets arising on account of:					
	Provision for post employment benefit obligations	811,588	-	(39,721)	248,412	1,020,278
	Business loss	-	-	-	9,406,079	9,406,079
	Unabsorbed depreciation	-	-	-	600,718	600,718
	Short-term capital loss	-	-	-	1,094,864	1,094,864
		192,521	-	(39,721)	11,909,061	12,061,861
	MAT credit entitlement	1,357,650	(40,571)	-	-	1,317,079
	Total movement in deferred tax assets	**1,550,171**	**(40,571)**	**(39,721)**	**11,909,061**	**13,378,940**

6(b)	Movement in deferred tax assets	March 31, 2017	Utilisation of MAT credit	Recognised in other comprehen-sive income	Recognised in profit and loss	March 31, 2018
	Deferred tax liabilities arising on account of:					
	Difference in written down value of property, plant and equipment	(147,734)	-	-	(471,333)	(619,067)
	Deferred tax assets arising on account of:					
	Provision for post employment ben-efit obligations	680,576	-	(18,538)	149,550	811,588
	Business loss	-	-	-	-	-
	Unabsorbed depreciation	-	-	-	-	-
	Short-term capital loss	-	-	-	-	-
		532,842	-	(18,538)	(321,783)	192,521
	MAT credit entitlement	2,092,496	(734,846)	-	-	1,357,650
	Total Movement in deferred tax assets	**2,625,338**	**(734,846)**	**(18,538)**	**(321,783)**	**1,550,171**

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
7	**Income tax assets (net)**		
	Unsecured, considered good:		
	Income tax refundable (net)	1,221,544	1,221,544
	Total income tax assets (net)	**1,221,544**	**1,221,544**
8	**Other non-current assets**		
	Unsecured, considered good:		
	Capital advances (refer note 35)	10,100,000	39,100,000
	Income tax deposited under protest (refer note 30)	6,967,000	6,667,000
	Total other non current assets	**17,067,000**	**45,767,000**
9	**Inventories**		
	(At lower of cost and NRV)		
	Stock-in-trade (securities)	-	-
	Total inventories	**-**	**-**

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
10	**Financial assets (current)**		
(i)	**Trade receivables**		
	Trade receivables outstanding for a period less than six months from the date they are due for payment		
	Secured, considered good	3,320,345	2,464,137
	Trade receivables outstanding for a period less than six months from the date they are due for payment		
	Secured, considered good	10,512,068	279,473
	Total trade receivables	**13,832,413**	**2,743,609**
(ii)	**Cash and cash equivalents**		
	Balance with bank in current accounts	35,867,780	95,383,762
	Cash on hand	172,517	127,904
	Total cash and cash equivalents	**36,040,297**	**95,511,666**
(iii)	**Bank balances other than (ii) above**		
	Fixed deposits with original maturity within 3 months:		
	-As margin money against overdraft (refer note 16 (iii))	-	11,300,000
	-Under lien with exchange	-	45,900,000
	Fixed deposits with original maturity within 3 to 12 months:		
	-As margin money against overdraft (refer note 16 (iii))	69,500,000	43,700,000
	-Under lien with exchange	274,358,419	139,450,000
	Earmarked balances:		
	-Unclaimed dividend account	182,569	305,515
	Total bank balance	**344,040,988**	**240,655,515**
(iv)	**Other financial assets**		
	Unsecured, considered good		
	Security deposits	1,049,006	566,160
	Additional base capital	5,188,814	11,920,000
	Interest accrued	1,432,079	1,335,646
	Deferred option premium	55,111,638	-
	Derivative asset recoverable [at fair value]	1,499,874	-
	Fixed deposits with original maturity more than 12 months:		
	-Under lien with exchange	-	19,800,000
	Total Other Financial Assets	**64,281,411**	**33,621,806**
11	**Current tax (liabilities)/assets (net)**		
	Current tax assets		
	TDS receivable	2,409,008	1,722,289
	MAT credit utilised	40,571	734,846
		2,449,579	**2,457,135**
	Current tax liabilities		
	Provision for income tax	40,571	2,340,842
		40,571	**2,340,842**
	Total current tax (liabilities)/assets (net)	**2,409,008**	**116,292**
12	**Other current assets**		
	Advances other than capital advances:		
	Unsecured, considered good		
	Prepaid expenses	3,514,279	653,455
	Receivable from exchanges	568,724	221,572
	Other advances	105,137	26,020
	Total other current assets	**4,188,139**	**901,047**

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
13	**Equity share capital**		
	Authorised share capital	100,000,000	100,000,000
	50,000,000 (previous year 50,000,000) equity shares of ₹ 2 each		
		100,000,000	**100,000,000**
	Issued, subscribed and paid up capital	70,000,000	70,000,000
	35,000,000 (previous year 35,000,000) equity shares of ₹ 2 each fully paid up)		
		70,000,000	**70,000,000**
(i)	**Movements in equity share capital**		
		Number of shares	**Equity share capital (par value)**
	Balance as at the beginning of the year	35,000,000	35,000,000
	Add: Issued during the year	-	-
	Balance as at the end of the year	**35,000,000**	**35,000,000**
(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.		
(iii)	**Details of shareholders holding more than 5% shares of the Company #**		
		Number of Shares	**Number of Shares**
	New KMS Finance Private Limited	5,846,544	-
	Shiv Narayan Daga	5,780,000	5,780,000
	Sharda Daga	2,048,000	2,048,000
	Guru Kirpa Finvest Limited	122,770	4,464,000
	Sharma Gandhi Hire Purchase Limited	-	3,596,106
		% holding	**% holding**
	New KMS Finance Private Limited	16.70	-
	Shiv Narayan Daga	16.51	16.51
	Sharda Daga	5.85	5.85
	Guru Kirpa Finvest Limited	0.35	12.75
	Sharma Gandhi Hire Purchase Limited	-	10.27
	# As per the records of the company, including register of members		
(iv)	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, 2019	**As at March 31, 2018**
		₹	₹
14	**Other equity**		
(i)	**Securities premium account**		
	Balance as at the beginning of the year	76,000,000	76,000,000
	Balance as at the end of the year	**76,000,000**	**76,000,000**

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
(ii)	**Other reserves**		
	General reserve		
	Balance as at the beginning of the year	28,648,432	28,648,432
	Add: transferred from surplus in the Statement of Profit and Loss	-	-
	Balance as at the end of the year	**28,648,432**	**28,648,432**
(iii)	**Retained earnings**		
	Balance as at the beginning of the year	238,744,422	233,009,235
	Profit for the year	(26,010,566)	5,693,730
	Items of OCI recognised	87,591	41,457
	Balance as at the end of the year	**212,821,447**	**238,744,422**
	Total reserves and surplus	**317,469,879**	**343,392,854**
15	**Long-term provisions**		
	Provision for defined benefit obligations :	3,122,418	2,562,016
	Provision for gratuity (refer to note 31)		
	Total long term provisions	**3,122,418**	**2,562,016**
16	**Financial liabilities (current)**		
(i)	**Bank overdraft (secured)***	-	-
		-	-
	*** The Company has taken Secured Bank Overdraft facility with limit upto ₹ 6.95 crores as on March 31, 2019 (₹ 5.50 crores as on March 31, 2018). The key terms are as mentioned below:** - Nature : Overdraft limit - Rate : Highest fixed deposit rate plus 1% (as on March 31, 2019 - 9%) - Tenor : Repayable on demand - Secured : Against fixed deposits with banks held as margin money		
(ii)	**Trade payables**		
	- Due to micro, small and medium enterprises		
	- Due to others	111,795,685	5,26,91,915
		111,795,685	**5,26,91,915**
(iii)	**Other financial liabilities**		
	Retention of deposits	-	222,056
	Deferred option premium	11,205,721	-
	Unclaimed dividend	182,569	-
	Other payables	2.421.721	2,288,395
		13,810,011	**2,815,966**
	There was unpaid dividend amount as on March 31, 2018 of ₹ 3,05,515/- outstanding against dividend decland during the financial years 2010-2011 and 2011-12 out of which, unpaid dividend of ₹ 1,22,946/- for the financial year 2010-2011 was transferred to Investor "Education and Protection Fund" during the financial year 2018-2019. The unpaid dividend amount balance of ₹ 1,82,569/- as on March 31, 2019 has been maintained in titled "Indusind Dividend Account" with Indusind bank		
17	**Other current liabilities**		
	Statutory dues payable	787,985	337,459
	Total other current liabilities	**787,985**	**787,985**
18	**Short-term provisions**		
	Provision for employee benefits:		
	Provision for gratuity (refer to note 31)	147,705	64,481
	Total short-term provisions	**147,705**	**64,481**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
19	**Revenue from operations**		
	Sale of services:		
	Brokerage and related income	32,805,475	28,721,125
	Income from trading in securities (net)	(37,715,150)	13,789,529
	Interest income on financial assets (fixed deposits)	23,326,929	16,223,980
	Total revenue from operations	**18,417,254**	**58,734,634**
20	**Other income**		
	Profit on sale of investment in associate	1,308,846	-
	Profit on sale of property, plant and equipment	-	74,833
	Total other Income	**1,308,846**	**74,833**
21	**Employee benefits expense**		
	Salaries and other allowances	22,067,788	23,271,638
	Contribution to provident and other funds (refer note 31)	727,702	573,092
	Post employement benefit obligation (gratuity)	770,938	753,882
	Staff welfare expenses	136,161	171,142
	Total employee benefit expense	**23,702,589**	**24,769,754**
22	**Finance costs**		
	Interest	169,111	35,610
	Bank guarantee commission	1,646,736	1,159,291
	Total finance costs	**1,815,848**	**1,194,901**
23	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3(a))	2,605,321	790,818
	Amortisation of intangible assets (refer note 3(b))	176,958	170,755
	Total depreciation and amortisation expense	**2,782,279**	**961,573**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
24	**Other expenses**		
	Stock exchange expenses	4,470,109	1,937,642
	Depository charges	387,722	528,451
	Client introduction charges	2,963,473	3,957,469
	Power and water charges	1,061,467	1,160,183
	Rent	1,137,700	2,144,235
	Repairs and maintenance:		
	- Computer	818,504	399,251
	- Vehicle	193,156	163,439
	- Office	181,928	284,588
	- Others	286,442	662,754
	Rates and taxes	4,297,667	4,005,357
	Travelling and conveyance	43,820	155,853
	Legal and professional	4,192,284	4,585,642
	Fees and subscription	580,409	520,122
	Insurance	65,019	38,690
	Annual maintenance charges	296,814	538,822
	Communication expenses	2,412,204	2,011,541
	Printing and stationery	229,783	320,663
	Miscellaneous expenses	55,478	100,319
	Total other expenses	**23,673,978**	**23,515,020**
24(i)	**Legal and professional expenses include payment to auditor**		
	As auditor*:		
	Audit fee	16,650	16,650
	Limited review	5,000	5,000
	Tax audit	10,000	10,000
	Total	**31,650**	**31,650**
	*** exclusive of service tax/ GST**		
25	**Exceptional items**		
	Loss on sale of property, plant and equipment*	5,565,199	-
	Total	**5,565,199**	**-**
	*** Loss on sale of property, plant and equipment represent loss on sale of building which was sold on August 20, 2018, in view of market conditions.**		
26	**Income tax expense**		
	Current tax		
	- Current tax (including earlier years)	105,834	2,352,983
	Total current tax expense	**105,834**	**2,352,983**
	Deferred tax		
	- Deferred tax (credit)/ expense	(11,909,061)	321,783
	Total deferred tax (credit)/ expense	**(11,909,061)**	**321,783**
	Total income tax expense	**(11,803,227)**	**2,674,766**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
26(a)	**Effective tax reconciliation**		
	(Loss)/profit before tax	**(37,813,793)**	**8,368,219**
	(Deferred tax credit)/income tax expense in profit and loss as per effective tax rate#	(11,797,903)	2,585,780
(i)	Impact of other comprehensive income	39,721	18,538
(ii)	Impact of change in tax rate for earlier year for deferred tax	1,869	49,560
(iii)	Impact of taxes of earlier years	(18,538)	12,140
(iv)	Impact of other miscellaneous items	(28,376)	8,747
	Expected tax after adjustments	**(11,803,227)**	**2,674,766**
	As per Statement of Profit and Loss		
	Tax charged to Statement of Profit and Loss:		
	Current tax (including earlier years)	105,834	2,352,983
	Deferred tax charge/(credit)	(11,909,061)	321,783
		(11,803,227)	**2,674,766**
	#The tax rate used for the financial year 2018-19 reconciliations above is the corporate tax rate of 31.20% payable on taxable profits under the Income Tax Act, 1961.		
27	**Other comprehensive income**		
	Items that will not be re-classified to profit or loss		
	Re-measurement of post employment benefit obligations	127,312	59,995
	Income tax relating to these items	(39,721)	(18,538)
		87,591	**41,457**
28	**(Loss)/ earnings per equity share (basic and diluted)**		
	Total number of equity shares outstanding during the year	35,000,000	35,000,000
	Weighted average number of equity shares for basic and diluted earnings per share (face value of ₹ 2 per share)	35,000,000	35,000,000
	(Loss)/ profit before OCI attributable to equity shareholders' before exceptional items (for basic and diluted earning)	(22,181,709)	5,693,730
	(Loss)/ earnings per equity share before exceptional items (basic and diluted)	**(0.63)**	**0.16**
	(Loss)/ profit before OCI attributable to equity shareholders' after exceptional items (for basic and diluted earning)	(26,010,566)	5,693,730
	(Loss)/ earnings per equity share after exceptional items (basic and diluted)	**(0.74)**	**0.16**
29	**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.		

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
30	**Contingent liabilities**		
	Claims against the company not acknowledged as debts		
	Income Tax matter, disputed and under appeal*	45,916,620	44,440,260
		45,916,620	**44,440,260**
	*The above amount includes demand from tax authorities for assessment years 2013-2014 and 2011-2012. The Company has filed an appeal and the appeal is pending before the appellate authority. 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.		
31	**Post-employment benefit plans**		
i)	The Company has a defined benefit gratuity plan (unfunded). 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, 2019	**For the year ended March 31, 2018**
		₹	₹
a.	**Changes in defined benefit obligation**		
	Liability at the beginning of the year	2,626,497	2,058,610
	Interest cost	203,554	159,542
	Current service cost	567,384	594,340
	Benefits paid (if any)	-	(126,000)
	Actuarial (gain)/loss	(127,312)	(59,995)
	Liability at the end of the year	**3,270,123**	**2,626,497**
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	129,841	(45,169)
	Experience adjustment (gain)/ loss for plan liabilities	(257,153)	(14,826)
	Total amount recognized in other comprehensive income	**(127,312)**	**(59,995)**
c.	**Key results (the amount to be recognized in the balance sheet):**		
	Present value of the obligation at the end of the period	3,270,123	2,626,497
	Fair value of plan assets at end of period	-	-
	Net liability/(asset) recognized in balance sheet and related analysis	3,270,123	2,626,497
	Funded status	(3,270,123)	(2,626,497)
d.	**Expense recognized in the Statement of Profit and Loss:**		
	Interest cost	203,554	159,542
	Current service cost	567,384	594,340
	Past service cost	-	-
	Expected return on plan asset	-	-
	Expenses to be recognized in Statement of Profit and Loss	**770,938**	**753,882**

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
e.	**Other comprehensive (Income) / expenses (remeasurement)**		
	Actuarial (gain)/loss - obligation	(127,312)	(59,995)
	Actuarial (gain)/loss - plan assets	-	-
	Total actuarial (gain)/loss	**(127,312)**	**(59,995)**
	Cumulative total actuarial (gain)/loss	**(187,307)**	**(59,995)**
f.	**Net interest cost**		
	Interest cost on defined benefit obligation	203,554	-
	Interest income on plan assets	-	-
	Net interest cost (Income)	**203,554**	**-**
g.	**Experience adjustmen**t:		
	Experience adjustment (gain)/ loss for plan liabilities	(257,153)	(14,826)
	Experience adjustment gain/ (loss) for plan assets	-	-
h.	**Summary of membership data at the date of valuation and statistics based thereon:**		
	Number of employees	38	48
	Total monthly salary	1,573,840	1,651,540
	Average past service (years)	5.5	4.3
	Average future service (years)	18.3	18.9
	Average age (years)	41.7	41.1
	Weighted average duration (based on discounted cash flows) in years	16	18
	Average monthly salary	41,417	34,407
i.	**The assumptions employed for the calculations are tabulated:**		
	Discount rate	7.75 % per annum	7.75 % per annum
	Salary growth rate	5.00 % per annum	5.00 % per annum
	Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
	Withdrawal rate (per annum)	5.00% p.a. (18 to 30 Years)	5.00% p.a. (18 to 30 Years)
	Withdrawal rate (per annum)	3.00% p.a. (30 to 44 Years)	3.00% p.a. (30 to 44 Years)
	Withdrawal rate (per annum)	2.00% p.a. (44 to 60 Years)	2.00% p.a. (44 to 60 Years)
	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.		

Note No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹	₹
j.	**Benefits valued:**		
	Normal retirement age	60 years	60 years
	Salary	Last drawn qualifying salary	Last drawn qualifying salary
	Vesting period	5 Years of service	5 Years of service
	Benefits on normal retirement	15/26 * Salary * Past Service (year)	15/26 * Salary * Past Service (year)
	Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
	Maximum limit	2,000,000	2,000,000
k.	**Current liability (*expected payout in next year as per schedule III to the companies act, 2013) :**		
	Current Liability (short term)*	147,705	64,481
	Non current liability (long term)	3,122,418	2,562,016
	Total liability	**3,270,123**	**2,626,497**

I.	**Effect of plan on entity's future cash flows**	
i)	**Funding arrangements and funding policy**	
	Not Applicable	
		As at March 31, 2019
ii)	**Estimate of expected benefit payments (In absolute terms i.e. undiscounted) Year**	₹
	April 01, 2019 to March 31, 2020	259,570
	April 01, 2020 to March 31, 2021	143,997
	April 01, 2021 to March 31, 2022	156,349
	April 01, 2022 to March 31, 2023	289,067
	April 01, 2023 to March 31, 2024	157,363
	April 01, 2024 onwards	2,263,777
iii)	**Sensitivity analysis: Significant actuarial assumptions for the determination of the defined benefit obligations 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 obligations 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 at March 31, 2019
	Defined benefit obligations (base)	32,70,123 @ Salary Increase Rate : 5%, and discount rate :7.75%
	Liability with x% increase in discount rate	30,06,917; x=1.00% [change (8)%]
	Liability with x% decrease in discount rate	35,73,700; x=1.00% [change 9%]
	Liability with x% increase in salary growth rate	35,78,620; x=1.00% [change 9%]
	Liability with x% decrease in salary growth rate	29,97,988; x=1.00% [change (8)%]
	Liability with x% increase in withdrawal rate	33,12,166; x=1.00% [change 1%]
	Liability with x% decrease in withdrawal rate	32,20,325; x=1.00% [change (2)%]

m. 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 ₹ 7.27 lacs (previous year ₹ 5.73 lacs) towards provident fund, a defined contribution plan.

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

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

32 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) Associate:

Flourishing Apartments Private Limited (till February 20, 2019)

(c) 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, appointed on August 17, 2018) (Daughter of Mr. Shiv Narayan Daga)

Mr. Vishnu Kumar Sharma (CFO) (resigned on August 10, 2018 & re-appointed on February 07, 2019)

Ms. Himanshi Mittal (Company Secretary & Compliance Officer) (joined on March 06, 2018)

	(i) Transactions with related parties:	**Year ended March 31, 2019**	**Year ended March 31, 2018**
		₹	₹
(a)	**Salary and Allowances:**		
	Mr. Shiv Narayan Daga (Managing Director)	2,100,000	1,600,000
	Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)	2,100,000	1,616,000
	Ms. Sheetal Periwal (Executive Vice President, appointed on August 17, 2018) (Daughter of Mr. Shiv Narayan Daga)	1,050,000	-
	Mr. Vishnu Kumar Sharma (CFO) (resigned on August 10, 2018 & reappointed on February 07, 2019)	1,045,000	276,000
	Ms. Himanshi Mittal (Company Secretary & Compliance Officer) (joined on March 06, 2018)	298,287	22,000
		-	341,749
		6,591,287	**3,855,749**
(b)	**Defined Contribution plan:**		
	Mr. Shiv Narayan Daga (Managing Director)	504,000	384,000
	Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)	504,000	234,000
	Ms. Sheetal Periwal (Executive Vice President, appointed on August 17, 2018) (Daughter of Mr. Shiv Narayan Daga)\	252,000	-
		1,260,000	**618,000**
(c)	**Rent:**		
	Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)	264,000	348,000
		264,000	**348,000**

33 Financial instruments by category

Particulars	Fair value hierarchy (levels)	March 31, 2019		March 31, 2018	
		FVTPL	Amortised cost*	FVTPL	Amortised cost*
Financial assets					
Investments (non current)	3	-	5,927,400	-	5,822,400
Other financial assets (non current)	3	-	8,415,000	-	7,815,000
Trade receivables	3	-	13,832,413	-	2,743,609
Cash and cash equivalents	3	-	36,040,297	-	95,511,666
Bank balance other than above	3	-	344,040,988	-	240,655,515
Derivative instruments not designated as hedging instruments	2	56,611,512	-	-	-
Other financial assets (current)	3	-	7,669,899	-	33,621,806
Total financial assets		**56,611,512**	**415,925,997**	**-**	**386,169,996**
Financial liabilities					
Trade payables	3	-	111,795,685	-	52,691,915
Derivative instruments not designated as hedging instruments	2	11,205,721	-	-	-
Other financial liabilities	3	-	2,604,290	-	2,815,966
Total financial liabilities		**11,205,721**	**114,399,975**	**-**	**55,507,881**

For instruments measured at amortised costs, carrying value represents best estimate of the fair value. These instruments are level 3 instruments.
Fair value hierarchy
Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Derivatives [call & put options, un-hedged] are valued using valuation techniques with market observable inputs and these are marked to market based on prevailing quoted rates, as applicable.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.
The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.
There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year. [Though, presently the Company does not have any Level 1 financial instruments.]

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

32(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.

32(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.

32(c) **Price risk:** The Company has open positions in derivatives [Call & Put options, Un-hedged] and these are open to volitality in market.

32(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.

33 **Financial instruments and cash deposits**

March 31, 2019 **In ₹**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Investments (non current)	5,927,400	-	5,927,400
Other financial assets (non current)	8,415,000	-	8,415,000
Trade receivables	13,832,413	-	13,832,413
Cash and cash equivalents	36,040,297	-	36,040,297
Bank balance other than above	344,040,988	-	344,040,988
Derivative instruments not designated as hedging instruments	56,611,512	-	56,611,512
Other financial assets (current)	7,669,899	-	7,669,899

March 31, 2018 **In ₹**

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Investments (non current)	5,822,400	-	5,822,400
Other financial assets (non current)	7,815,000	-	7,815,000
Trade receivables	2,743,609	-	2,743,609
Cash and cash equivalents	95,511,666	-	95,511,666
Bank balance other than above	240,655,515	-	240,655,515
Derivative instruments not designated as hedging instruments	-	-	-
Other financial assets (current)	33,621,806	-	33,621,806

34 Commitments:

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements (excluding those relating to investments (Note 4(i))

	As at March 31, 2019	As at March 31, 2018
	₹	₹
Capital commitment for purchase of property, plant and equipment (net of advance paid)	-	8,900,000

35 Figures of GST input credit claim is not reconciled with the GSTN data.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Place: New Delhi
Date: May 29, 2019

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/-
Himanshi Mittal
Company Secretary

Sd/-
Vishnu Kumar Sharma
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of
DAGA BUSINESS (INTERNATIONAL) STOCK BROKERS (IFSC) PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **DAGA BUSINESS (INTERNATIONAL) STOCK BROKERS (IFSC) PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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, 2019, the loss 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 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 Standalone Financial Statements.

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 mis-statement 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 are 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 mis-statement, 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 mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

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

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

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

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

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

Report on other legal and regulatory requirements

1. 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

   (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 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 Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

      ii. The Company 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 Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DAGA BUSINESS (INTERNATIONAL) STOCK BROKERS (IFSC) PRIVATE 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")

We have audited the internal financial controls over financial reporting of **DAGA BUSINESS (INTERNATIONAL) STOCK BROKERS (IFSC) PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 judgement, including the assessment of the risks of material mis-statement 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company'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 mis-statements 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, 2019, 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 Chaudhry Vigg James & Co.
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DAGA BUSINESS (INTERNATIONAL) STOCK BROKERS (IFSC) PRIVATE LIMITED of even date)

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

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

(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) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the Standalone Financial Statements, the lease agreements are in the name of the Company.

(ii) The Company is a service company, accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to the parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

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

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence 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) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

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

For Chaudhry Vigg James & Co
Chartered Accountants
Firm Regn. No. 000949N

Sd/-
Chander Shekher Batra
Partner
Membership No.084382

Place: New Delhi
Dated: May 29, 2019

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2019

1. Background of the Reporting entity

Daga Business (International) Stock Brokers (IFSC) Private Limited ('the Company') is a private limited Company domiciled in India and is a wholly owned subsidiary Company of DB (International) Stock Brokers Limited (the 'Holding Company'), with its registered office situated at Unit No.228, Signature Building, Second Floor, Block 13B, Zone-1 Gift SEZ, Gandhinagar, Gujarat, India, 382355. The Company was incorporated in India on May 17, 2017.

The Company is engaged to carry on the business as an intermediary as per the Securities and Exchange Board of India Guidelines, 2015 in an IFSC (International Financial Service Centre).

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, 2019 were authorized and approved for issue by the Board of Directors on May 29, 2019.

ii) Current versus non-current classification

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

An asset is treated as current when it is:

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

A liability is treated as current when:

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

The Company classifies all other liabilities as non-current.

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

iii) Basis of measurement

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

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

iv) Use of Estimates and Judgements

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

Estimates and underlying assumptions are reviewed on an ongoing 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, 2019 is included in the following notes:

B. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS - 116 - Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 16, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12. The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

C. 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 is 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 subsidiaries

Investments in equity instruments of subsidiary/associate are 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.

D. 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.

E. 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.

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 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.

F. 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 six years.

Gains or losses arising from derecognition 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.

G. Employee benefits

Short-term employee benefits:

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

Long-term employee benefits:

i. *Defined contribution plans:*

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

ii. *Defined benefit plans:*

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

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

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

Remeasurements 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.

H. Exceptional items

Items of income or expense from ordinary activities which are of such size, nature or incidence that, there disclosure is relevant to explain the performance of the enterprise for the period, are disclosed separately in the statement of profit and loss.

I. 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:

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.

J. 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.

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.

K. Leases

i. Determining whether an arrangement contains a lease:

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases:

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

iii. Lease payments:

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives (if any) received are recognised as an integral part of the total lease expense over the term of the lease.

L. 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.

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.

M. 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 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.

N. 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.

O. 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.

P. 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.

Q. 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.

R. 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.

S. Trade receivables

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

Daga Business (International) Stock Brokers (IFSC) Private Limited
Balance Sheet as at March 31, 2019

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
		₹	₹
ASSETS			
Current assets			
Financial assets:			
Cash and cash equivalents	3(i)	897,254	12,500,000
Bank balances other than above	3(ii)	10,608,419	-
Other financial assets	3(ii)	1,106,980	314,160
Total current assets		**12,612,653**	**12,814,160**
TOTAL ASSETS		**12,612,653**	**12,814,160**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	12,500,000	12,500,000
Other equity	5	(655,094)	(402,503)
Total equity		**11,844,906**	**12,097,497**
Liabilities			
Current liabilities			
Financial liabilities:			
Other financial liabilities	6	767,747	716,663
Total current liabilities		**767,747**	**716,663**
Total liabilities		**767,747**	**716,663**
TOTAL EQUITY AND LIABILITIES		**12,612,653**	**12,814,160**

Significant accounting policies **1-2**
The accompanying notes are an integral part of the financial statements **3-13**

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Daga Business (International) Stock Brokers (IFSC) Private Limited
Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	For the year ended March 31, 2019	For the period "May 17, 2017 to March 31, 2018"
Income		₹	₹
Revenue from operations	7	57,974	-
Total income		**57,974**	**-**
Expenses			
Other expenses	8	310,565	402,503
Total expenses		**310,565**	**402,503**
Loss before tax		**(252,591)**	**(402,503)**
Tax expense:			
Current tax		-	-
Loss for the period		**(252,591)**	**(402,503)**
Other comprehensive Income	26		
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive income for the year		**(252,591)**	**(402,503)**
Loss per equity share (Basic and Diluted)		**(0.20)**	**(0.32)**

Significant accounting policies
The accompanying notes are an integral part of the financial statements
As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Daga Business (International) Stock Brokers (IFSC) Private Limited
Statement of changes in equity for the year ended March 31, 2019

Equity share capital	(In ₹) Amounts
Balance as at May 17, 2017	**12,500,000**
Changes in equity share capital during the year	-
Balance as at March 31, 2018	**12,500,000**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**12,500,000**

For the year ended March 31, 2019

Particulars	Reserves and surplus	Total
	Retained earnings	
	₹	₹
(Loss) for the period	(252,591)	(252,591)
Other comprehensive income:	-	-
Total comprehensive income	**(252,591)**	**(252,591)**
As at March 31, 2019	**(252,591)**	**(252,591)**

For the period from May 17, 2017 to March 31, 2018

Particulars	Reserves and surplus	Total
	Retained earnings	
	₹	₹
(Loss) for the period	(402,503)	(402,503)
Other comprehensive income:	-	-
Total comprehensive income	**(402,503)**	**(402,503)**
As at March 31, 2018	**(402,503)**	**(402,503)**

a) Retained Earnings: This Reserve represents the cumulative losses of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Daga Business (International) Stock Brokers (IFSC) Private Limited
Cash flow statement for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the period ended "May 17, 2017 to March 31, 2018"
	₹	₹
Cash flow from operating activities:		
Net loss before taxation	(252,591)	(402,503)
Interest income	(57,974)	-
Operating (loss)/profit before working capital changes	**(310,565)**	**(402,503)**
Change in operating assets and liabilities:		
Change in other financial liabilities	51,084	716,663
Change in other financial assets	(792,820)	(314,160)
Cash (used in)/generated from operations	**(1,052,301)**	**-**
Net cash inflow (used in)/generated from operating activities	**(1,052,301)**	**-**
Cash flows from investing activities		
Interest received	57,974	-
Purchase of bank deposits and other balances (having maturity of more than 3 month)	(10,608,419)	-
Net cash (used in)/generated from investing activities	**(10,550,445)**	**-**
Cash flows from financing activities		
Proceeds from issue of share capital	-	12,500,000
Net cash inflow generated from/(used in) financing activities	**-**	**12,500,000**
Cash and cash equivalents at the beginning of the year	12,500,000	-
Net (decrease)/ increase in cash and cash equivalents	(11,602,746)	12,500,000
Cash and cash equivalents at end of the year	**897,254**	**12,500,000**
Cash and cash equivalents include:		
Balance with bank in current accounts	897,254	12,500,000
Cash on hand	-	-
	897,254	**12,500,000**

As per our report of even date.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: May 29, 2019

Daga Business (International) Stock Brokers (IFSC) Private Limited
Notes to the financial statements for the year ended March 31, 2019

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
3	**Financial assets**		
	Current assets		
	i) Cash and cash equivalents		
	Balances with banks: In current accounts	897,254	12,500,000
	Total Cash and cash equivalents	**897,254**	**12,500,000**
	ii) Bank balances		
	Deposits with original maturity for more than 3 months but less than 12 months	10,608,419	-
	Total bank balances	**10,608,419**	**-**
	iii) Other financial assets		
	Unsecured, considered good unless otherwise stated		
	Interest accrued	**57,974**	**-**
	Security deposits (advance)		
	For leasehold property	1,049,006	314,160
	Total other financial assets	**1,106,980**	**314,160**
4	**Equity share capital**		
	Authorised share capital		
	12,50,000 equity shares of ₹ 10 each	12,500,000	12,500,000
	Issued, Subscribed and called up capital *		
	12,50,000 equity shares of ₹ 10 each	12,500,000	12,500,000

The holding Company has subscribed to the share capital through subscription of the MOA of the Company. The share capital was received before the period ended March 31, 2018.

(i) Terms/rights attached to equity shares

The Company has only one class of shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share and entitled to one vote per share and is entitled to dividend and to participate in surplus, if any, in the event of winding up.

(ii) Details of shares held by holding company and share holders

	Number of shares	Number of shares
DB (International) Stock Brokers Limited, the holding Company	12,500,000	12,500,000
	% holding	**% holding**
DB (International) Stock Brokers Limited, the holding Company	100.00	100.00

(iii) The Company has been incorporated on May 17, 2017. The Company has not issued any equity shares pursuant to contract(s) without payment being received in cash or by way of bonus shares to after incorporation.

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
		₹	₹
5	**Other equity**		
	i) Retained earnings		
	Balance as at the beginning of the period	(402,503)	-
	Loss for the period	(252,591)	(402,503)
	Balance as at the end of the period	**(655,094)**	**(402,503)**
6	**Financial liabilities - current**		
	i) Other financial liabilities		
	Reimbursement of expenses payable to holding Company	764,747	664,747
	SEBI fees payable	-	50,000
	Expenses payable	3,000	1,916
	Total other financial liabilities (current)	**767,747**	**716,663**

Note No.	Particulars	For the year ended March 31, 2019	For the period May 17, 2017 to March 31, 2018
		₹	₹
7	**Revenue from operations**		
	Sale of services:		
	Interest income on financial assets (fixed deposits)	57,974	-
	Total revenue	**57,974**	**-**
8	**Other expenses**		
	Fees and subscription	220,454	-
	Bank Charges	2,937	-
	Filling fees	76,490	325,587
	Travelling and conveyance	-	416
	Legal and professional	10,684	76,500
	Total other expenses	**310,565**	**402,503**
8(a)	**Legal and professional expenses include payment to auditor**		
	As auditor:**		
	Audit fee	1,500	1,500
	Total	**1,500**	**1,500**
	**exclusive of GST		

9 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 period and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the period.

10 Related party disclosure

Transactions with related parties are summarised below :

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

(a) The holding Company:

DB (International) Stock Brokers Limited (holding company)

(b) Associate of the holding company:

Flourishing Apartments Private Limited (till February 20, 2019)

(c) Name of Key management personnel and their relatives (KMP):

Mr. Shiv Narayan Daga (Managing Director)

Mr. Sachin Kumar Rathi (Director)

		For the year ended March 31, 2019	For the period May 17, 2017 to March 31, 2018
		₹	₹
(i)	**Transactions which have taken place during the period**		
	(a) Reimbursement of expenses:		
	DB (International) Stock Brokers Limited (holding company)	100,000	664,747
	(b) Share subscription money received/ share capital:		
	DB (International) Stock Brokers Limited (holding company)	-	12,500,000
		100,000	**13,164,747**
(ii)	**Closing Balance as at the year end:**		
	(a) Reimbursement of expenses:		
	DB (International) Stock Brokers Limited (holding company)	764,747	664,747

11	**Financial instruments by category**				
	Particulars	March 31, 2019		March 31, 2018	
		FVTPL	Amortised cost*	FVTPL	Amortised cost*
	Financial assets				
	Cash and cash equivalents	-	897,254	-	12,500,000
	Other financial assets (current)	-	1,106,980	-	314,160
	Total financial assets	**-**	**2,004,234**	**-**	**12,814,160**
	Financial liabilities				
	Other financial liabilities	-	767,747	-	716,663
	Total financial liabilities	**-**	**767,747**	**-**	**716,663**

12	**Financial instruments and cash deposits**			
	March 31, 2019			
	Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount**
		₹	₹	₹
	Cash and cash equivalents	897,254	-	897,254
	Other financial assets (current)	1,106,980	-	1,106,980
	March 31, 2018			
	Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount**
		₹	₹	₹
	Cash and cash equivalents	12,500,000	-	12,500,000
	Other financial assets (current)	314,160	-	314,160

Transactions have been recorded on rate as at the date of transaction.

For Chaudhry Vigg James & Co.
Chartered Accountants
Firm Registration No.000949N

For and on behalf of the Board of Directors

Sd/-
Chander Shekher Batra
Partner
M.No. : 084382

Place: New Delhi
Date: May 29, 2019

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

DB (INTERNATIONAL) STOCK BROKERS LIMITED
Registered Office: 756, Sector -23A, Gurugram, Haryana - 122017
Phone No.: 011-43606162, email: investors@dbonline.in
CIN No: L67120HR1992PLC035349

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.

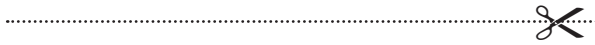
Ledger Folio No.: **DP ID/CLIENT ID**	**No. of Shares held :**
Name :	
Address :	

I hereby record my presence at the 27th Annual General Meeting of the Company to be held on Wednesday, September 27, 2019 at 04:00 P.M IST at 756, Sector -23A, Gurugram, Haryana - 122017, the registered office of the Company.

Signature of Shareholder/Proxy :

Electronic Voting Particulars		
EVEN (E Voting Event Number)	**User ID**	**Password**
180710002	**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 27th Annual General Meeting. The e-voting period starts from September 24, 2019 (09:00 a.m. IST) and ends on September 26, 2019 (05:00 p.m. IST)



DB (INTERNATIONAL) STOCK BROKERS LIMITED
Registered Office: 756, Sector -23A, Gurugram, Haryana - 122017
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PROXY FORM

{Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(1) of the Companies (Management and Administration) Rules, 2014}

I/We …….. holding ……no of shares being a member of DB (International) Stock Brokers Limited hereby appoint …… of …….. or failing him …… of …… as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf on Friday, September 27, 2019 at 04:00 P.M. IST at 756, Sector -23A, Gurugram, Haryana- 122017, the registered office of the Company or at any adjournment hereof.

the Company or at any adjournment hereof. Signed this ……..……..2019

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix Revenue Stamp of Rs. 1/-

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.

FORM NO. MGT-12

BALLOT PAPER

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

DB (International) Stock Brokers Limited
CIN No: - L67120HR1992PLC035349
Registered Office: 756, Sector -23A, Gurugram, Haryana-122017
Phones: 011- 43606162
E-mail: compliance@dbonline.in Website: www.dbonline.in

27th ANNUAL GENERAL MEETING – To be Held on Friday, September 27, 2019 at 04:00 P.M. IST		
S.NO.	**Particulars**	**Details**
1.	Name of the first named Shareholder/Proxy Holder (IN BLOCK LETTERS)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of share	

I hereby exercise my vote in respect of Ordinary resolutions enumerated below, by recording my assent or dissent to the said resolution in the following manner:

S. No.	**Item No.**	**No. of shares held by me**	**I assent to the resolution ('For') (No of Shares)**	**I dissent from the resolution ('Against') (No of Shares)**
Ordinary Business				
1.	Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.			
2.	To appoint statutory auditor of the Company to hold office from the conclusion of this AGM till the conclusion of 32nd Annual General Meeting and to fix their remuneration			
3.	To shift from 756, Sector 23A, Gurugram, Haryana-122017 to House No. 70, Housing Board Colony (old) Near Mini Secretariat, Rewari, Haryana-123401			

Place: Gurugram

Date:

Signature of Shareholder/Proxy/Authorised Representative

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, Ms. Deepika Bansal, Practicing Company Secretary, at 402, New Delhi House 27, Barakhamba Road, New Delhi-110001. 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.

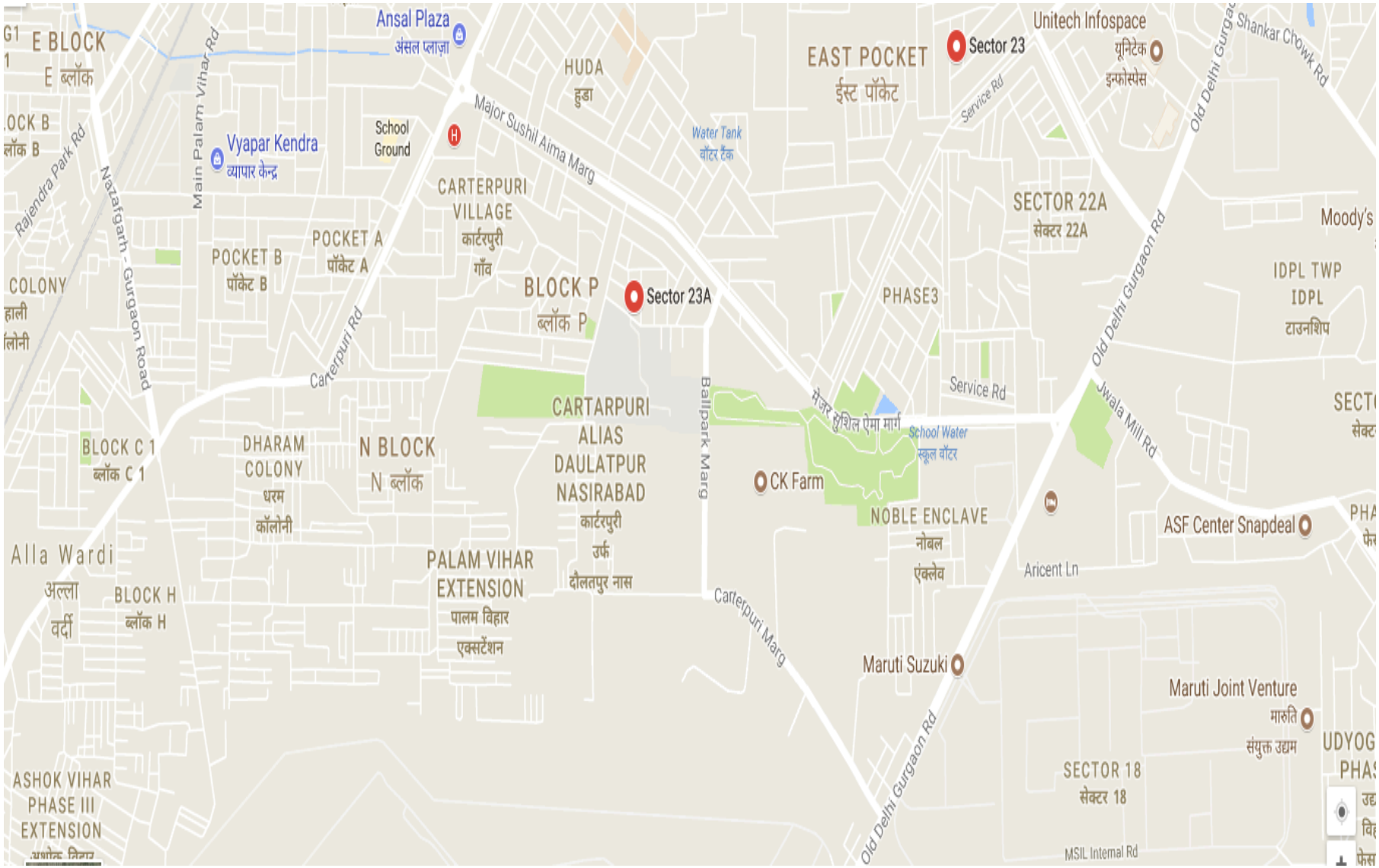
c) The signature of the member on this postal ballot form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialised form or in physical form, respectively.

d) Completed postal ballot forms should reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. IST on September 24, 2019 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 402, New Delhi House 27, Barakhamba Road New Delhi-110001 or to the e-mail ID compliance@dbonline.in. Duly completed and signed duplicate postal ballot forms should, however, reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. IST on September 24, 2019.

g) 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 extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.


E BLOCK
E ब्लॉक
Ansal Plaza
अंसल प्लाज़ा
HUDA
हुडा
EAST POCKET
ईस्ट पॉकेट
Sector 23
Unitech Infospace
यूनिटेक
इन्फोस्पेस
Shankar Chowk Rd
Old Delhi Gurgaon Rd
Service Rd
Water Tank
वॉटर टैंक
Major Sushil Aima Marg
Main Palam Vihar Rd
Rajendra Park Rd
Najafgarh - Gurgaon Road
Vyapar Kendra
व्यापार केन्द्र
School Ground
CARTERPURI VILLAGE
कार्टरपुरी
गाँव
SECTOR 22A
सेक्टर 22A
Moody's
IDPL TWP
IDPL
टाउनशिप
POCKET A
पॉकेट A
POCKET B
पॉकेट B
COLONY
BLOCK P
ब्लॉक P
Sector 23A
PHASE3
Carterpuri Rd
Ballpark Marg
Old Delhi Gurgaon Rd
Service Rd
Jwala Mill Rd
मेजर सुशील ऐमा मार्ग
School Water
स्कूल वॉटर
CARTARPURI ALIAS DAULATPUR NASIRABAD
कार्टरपुरी उर्फ दौलतपुर नास
BLOCK C 1
ब्लॉक C 1
DHARAM COLONY
धरम कॉलोनी
N BLOCK
N ब्लॉक
CK Farm
NOBLE ENCLAVE
नोबल एंक्लेव
ASF Center Snapdeal
Aricent Ln
Alla Wardi
अल्ला वर्दी
BLOCK H
ब्लॉक H
PALAM VIHAR EXTENSION
पालम विहार एक्सटेंशन
Carterpuri Marg
Maruti Suzuki
Maruti Joint Venture
मारुति संयुक्त उद्यम
SECTOR 18
सेक्टर 18
ASHOK VIHAR PHASE III EXTENSION
MSIL Internal Rd



If Undelivered please return to:

DB (INTERNATIONAL) STOCK BROKERS LTD.

402, New Delhi House. 27, Barakhamba Road, New Delhi-110 001