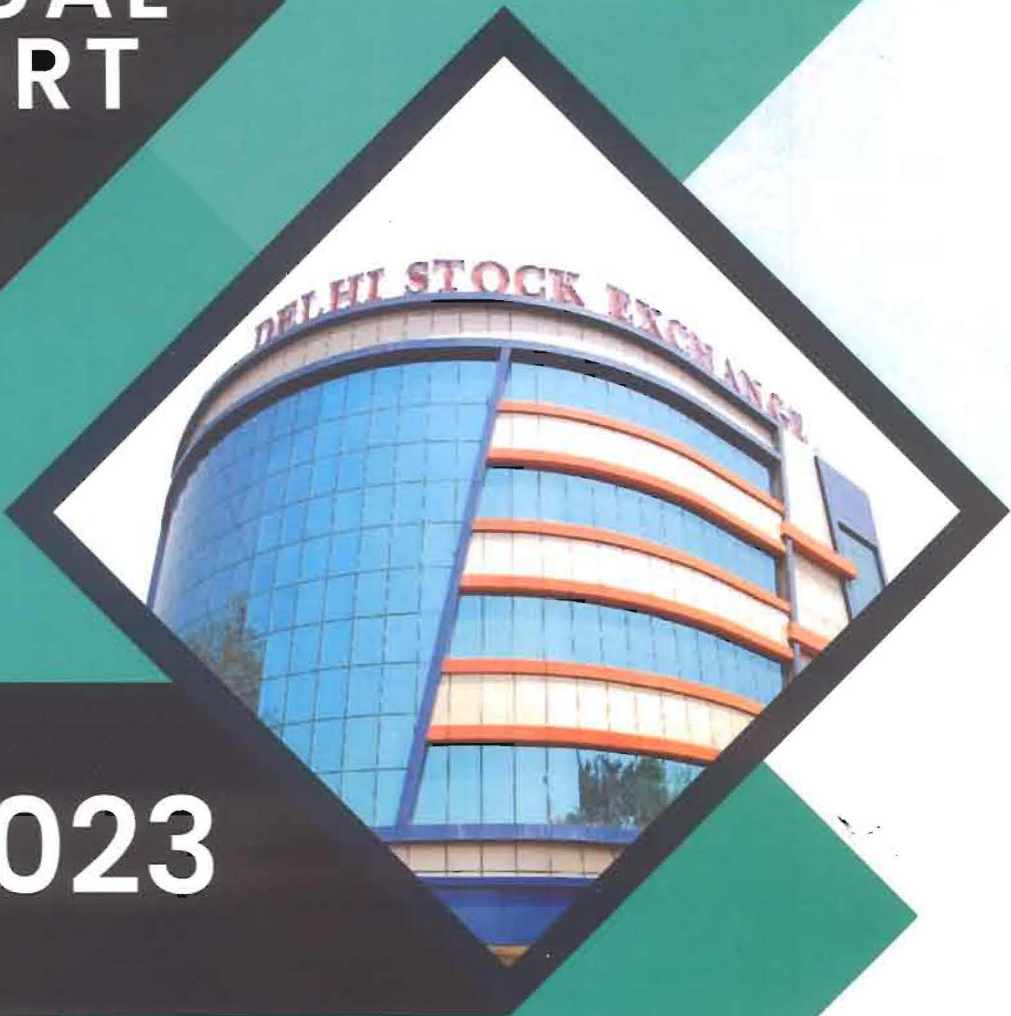


# 75th ANNUAL REPORT



# 2022-2023



**DSE ESTATES LIMITED**  
(Formerly known as Delhi Stock Exchange Limited)



## GOVERNING BOARD

Mr. Vijay Bhushan	Chairman
Mr. Mahender Kumar Gupta	Director
Mr. Vinod Kumar Goel	Director
Mr. Hans Raj Kapoor	Director

### Company Secretary

Ms Vandana Sharma

### Manager

Mr. V. K. Yadav

### Auditors

P. Bholusaria & Co.  
*Chartered Accountants*

### Bankers:

Canara Bank  
HDFC Bank

### Registered Office:

DSE House, 3/1, Asaf Ali Road  
New Delhi-110 002

### Registrar & Transfer Agent :

**Abhipra Capital Limited**  
Dilkhush Industrial Estate  
A-387, G. T. Karnal Road, Azadpur  
New Delhi-110 033



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

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## NOTICE TO SHAREHOLDERS

**NOTICE** is hereby given that 75<sup>th</sup> Annual General Meeting of the shareholders of DSE Estates Limited will be held on Saturday, 30<sup>th</sup> September, 2023 at 03:30 PM at DSE HOUSE, 3/1, Asaf Ali Road, New Delhi-110002 to transact the following business:

**The following businesses will be transacted at the AGM:**

**Ordinary Business(es):**

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 and the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Mahender Kumar Gupta (DIN:01194791), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

**Special Business:**

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

**“RESOLVED THAT** the sum of ₹ 66,94,92,106/- (Rupee sixty six crores ninety four lacs ninety two thousand one hundred six only) standing to the credit of the Settlement Guarantee Fund Reserve of the Company shall be reclassified and credited to the 'General Reserve' of the Company, and subsequent thereto, such amount credited to the 'General Reserve' of the Company shall be reclassified as, and constitute General reserve of the Company in accordance with the provisions of the Companies Act, 2013 and subject to such approvals as may be necessary.

On behalf of the Board of Directors

**(Vijay Bhushan)**

Chairman

DIN : 00002421

Date : 24.08.2023

Place: New Delhi

**NOTES :**

1. A SHARE HOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
3. Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2023 to 30<sup>th</sup> September, 2023 (both days inclusive) for the purpose of Annual General Meeting.





*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

4. Shareholders are requested to send their queries at least ten days in advance of the meeting so that the information can be made available at the time of meeting and also to meaningfully answer the queries raised by them.
5. The Corporate Shareholders intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting, in respect of above matters.
6. Shareholders/Proxies should bring the Attendance Slip sent here with duly filled in for attending the meeting.
7. Shareholders are also requested to bring their copy of the Annual Report at the time of Annual General Meeting.

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

To consider and pass with or without modification(s) the following resolution as a Special resolution:

**THAT** pursuant to the Directions and Circulars issued by SEBI under the Securities Contracts (Regulation) Act, 1956, the Company (formerly Delhi Stock Exchange Limited) had created a 'Settlement Guarantee Fund' in order to guarantee settlement of all transactions, eliminate counterparty risk and ensure timely completion of the settlement whenever there is any delay due to failure of any member to honour his commitment. Such Fund was required to be utilized only in the event of a failure of members to honour their settlement commitments.

**THAT**, however vide order dated 23.01.2017, SEBI allowed voluntary exit of the Company as a stock exchange and the Company was required to refund the initial contribution/ deposit made by members/ stock brokers to the Fund.

**THAT** the Company had an aggregate outstanding balance of ₹ 68,20,02,106/- (Rupee sixty eight crores twenty lacs two thousand one hundred six only) standing to the credit of the Settlement Guarantee Fund, which comprised of non-refundable contributions from members, contributions from exchange, and interest, dividend, other income as well as accretions arising from investments of the Fund.

**THAT** out of the above sum, an amount of ₹ 1,55,10,000/- (Rupee one crores fifty five lacs ten thousand only) was refundable to members and as such, was transferred to from the Fund account to Current Liabilities.

**THAT** a resolution dated 29.09.2018 was passed to transfer the balance amount of ₹ 66,94,92,106/- (Rupee sixty six crores ninety four lacs ninety two thousand one hundred six only) standing to the credit of the Settlement Guarantee Fund to Surplus account of the Company; however, effect cannot be accorded to the same.

**THAT** in view of the aforesaid facts, the balance of Rs. 669492106/- standing credited to the SGF is for all practical purposes is shareholder's fund.

Now therefore, in supersession of above resolution, It is now proposed to get approval of shareholders at their general meeting by passing special resolution.

None of the directors or key managerial personal of the company or their relatives of the company, is in anyway concerned or interested in the resolution except to the extent of layout if any from these funds and respect of their holding in the company

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting 75<sup>TH</sup> Annual Report on the operations of the Company and the audited accounts for the year ended March 31, 2023. The financial highlights including consolidated results of the Company for the year are as under: -

### FINANCIAL HIGHLIGHTS

(₹ in lakhs)

Particulars	Stand-alone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Gross Income	371.75	703.21	480.23	977.65
Total Expenditure	190.83	239.69	255.93	323.05
Depreciation	27.48	29.16	33.51	33.97
Surplus after Depreciation	153.45	434.36	190.79	620.67
Provision for Taxation	37.82	85.93	51.13	95.07
Net Surplus	115.63	348.44	139.66	525.56

### PERFORMANCE HIGHLIGHTS OPERATIONS

The gross revenue of the company during the financial year to Rs 371 lakhs (2022-23) against Rs. 703 lakhs (2021-22). This fall was on account of non recurring profit from sale of Property, Plant and equipment of Rs. 227 Lakhs a well as profit on sale of redemption of non current /long term investments of Rs. 137 Lakhs.

The expenses also decreased by 20 % to Rs. 191 lakhs (2022-23) as against Rs. 240 lakhs ( 2021-22).

The Company's profit after tax was Rs. 115 lakhs (2022-23) as against Rs. 348 lakhs (2021-22).

In the current financial year the company expects higher income due to increase in rates of bank FDRs and debt securities.

### DIVIDEND

The Board does not recommend any dividend for the year under review.

### ACCOMPLISHMENTS SINCE 2018

The present Board took charge on 20<sup>th</sup> December 2017.

The Board has completed 5 financial years from 1 April 2018 to 31<sup>st</sup> March 2023. During this period the following tasks has been accomplished;

#### 1. Improved Profitability

- a. Income from investments has risen by 11 % from Rs. 332 Lakhs (2017-18) to Rs. 371 Lakhs (2022-23).

- b. Efficient management has resulted in a 150 % increase in standalone Profit After Tax (PAT). The standalone profit after tax has gone up from Rs. 46 lakhs (2017-18) to Rs 115 lakhs (2022-23).
- c. The consolidated profit after tax has seen a rise of 190 %, from Rs 48 lakhs (2017-18) to Rs 139 lakhs (2022-23). This represents an outstanding achievement by your Board.

#### 2. Payment to Members

- a. Payment of Rs. 723 lakhs refunded to 275 erstwhile trading members on account of BMC, TGF and FDR's pledged with DSE. A few members have still to submit the necessary undertaking enabling them to receive their dues from the company.

#### 3. Recovery of Assets & Reduction of Liabilities

- a. Received from Securities Exchange Board of India an excess amount of Rs.186 lakhs recovered from us on account of registration fee of erstwhile Trading Members. Total recovery now stands at Rs. 261 lakhs.
- b. Recovery of Income Tax Refund amounting to Rs.189.35 Lakhs for previous years.
- c. Total liquid funds available with the Exchange have surged from Rs. 5293 lakhs (2017-18) to Rs. 6561 lakhs (2022-23)
- d. Recovery of rent and re-possession of Laxmi Nagar flats.



e. Re-possession of rented premises on second floor of DSE chambers from a tenant after winning the court case stretching over last 16 years.

#### **4. Strategy & Legal Affairs**

- a. Change in Name of company from Delhi Stock Exchange to DSE Estates Limited and alteration in Memorandum and Articles of Association to reflect the change in operations of the company.
- b. On the legal front, the company has secured favourable decisions in 17 cases decided by the court. Out of which 6 cases were decided in our favour by the court in the last one year.
- c. The Company filed petition with Hon'ble National Company Law Tribunal for minor reduction in share capital and rectification of register of members. Notices were issued to the concerned parties. The matter is pending for final arguments.

#### **DIRECTORS**

During the financial year 2022-23 there was no change in constitution of the Board. Mr. Mahender Kumar Gupta retires at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

#### **SUBSIDIARY COMPANY**

Delstox Stocks And Shares Limited, a 100 percent Subsidiary of your Company is providing a trading platform to the members of DSE in National Stock Exchange and Bombay Stock Exchange for Cash and F&O segments. DSSL, also a depository participant of CDSL provides the depository facilities to its clients.

The profit after tax is Rs. 24 Lakhs against Rs. 177 Lakhs last year. The decline in profit is on account of an income of Rs. 175 Lakhs realised on the sale of Long term investments in the F.Y. 2022-23.

The audited annual accounts of the subsidiary company for the financial year 2022-23 together with the Report of Directors and Auditors and the statement under section 129 of the Companies Act, 2013 are annexed with this report.

#### **BOARD MEETINGS**

There, 4 Board meetings were convened and held, during the financial year. The details are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under Companies Act, 2013.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their

knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **RELATED PARTY TRANSACTIONS**

All transactions entered into with related parties during the financial year were in the ordinary course of business. None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company.

Information on transactions with related parties pursuant to section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, are given in Annexure in Form AOC-2 and the same forms part of this report.

#### **PETITION BEFORE HON'BLE NATIONAL COMPANY LAW TRIBUNAL (NCLT)**

The Company has filed a petition before the Hon'ble National Company Law Tribunal (NCLT), New Delhi, inter-alia praying for:-

- i) Allowing the Company to rectify its register of members;
- ii) Allowing the Company to reduce its paid up share capital by Rs 1,58,000/- (158000 equity shares of Rs 1/- each) from its financial statements;
- iii) Allowing the Company to issue the consequential refund of Rs 1,58,000/- on account of aforesaid capital reduction;

- iv) Reduction of paid up share capital by 162000 equity shares in the secretarial/ROC records. The Hon'ble NCLT has issued notices to the parties and presently the matter is pending before the Hon'ble NCLT for final hearing/arguments.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The details of investments made by the company are given in the notes to the financial accounts.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has set up Internal Complaints Committee to redress complaints, if any. During the year under review, no complaint has been received in respect of Sexual Harassment from any of the employees of the Company.

#### **ANNUAL RETURN**

The extracts of Annual Return in Form MGT- 9, pursuant to the provisions of Section 92 (3) read Rule 12 (1) of the Companies (Management and administration) Rules, 2014 is in **Annexure 1** and is attached to this Report.

#### **DEPOSITS**

Your Company has not accepted any deposits during the year under review.

#### **CORPORATE GOVERNANCE**

Your Directors are of the firm belief that corporate governance is the system by which business corporations are directed and controlled.

Your Company has adopted highest standards of Corporate Governance principles. A report on Corporate Governance for the period under review is given as a separate statement and forms part of the Annual Report.

#### **AUDITORS**

M/s P. Bholusaria & Co., Chartered Accountants retire at the 75<sup>th</sup> Annual General Meeting of the Company.

#### **AUDITORS' OBSERVATIONS**

The comments on the observation in the report of the Auditors on the stand-alone financial statements for the financial year 2022-23 are asunder:

*Qualification on Note no. 31 of financial statements regarding non-provision of amount of Rs. 132250 thousand in respect of fees of brokers/sub-brokers (inclusive of interest) paid to SEBI.*

*Your Board is of the opinion that the Company is not liable to pay the said outstanding dues of brokers/sub-brokers and has paid the same to SEBI without prejudice to get the refund of amount from SEBI if excess amount has been paid. The amounts are recoverable from the respective brokers. Upto the year end the Company has recovered amount of Rs. 261 Lakhs- from SEBI and some brokers/sub-brokers. The Board is making efforts to recover the remaining amount. Hence, no provision is necessary at present.*

#### **DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES**

No director of the Company receives any remuneration except sitting fee for attending the meetings of the Board and Committees. The Company does not have any employee whose remuneration falls under the limits prescribed under section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014.

#### **ACKNOWLEDGEMENT**

Your Directors thankfully acknowledge and place on record the sincere appreciation for the continuous support, assistance and cooperation extended by the Securities and Exchange Board of India, Central Government, Registrar of Companies, Local Administration and Delstox Stocks And Shares Limited during the year under review.

Your Directors appreciate the valuable contributions made by the employees of the Company and look forward to their continued dedication and involvement as hitherto.

Your Directors are also grateful to the shareholders for their continued support and co-operation in the successful conduct of affairs of the Company.

On behalf of the Board of Directors

**Vijay Bhushan**  
Chairman  
DIN : 00002421

Place : New Delhi  
Dated: 24.08.2023



## CORPORATE GOVERNANCE REPORT

### 1. BRIEF STATEMENT ON THE COMPANY'S CODE ON CORPORATE GOVERNANCE

The Company's Code on Corporate Governance is based on ethical business conduct by adhering to laws, rules and regulations and amendments thereto that determine the management's ability to take decisions in convergence with its members, creditors, employees and regulators. The Company believes and strongly recommends that sound Corporate Governance is vital for boosting stakeholders' confidence and ensuring transparent and efficient conduct of the business with integrity. Hence, Corporate Governance provides a framework to govern the Company as per the highest standards of ethical and responsible conduct of business and translate into a much higher level of stakeholders confidence which is crucial to ensure the long term sustainability and value generation by business.

### 2. ABOUT THE COMPANY

DSE Estates Limited(formerly Delhi Stock Exchange Limited) was incorporated under the Indian Companies Act, 1913 and was a recognized Stock Exchange within the meaning of Section 4 of the Securities Contracts (Regulation) Act, 1956 (SCRA). The Ministry of Finance, Government of India vide notification published on March 15, 2016 in the Gazette of India withdrew the recognition granted under the above section. SEBI also issued Exit Order to DSE on January 23, 2017. The Board of Directors and various Committees of DSE are responsible for the overall management of the Company.

### 3. BOARD OF DIRECTORS

#### i. Directors

During the financial year 2022-23, Mr Vijay Bhushan, Mr Mahender Kumar Gupta, Mr Vinod Kumar Goel, and Mr Hans Raj Kapur constituted the Board of Directors of the company.

#### ii. Composition and Attendance of each Director at the Board meetings from April 1, 2022 to March 31,2023:

During 2022-23, Four Board meetings were held on May 27, 2022, August 16, 2022, August 26 2022 and December 06, 2022. The time-gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013.

The composition of the Board during the financial year 2022-23, the Board meetings attended by them during the Financial Year under review and their attendance at the last Annual General Meeting are as follow:

Sl. No.	Name of the Director	Designation	Held during tenure	No. of meetings attended	Attendance at the last AGM
1	Mr. Vijay Bhushan	Director	4	4	Yes
2	Mr. M. K. Gupta	Director	4	4	Yes
3	Mr. Vinod Kr Goel	Director	4	4	Yes
4	Hans Raj Kapoor	Director	4	4	No

iii) Sitting fees paid by the Company to Directors for attending Board and Committee meetings during Financial Year 2022-23 are given below:

Sl. No.	Name of the Director	Amount ₹
1.	Mr. Vijay Bhushan	2,05,000/-
2.	Mr. Mahender Kumar Gupta	2,05,000/-
3.	Mr. Vinod Kumar Goel	2,05,000/-
4.	Mr. Hans Raj Kapoor	1,45,000/-

4. COMMITTEES

a) AUDIT COMMITTEE

The scope of the Audit Committee constituted is as under:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;

During the year under review, 2 meeting of the Audit Committee was held on 16.08.2022 and 20.08.2022. The composition of the Audit Committee and the attendance at its meetings during the financial year 2022-23 are given hereunder:

Sl. No.	Name of the Member	Designation	Held during tenure	No. of meetings attended
1	Mr. Vijay Bhushan	Director	2	2
2	Mr. M.K.Gupta	Director	2	2
3	Mr. Vinod Kr Goel	Director	2	2

5. During the year under review, 2 meetings of the Legal Committee were held on 24.09.2022 and 17.01.2023. The composition of the Legal Committee and the attendance at its meetings during the financial year 2022-23 are given hereunder:

Sl. No.	Name of the Member	Designation	Held during tenure	No. of meetings attended
1	Mr. Vijay Bhushan	Director	2	2
2	Mr. M.K.Gupta	Director	2	2
3	Mr. Vinod Kr Goel	Director	2	2

6. During the year under review, 3 meetings of the Investment Committee were held on 18.06.2022, 15.11.2022 and 27.12.2022. The composition of the Legal Committee and the attendance at its meetings during the financial year 2022-23 are given hereunder:

Sl. No.	Name of the Member	Designation	Held during tenure	No. of meetings attended
1	Mr. Vijay Bhushan	Director	3	3
2	Mr. M. K. Gupta	Director	3	3
3	Mr. Vinod Kr Goel	Director	3	3
4	Mr Hans Raj Kapoor	Director	3	3





*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

## 7. GENERAL BODY MEETINGS

Location and time of last three AGMs and EGMs are as follows:

Annual General Meeting	September 30, 2022 at 03.30 P.M.	DSE House,3/1, Asaf Ali Road, New Delhi – 110 002
Annual General Meeting	November 30, 2021 at 04:00 P.M.	The Lalit Hotel,Barakhamba Avenue, Connaught Place,New Delhi-110001
Annual General Meeting	December 29, 2020 at 04:00 P.M.	The Lalit Hotel,Barakhamba Avenue, Connaught Place,New Delhi-110001
Extra Ordinary General Meeting	September 16, 2021 At 04:00 P.M	DSE House,3/1, Asaf Ali Road, New Delhi – 110 002

## 8. DISCLOSURES

- During the year there have been no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- The Company has complied with the requirements of regulatory authorities as applicable from time to time. During the last three years, there has been no non-compliance to the provisions/requirements of SEBI or any other regulatory authorities.

## 9. GENERAL SHAREHOLDER INFORMATION

### i. Forthcoming AGM - Date, time and venue:

The 75<sup>th</sup> Annual General Meeting of the Company is scheduled for Saturday, September 30, 2023 at 03:30 PM at DSE House, 3/1, Asaf Ali Road, New Delhi – 110002:

### ii. The Company's financial year was from April 1, 2022 to March 31, 2023.

### iii. Book Closure:

The Register of Members of the Company shall be closed during the period September 24, 2023 to September 30, 2023 (both days inclusive).

### iv. Registrar & Share Transfer Agent:

Abhipra Capitals Limited  
Abhipra Complex, A-387, Dilkhush Industrial Area,  
G.T. Karnal Road, Azadpur, Delhi - 110 033

### v. Demat of Shares:

Equity Shares of the Company have been admitted in NSDL and CDSL. The ISIN no. is INE275101021. Face value of the shares is ₹ 1/- per share. Out of total Share Capital, 96.60% is held in demat form as on March 31, 2023.

### vi. Address for correspondence:

DSE Estates Limited  
DSE House, 3/1, Asaf Ali Road, New Delhi- 110002 Ph: 23298988  
The website of the Company is [www.dseindia.org.in](http://www.dseindia.org.in)

### vii. Nomination facility:

In terms of Section 72 of the Companies Act, 2013, the members are allowed to nominate any person to whom they desire of making / changing a nomination in respect of their shareholding in the company. Members can avail the nomination facility by submitting Form SH. 13 (in duplicate) to the company or its R&T Agent Abhipra Capitals Limited. The form can be furnished by Abhipra Capitals Limited on request.

On behalf of the Board of Directors

Place : New Delhi  
Dated: August 24, 2023

**Vijay Bhushan**  
Chairman  
DIN : 00002421



**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third provision thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

DSE Estates Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

**2. Details of material contracts or arrangement or transactions at arm's length basis :**

**(a) Name(s) of the related party and nature of relationship :**

Delstox Stocks And Shares Limited, wholly owned subsidiary of DSE Estates Limited

**(b) Nature of contracts/arrangements/transactions :**

By a resolution in its meeting held on January 5, 2018, the Board approved a resolution under which space in DSE House 3/1, Asaf Ali Road, New Delhi, was continued to be given to Delstox Stocks and Shares Limited for its operational use against payment of rent, maintenance charges and electricity expenses.

**(c) Duration of the contracts/arrangements/transactions : Continuing**

**(d) Salient terms of the contracts or arrangements or transactions including the value, if any:**

The terms provided for payment of rent and maintenance charges for the usage of space, fixtures, furniture and security provided by the company to DSSL at monthly charges for ₹ 2,100/- on account of rent and maintenance and ₹ 10,000/- for electricity consumption.

**(e) Date of approval by the Board, if any :**

The decision was approved by the Board of Directors of the Exchange in its meeting held on January 5, 2018.

**(f) Amount paid as advances, if any : Nil**

On behalf of the Board of Directors

Place : New Delhi  
Dated: August 24, 2023

**Vijay Bhushan**  
Chairman  
DIN : 00002421



**DSE Estates Limited**  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

**Annexure\_1**

**Form No. MGT-9**

## **EXTRACT OF ANNUAL RETURN**

for the financial year ended on 31st March 2023

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

### **I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : U91120DL1947PLC001239
- ii) Registration Date : 25.06.1947
- iii) Name of the Company : DSE ESTATES LIMITED
- iv) Category / Sub-Category of the Company : Non-Government Company Limited by shares
- v) Address of the Regd. Office of the Company & contact details : DSE HOUSE  
3/1, Asaf Ali Road, New Delhi - 110002  
Phone: 011-23278988
- vi) Whether listed company : No
- vii) Name Address & Contact details of the Registrar & Transfer Agent, if any : Abhipra Capital Limited  
Dilkhush Industrial Estate  
A-387, G. T. Karnal Road, Azadpur  
New Delhi - 110033

### **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	Nil	NA	Nil

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

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Delstox Stocks And Shares Limited (formerly DSE Financial Services Ltd.)	U67110DL1996PLC079973	Subsidiary Company	100%	Section 2 (87) (ii)

**IV. SHARE HOLDING PATTERN**  
(Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>1 Indian</b>									
(a) Individuals/ HUF	0	0	0	0	0	0	0	0	0
(b) Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(c) Bodies Corporates	0	0	0	0	0	0	0	0	0
(d) Banks/FI	0	0	0	0	0	0	0	0	0
(e) Any Other (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub Total(A)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2 Foreign</b>									
a NRI-Individuals	0	0	0	0	0	0	0	0	0
b Other-Individuals	0	0	0	0	0	0	0	0	0
c Bodies Corporate	0	0	0	0	0	0	0	0	0
d Banks/FI	0	0	0	0	0	0	0	0	0
e Any Other (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(B) Public shareholding</b>									
<b>1 Institutions</b>									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks/FI	80,000	0	80,000	0.26	80,000	0	80,000	0.26	0
(c) Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e) Insurance Companies	0	0	0	0	0	0	0	0	0
(f) FIs	0	0	0	0	0	0	0	0	0
(g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(h) Any Other (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B)(1)</b>	<b>80,000</b>	<b>0</b>	<b>80,000</b>	<b>0.26</b>	<b>80,000</b>	<b>0</b>	<b>80,000</b>	<b>0.26</b>	<b>0</b>



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<b>2 Non- institutions</b>									
(a) Bodies Corporate									
i) Indian	14514190	747600	15261790	50.46	14854560	310000	<b>15164560</b>	50.14	-0.32
ii) Overseas									
(b) Individuals	7854968	240031	8094999	26.76	8032198	160031	<b>8192229</b>	27.08	+0.32
i Individual shareholders holding nominal share capital up to ₹ 1 lac									
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lac	266061	—	266061	0.88	266061	—	<b>266061</b>	0.88	-
(d) Others:									
NRIs	4100	—	4100	0.01	4100	—	<b>4100</b>	0.01	-
HUF	255550	—	255550	0.85	255550	—	<b>255550</b>	0.85	-
Foreign Corporate Bodies	6283500	—	6283500	20.78	6283500	—	<b>6283500</b>	20.78	-
<b>Sub-Total (B)(2)</b>	<b>29258369</b>	<b>987631</b>	<b>30246000</b>	<b>100</b>	<b>29775969</b>	<b>987631</b>	<b>30246000</b>	<b>100</b>	
<b>(B) Total Public Shareholding (B)= (B)(1)+(B)(2)</b>									
(C) Shares held by Custodian for GDRs & ADRs									
<b>GRAND TOTAL (A)+(B)+(C)</b>									

**(ii) Shareholding of Promoters**

Sl. No.	Name of Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	
NIL								

**(iii) Change in Promoters' Shareholding**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Not Applicable			
2	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease ( e.g. allotment / transfer / bonus / sweat equity etc ) :				
3	At the end of the year				

**(iv) Shareholding of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)**

Sl. No.	For each of the top 10 shareholders	Shareholding at the end of the year		Shareholding at the beginning of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Parsvnath Developers Ltd	1496500	4.95	1496500	4.95
2.	Omaxe Limited	1496500	4.95	1496500	4.95
3.	63 Moons Technologies Limited	1496500	4.95	1496500	4.95
4.	Bennett, Coleman and Company Ltd.	1496500	4.95	1496500	4.95
5.	New Vernon Private Equity Limited	1496500	4.95	1496500	4.95
6.	EHL Eastern Holdings Ltd	1496500	4.95	1496500	4.95
7.	Wilmette Holdings Limited	1496500	4.95	1496500	4.95
8.	LFP DSE Limited	1495000	4.94	1495000	4.94
9.	TV18 Broadcast Limited	898500	2.97	898500	2.97
10.	Nahar Capital and Financial Services Ltd.	748250	2.47	748250	2.47



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**(v) Shareholding of Directors and Key Managerial Personnel**

SI No.	Director's Name	Shareholding at the end of the year		Shareholding at the beginning of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Mr Vijay Bhushan				
1.	At the beginning of the year	36032	0.12	36032	0.12
2.	Date wise increase/ decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity shares etc.)	—	—	—	—
3.	At the end of the year	36032	0.12	36032	0.12

SI No.	Director's Name	Shareholding at the end of the year		Shareholding at the beginning of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Mr Mahender Kumar Gupta				
1.	At the beginning of the year	34031	0.11	34031	0.11
2.	Date wise increase/ decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity shares etc.)	—	—	—	—
3.	At the end of the year	34031	0.11	34031	0.11

SI No.	Director's Name	Shareholding at the end of the year		Shareholding at the beginning of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Mr Vinod Kumar Goel				
1.	At the beginning of the year	60000	0.20	60000	0.20
2.	Date wise increase/ decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity shares etc.)	—	—	—	—
3.	At the end of the year	60000	0.20	60000	0.20

SI No.	Director's Name	Shareholding at the end of the year		Shareholding at the beginning of the year	
	Mr Hans Raj Kapoor	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	0	0	0	0
2.	Date wise increase/ decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity shares etc.)	—	—	—	—
3.	At the end of the year	0	0	0	0

SI No.	Key Managerial Person	Shareholding at the end of the year		Shareholding at the beginning of the year	
	Mr Virender Kumar Yadav	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	0	0	0	0
2.	Date wise increase/ decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity shares etc.)	—	—	—	—
3.	At the end of the year	0	0	0	0

SI No.	Key Managerial Person	Shareholding at the end of the year		Shareholding at the beginning of the year	
	Ms Vandana Sharma	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	0	0	0	0
2.	Date wise increase/ decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity shares etc.)	—	—	—	—
3.	At the end of the year	0	0	0	0





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**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	<b>NIL</b>			
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)				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

('000)

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profit in lieu of salary under section 17(3) income tax Act, 1961	Virender Kumar Yadav	761
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of Profit	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

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**B. Remuneration to Other Directors:**

(in ₹ 000')

Sr. No.	Particulars of Remuneration	Fee for attending Board Meetings	Fee for attending Committee Meetings	Commission	Others CPF Trust Committee	Total Amount
	Non-Executive Directors					
1.	Mr Vijay Bhushan	100	105	NIL	NIL	205
2.	Mr Mahender Kumar Gupta	100	105	NIL	NIL	205
3.	Mr Vinod Kumat Goel	100	105	NIL	NIL	205
4.	Mr Hans Raj Kapoor	100	45	NIL	NIL	145

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager						Total Amount
1.	Independent Directors							
	a) Fee for attending Board Meeting b) Fee for attending Committee Meeting c) Commission d) Other, Please Specify							
	Total (1)							
2.	Other Non-Executive Directors a) Fee for attending board Committee Meeting b) Commission c) Other, Please Specify							
	Total (2)							
	Total (B)=(1+2)							
	Total Managerial Remuneration							
	Overall Ceiling as per the Act							



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**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD** (in ₹ 000')

Sl. no	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	734	—	—
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	—	—	—	—
	(c) profit in lieu of salary under section 17(3) of the income tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission - as % of Profit	—	—	—	—
5	Others, please specify Staff Welfare	—	—	—	—
	Total	—	734	—	—

**VII. 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 - Exit order issued by SEBI on 23.01.2017				
	Penalty	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL
B.	DIRECTORS				
	Penalty	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL
C.	OTHER OFFICERS IN DEFAULT				
	Penalty	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL

On behalf of the Board of Directors

Place : New Delhi  
Dated: 24.08.2023

**Vijay Bhushan**  
Chairman  
DIN : 00002421

## Independent Auditors' Report

**TO THE MEMBERS OF  
DSE ESTATES LIMITED  
(FORMERLY KNOWN AS DELHI STOCK EXCHANGE  
LIMITED)**

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

**Qualified Opinion**

We have audited the accompanying standalone financial statements of DSE ESTATES LIMITED (FORMERLY KNOWN AS DELHI STOCK EXCHANGE LIMITED) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the statement of Profit and Loss and statement of cash flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit, and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

*Reference is invited to Note no. 31 of the standalone financial statements regarding non-provision of amount of ₹ 1,32,250 thousand in respect of fees of brokers/sub-brokers (inclusive of interest) paid to SEBI during the earlier year (net of recovery and refund). In the opinion of management no provision is required for the said amount. In our opinion, on the basis of information and explanations made available to us by the management, there is uncertainty of the refund/recovery of the aforesaid amount and, therefore, provision is required to be made for the same. As a result of this, profit for the year as shown in the statement of Profit & loss is higher by ₹ 1,32,250 thousand; amount of Reserve & Surplus as shown in the Balance sheet is overstated to that extent; Short Term loans and advances as shown in the Balance sheet is overstated to that extent. Our opinion is qualified on this issue. We had also given qualified opinion on this issue in our audit report on the financial statements as on/ for the year ended 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2017, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2022.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The accompanying standalone financial statements have been approved by Company's Board of Directors. The Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India including the Accounting standards specified under



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Section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

**Auditors' Responsibility for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of the 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 going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to 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 going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The standalone financial statements dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 'B'**.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note no. 30 of the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor

Education and Protection Fund by the Company.

- iv. a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on the behalf of company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. The company has neither proposed nor declared any dividend during the year.
- vi. Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining



books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from 01.04.2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

(h) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

The Company has not paid any managerial remuneration for the year ended 31st March, 2023 to its directors.

FOR P. BHOLUSARIA & CO.

*Chartered Accountants*

Firm Registration No. 000468N

Place : New Delhi

AMIT GOEL

Date : 24.08.2023

(Partner)

UDIN: 23092648BGZSBJ1301

M.No. 092648

#### **Annexure 'A' to Independent Auditors' Report**

#### **DSE Estates Limited (Formerly known as Delhi Stock Exchange Limited)**

The annexure referred to in paragraph 1 under the heading of 'report on other legal and regulatory requirements' of our report to the members of the company on the standalone financial statements for the year ended on 31<sup>st</sup> March, 2023, we Report that:

1. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any right of use assets.  
(B) The Company does not have any intangible asset as at the year end.
- b. As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. The title deeds of immovable properties are held in the name of the Company.
- d. The Company has not revalued any of its Property, Plant and Equipment during the year.
- e. There are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of

Benami Property Transactions Act, 1988 and rules made thereunder.

2. a. The Company does not hold any inventory. Hence, the reporting requirement of clause 3(ii)(a) of the order is not applicable to the Company.  
b. No working capital limit has been sanctioned and availed by the Company. Hence, the reporting requirement of clause 3(ii)(b) of the order is not applicable to the Company.
3. a. The Company has neither granted any loans/ advances in the nature of loans nor provided any guarantee, to companies, firms, limited liability partnerships or any other parties during the year. The Company has not made any investment in companies, firms, limited liability partnerships or any other parties during the year. However, the company has made investment in bonds and mutual funds during the year.  
b. During the year the investments made are not prejudicial to the Company's interest.  
c. The Company has not given any loans in the nature of loans and advances. Hence, the reporting requirement of clause 3(iii)(c) to 3(iii)(f) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, with respect to the investment made, to the extent applicable to the company. As per the information and explanation given to us, the Company has neither given any loan nor given any guarantee or provided any security in connection with a loan to any other person.
5. The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of section 73 to 76 of the Act and rules made thereunder to the extent applicable. However, sum of Rs. 156 thousand is reflected as Share allotment kept in abeyance as explained in note no. 4 of the standalone financial statements.
6. The nature of the company's business/activities is such that maintenance of Cost Records under section 148(1) of the Act is not applicable to the company.
7. A. According to the records of the Company, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Value added tax,



Cess and other statutory dues to the extent and as applicable to the company have been regularly deposited by the company during the year with the appropriate authorities. However, there are some delays in few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2023 for a period of more than six months from the date of becoming payable.

- b. The disputed statutory dues aggregating to ₹ 34 thousand that has not been deposited on account of matters pending before appropriate authorities are as under:

S. No	Nature of the Dues	Forum where Dispute is pending	Amt. (₹ in thousand)
1.	Income Tax dem- and creat- ed u/s 143(1) by CPC for A.Y. 2015-16	Response filed before CPC	34
	Total		34

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Hence, the requirement to report on clause 3(viii) of the order is not applicable to the Company.
9. a. The Company does not have any loans or borrowings from any lender during the year. Hence, the reporting requirement of clause 3(ix)(a) of the order is not applicable to the Company.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. According to the records of the Company examined by us and the information and explanation given to us no term loan has been taken by the company. Hence, the reporting requirement of clause 3(ix)(c) of the order is not applicable to the Company.
- d. The Company has not raised any funds during the year. Hence, the reporting requirement of clause 3(ix)(d) of the order is not applicable to the Company.
- e. On the basis of books and records examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary. The Company does not have any associate or joint venture.
- f. On the basis of books and records examined by us and as explained to us, the Company has not raised any loan during the year on the pledge of securities held in its subsidiary.
10. a. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments). Hence, the reporting requirement of clause 3(x)(a) of the order is not applicable to the Company.
- b. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, the reporting requirement of clause 3 (x)(b) of the Order is not applicable to the Company.
11. a. In our opinion and according to the information and explanation given to us, no fraud by the company and no fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this audit report.
- c. According to the information and explanations given to us, no whistle blower complaints were received during the year and upto the date of this report by the Company and hence the reporting requirement of clause 3(xi)(c) of the order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the reporting requirement of clause 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections



- 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us, the requirement of the Internal Audit as per the section 138 of Companies Act, 2013 read with rule 13 of Companies (accounts) Rules, 2014 is not applicable to the Company. Accordingly, the reporting requirement of Clause 3 (xiv) of the Order is not applicable to the Company.
  15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with its director. Accordingly, the reporting requirement of clause 3(xv) of the order is not applicable.
  16.
    - a. The Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.
    - b. The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
    - c. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
    - d. There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
  17. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
  18. There has been no resignation of the statutory auditor during the year. Hence, the reporting requirement of clause 3(xviii) of the order is not applicable to the Company.
  19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report

indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date to the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company and when they fall due.

20. The Company is not required to spend any amount during the year under sub section (5) of Section 135 of the Act. Accordingly, the reporting requirement of clause 3(xx) of the order is not applicable to the Company.

FOR P. BHOLUSARIA & CO.

*Chartered Accountants*

Firm Registration No. 000468N

Place : New Delhi

AMIT GOEL

Date : 24.08.2023

(Partner)

UDIN: 23092648BGZSBJ1301

M.No. 092648

#### **Annexure – B to the Auditors' Report**

#### **DSE Estates Limited (Formerly known as Delhi Stock Exchange Limited)**

#### **Report on the Internal Financial Control 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 **DSE Estates Limited** ("the Company") as of 31 March 2023 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and

errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

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

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

#### **Opinion**

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

FOR P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. 000468N

Place : New Delhi  
Date : 26.08.2022  
UDIN: 23092648BGZSBJ1301

AMIT GOEL  
(Partner)  
M.No. 092648



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

## Standalone Balance Sheet as at 31<sup>st</sup> March, 2023

(₹ in thousand)

Particulars	Note	As At 31 <sup>st</sup> March, 2023	As At 31 <sup>st</sup> March, 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	30,242	30,242
Reserves and Surplus	3	853,621	842,059
		883,863	872,301
<b>Share Allotment Kept in Abeyance</b>	4	156	156
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	5	2,071	2,321
Other Long-Term Liabilities	6	23,182	23,373
Long Term Provisions	7	202	124
		25,455	25,818
<b>Current Liabilities</b>			
Other Current Liabilities	8	7,713	17,050
Short Term Provisions	7	4,305	6,481
		12,018	23,531
		921,492	921,806
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Property, Plant and Equipment and Intangible Assets</b>			
(i) Property, Plant and Equipment		41,587	44,288
(ii) Intangible Assets		-	-
Non-Current Investments	10	150,394	110,065
Long-Term Loans and Advances	11	10,077	8,464
Other Non-Current Assets	12	1,504	1,507
		203,562	164,324
<b>Current Assets</b>			
Current Investments	13	10,185	13,593
Trade Receivables	14	1,359	1,454
Cash and Bank Balances	15	543,272	585,113
Short-Term Loans and Advances	11	149,653	148,628
Other Current Assets	16	13,461	8,694
		717,930	757,482
		921,492	921,806
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			
<b>OTHER NOTES</b>			
	1		
	22-38		

As per our report on even date

For P. BHOLUSARIA & CO.

Chartered Accountants  
Firm Regd. No. 000468N

**Amit Goel**

(Partner)

M.No. 092648

UDIN : 23092648BGZSBJ1301

Place : New Delhi

Date : 24.08.2023

**FOR AND ON BEHALF OF THE BOARD**

**VIJAY BHUSHAN**

(CHAIRMAN)

DIN:00002421

**VINOD KUMAR GOEL**

(DIRECTOR)

DIN:00039086

**MAHENDER KUMAR GUPTA**

(DIRECTOR)

DIN:01194791

**V. K. YADAV**

(Manager)

**HANS RAJ KAPOOR**

(DIRECTOR)

DIN:00989487

**VANDANA SHARMA**

Company Secretary

M. No. A33194

**Standalone Statement of Profit and Loss**  
for the year ended 31<sup>st</sup> March, 2023

(₹ in thousand except per share data)

Particulars	Note	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Income:</b>			
Other Income	17	37,175	70,321
<b>Total Income</b>		<b>37,175</b>	<b>70,321</b>
<b>Expenses:</b>			
Employee Benefits Expense	18	3,197	2,515
Finance Costs	19	477	135
Depreciation and Amortisation Expense	9	2,748	2,916
Other Expenses	20	15,409	21,319
<b>Total Expenses</b>		<b>21,831</b>	<b>26,885</b>
Profit for the Year Before Tax		15,345	43,436
<b>Tax Expense:</b>			
Provision for Taxation			
-Current		4,100	6,330
-Earlier Year		(67)	(2)
-Deferred		(251)	2,264
Profit for the year		11,563	34,844
<b>Earning per share:</b>	21		
Equity Share of Par Value ₹ 1/- each			
Basic		0.38	1.15
Diluted		0.38	1.15
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>OTHER NOTES</b>	22-38		

As per our report on even date  
For P. BHOLUSARIA & CO.

Chartered Accountants  
Firm Regd. No. 000468N

**Amit Goel**  
(Partner)

M.No. 092648  
UDIN : 23092648BGZSBJ1301  
Place : New Delhi  
Date : 24.08.2023

**VIJAY BHUSHAN**  
(CHAIRMAN)  
DIN:00002421

**VINOD KUMAR GOEL**  
(DIRECTOR)  
DIN:00039086

**FOR AND ON BEHALF OF THE BOARD**

**MAHENDER KUMAR GUPTA**  
(DIRECTOR)  
DIN:01194791

**V. K. YADAV**  
(Manager)

**HANS RAJ KAPOOR**  
(DIRECTOR)  
DIN:00989487

**VANDANA SHARMA**  
Company Secretary  
M. No. A33194



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

**Standalone Cash Flow Statement**  
For the year ended 31<sup>st</sup> March 2023

(₹ in thousand)

Particulars	Year ended 31st March,2023	Year ended 31st March,2022
<b>A) CASH FLOW FROM OPERATION ACTIVITIES</b>		
Net Profit before tax as per statement of Profit & Loss	15,345	43,436
<i>Adjustment for :</i>		
Finance Costs	477	135
Depreciation	2,748	2,916
Bad Debt written off	0	111
Provision for diminution in value of Current Investment written Back	0	(16)
Interest Income	(36,569)	(32,568)
Rental Income	(82)	(110)
Profit on redemption of Current Investments	(415)	(810)
Profit on redemption of Non-Current Investments	0	(13,729)
Profit on sale of Property, Plant and Equipment	0	(22,659)
<b>Operating Profit/-Loss before Working Capital Changes</b>	<b>(18,496)</b>	<b>(23,293)</b>
<i>Adjustment for :</i>		
Trade,other Receivables and loans and advances	(6,452)	25,235
Other bank balances	(132,506)	0
Current and Non-current Liabilities	(9,396)	8,646
<b>Cash Generated from operation</b>	<b>(166,850)</b>	<b>10,588</b>
Income tax paid (Net of refunds)	7,118	4,611
<b>Net Cash from Operating Activities</b>	<b>(173,968)</b>	<b>5,977</b>
<b>B) CASH FLOW FROM INVESTMENTS ACTIVITIES</b>		
Interest Income	36,569	32,568
Rental Income	82	110
Purchase of Property, Plant & Equipment	(46)	(4,120)
Sale of Property, Plant & Equipment	0	26,802
Purchase of investments	(63,029)	(183,372)
Sale/Redemption of investments	26,523	205,551
<b>Net Cash used in Investing Activities</b>	<b>99</b>	<b>77,539</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Costs	(477)	(135)
<b>Net Cash used in Financing Activities</b>	<b>(477)</b>	<b>(135)</b>
<b>Net Increase in Cash &amp; Cash Equivalents A+B+C</b>	<b>(174,347)</b>	<b>83,381</b>
<b>Cash and Cash Equivalents</b> (Opening Balance)	584,919	501,539
<b>Cash and Cash Equivalents</b> (Closing Balance)	410,572	584,920
<b>Components of Cash and Cash Equivalents</b> <b>at the end of the year (I)</b>		
<b>Balances with Banks</b>		
In Current and Deposit Accounts	318567	546912
Cash-on-hand	5	7
Deposit with Financial Institution/ NBFC	92000	38000
<b>Total (I)</b>	410572	584919
<b>Other Bank Balances (II)</b>		
Other Bank deposits (with original maturity of more than 12 months)	132700	0
Deposits Lien marked with The Registrar of High Court	0	194
<b>Total (II)</b>	132700	194
<b>Total Cash and Bank Balances (I+II)</b>	543272	585113

As per our report on even date  
For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Regd. No. 000468N  
**Amit Goel**  
(Partner)  
M.No. 092648  
23092648BGZSBJ1301  
Place : New Delhi  
Date : 24.08.2023

**FOR AND ON BEHALF OF THE BOARD**

**VIJAY BHUSHAN**  
(CHAIRMAN)  
DIN:00002421

**VINOD KUMAR GOEL**  
(DIRECTOR)  
DIN:00039086

**MAHENDER KUMAR GUPTA**  
(DIRECTOR)  
DIN:01194791

**V. K. YADAV**  
(Manager)

**HANS RAJ KAPOOR**  
(DIRECTOR)  
DIN:00989487

**VANDANA SHARMA**  
Company Secretary  
M. No. A33194

## NOTES FORMING PART OF ACCOUNTS

### NOTES TO STANDALONE FINANCIAL STATEMENTS AS ON/ FOR THE YEAR ENDED 31st MARCH, 2023

#### **Corporate Information**

The Company was originally incorporated on 25/06/1947. The Company was earlier a recognised stock exchange in India and known as Delhi Stock Exchange Association Limited/ Delhi Stock Exchange Limited. SEBI vide order dated 23rd June 2017 passed exit order allowing the exit of the Company as stock exchange. The name of the Company was changed to DSE Estates Limited vide Certificate dated 14.11.2019 issued by Registrar of Companies, Delhi. Presently the Company is deriving income mainly from Bank deposits and other Investments. The registered office of the company is situated at DSE House, 3/1, Asaf Ali Road, New Delhi-110002

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

##### **1.1 GENERAL**

- 1.1.1 These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act.
- 1.1.2 The preparation of Financial Statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of Financial Statements and reported amount of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### **1.2 BASIS OF ACCOUNTING**

Income and Expenditure are accounted for on accrual basis, except to the extent stated otherwise.

##### **1.3 REVENUE RECOGNITION**

- 1.3.1 Income is accounted for on accrual basis. Where the ability to assess the ultimate collection with reasonable certainty is lacking, revenue recognition is postponed to the extent of uncertainty involved as per Accounting Standard – Revenue Recognition (AS-9).
- 1.3.2 Interest earned on bank and other deposits and on bonds is recognized as income on accrual basis.
- 1.3.3 Interest income on income tax refund is recognized as income at the time of receipt of refund or receipt of intimation of determination of refund.

##### **1.4 INVESTMENTS**

Non Current/Long Term Investments are carried at cost and decline in value other than temporary, is provided for. Current investments are valued at lower of cost and fair value.

##### **1.5 FIXED ASSETS (Property, Plant & Equipment)**

Fixed assets are stated at cost of acquisition including installation expenditure, if any less accumulated depreciation and impairment loss, if any.

##### **1.6 DEPRECIATION**

- 1.6.1 Depreciation on tangible assets except Leasehold land is provided on Written down value method





## *Notes forming part of Accounts...*

over the useful life of assets in the manner specified in Schedule II to the Companies Act, 2013.

- 1.6.2 Leasehold land is amortized over unexpired period of lease.
- 1.6.3 Intangible Assets viz., Softwares are amortised over a period of three years.

### **1.7 EMPLOYEE BENEFITS**

Employee Benefits are recognized/accounted for on the basis of revised AS-15 detailed as under:-

- 1.7.1 Short term employee benefits are recognized as expense at the undiscounted amount in the Statement of Profit & Loss for the year in which they are incurred.
- 1.7.2 Employee benefits under defined contribution plans, comprises of contribution to Provident Fund. Contributions to Provident Fund are deposited with appropriate authorities and charged to Statement of Profit & Loss.
- 1.7.3 Employee Benefits under defined benefit plans, comprises of gratuity and leave encashment, which are accounted for, as at the year end, based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for gratuity is funded with Life Insurance Corporation of India.
- 1.7.4 Termination benefits are recognized as an expense, as and when incurred.
- 1.7.5 The actuarial gains and losses arising during the year are recognized in the Statement of Profit & Loss for the year without resorting to any amortization.

### **1.8 TAXATION**

Tax expenses for the year comprises of Current tax and Deferred tax charge or credit. The Deferred Tax Asset/Liability is calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax law are recognized only if there is virtual certainty of its realisation. Other Deferred Tax Assets are recognized only to the extent there is a reasonable certainty of realisation in future. Deferred Tax Assets/Liabilities are reviewed at each balance sheet date based on development during the year, further future expectations and available case laws to reassess realisation/liabilities.

### **1.9 EARNING PER SHARE**

Basic Earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluting earning per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares, if any.

### **1.10 CASH & CASH EQUIVALENTS**

Cash and Cash equivalents for the purpose of Cash Flow Statements comprise Cash at bank and in hand, demand deposits with banks and financial institutions/ NBFC, deposits with banks and financial institutions/ NBFC which are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

### **1.11 CASH FLOW STATEMENT**

Cash flows are reported using indirect method. The Cash flows from operating, investing and financing activities of the Company are segregated based on the information available

### **1.12 CONTINGENCIES**

The company creates a provision when there is present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## Notes forming part of Accounts...

## 2. SHARE CAPITAL

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Authorised</b>		
100000000 (Previous Year 100000000) Equity Shares of ₹ 1/- each	100,000	100,000
	100,000	100,000
<b>Issued</b>		
30320000 (Previous Year 30320000) Equity Shares of ₹ 1/- each	30,320	30,320
	30,320	30,320
<b>Subscribed</b>		
30320,000 (Previous Year 30320000) Equity Shares of ₹ 1/- each	30,320	30,320
	30,320	30,320
<b>Paid up</b>		
30242000 (Previous Year 30242000) Equity Shares of ₹ 1/- each fully paid up	30,242	30,242
	30,242	30,242

- 2.1 Issued Share Capital of the company has only one class of shares referred to as equity shares having par value of ₹ 1/-. Each holder of Equity Shares is entitled to One vote per share.
- 2.2 In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of 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.
- 2.3 In certain Secretarial records of the Company, there is difference of 4000 (Previous year 4000) equity shares in the paid up capital. The figure of paid up equity shares as per financial statements is 30242000 (Previous year 30242000) shares of ₹ 1/- each as stated above. However, as per certain secretarial records, the total number of shares are 30246000 (Previous year 30246000). The Company has filed petition before the Hon'ble National Company Law Tribunal (NCLT), New Delhi for rectification of secretarial records.
- 2.4 During the earlier year, the Company had filed a petition before the Hon'ble National Company Law Tribunal (NCLT), New Delhi, inter-alia praying for:-
- Allowing the Company to rectify its register of members.
  - Allowing the Company to reduce its paid up share capital by Rs 158 Thousand (158000 equity shares of Rs 1/- each) from its financial statements.
  - Allowing the Company to issue the consequential refund of Rs 158 Thousand on account of aforesaid capital reduction.
  - Reduction of paid up share capital by 162000 equity shares in the secretarial/ROC records
- The Hon'ble NCLT has issued notices to the parties and presently the matter is pending before the Hon'ble NCLT for final arguments.



*DSE Estates Limited*  
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*Notes forming part of Accounts...*

2.5 The Dividend Proposed, if any, 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.

2.6 Reconciliation of the number of shares outstanding and amount of Share Capital as on 31st March, 2023 & 31st March, 2022 is as under: (₹ in thousand)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Number of shares at the beginning	30242000	30,242	30242000	30,242
Number of shares at the end	30242000	30,242	30242000	30,242

2.7 There are no shareholders holding more than 5% shares in the company as at 31st March, 2023 & 31st March, 2022.

2.8 No share was issued in cash/ share issued pursuant to contract without payment being received in cash during the period of five years immediately preceding the reporting date. No shares were allotted as fully paid up bonus shares during the period of five years immediately preceding the reporting date. There has been no buy back of shares during the period of five years immediately preceding the reporting date.

2.9 Promoter's Shareholding as at 31st March, 2023 and percentage change in shareholding during the year as compared to previous year is as follow: -

Promotor Name	No. of Shares as at March 31, 2023	% of total shares	% Change during the year	No. of Shares as at March 31, 2022
Nil	Nil	Nil	Nil	Nil

**3. RESERVES AND SURPLUS**

(₹ in thousand)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Reserve - Opening Balance	513,567	513,567
	513,567	513,567
Settlement Guarantee Fund Reserve (SGF)- Opening Balance*	669,492	669,492
	669,492	669,492
General Reserve-Opening Balance	578	578
	578	578
Surplus - opening balance	(341,578)	(376,422)
Add: Net Profit after tax transferred from Statement of Profit & Loss	11,563	34,844
Surplus-Closing balance	(330,016)	(341,578)
	853,621	842,059

*Notes forming part of Accounts...*

- \* Settlement Guarantee Fund was created with the objective of guarantee of the settlement of bonafide transactions of the members of the erstwhile exchange, *inter se*, which formed part of the erstwhile exchange's settlement system. Fund balance represented initial contribution of the exchange and certain collections made from the members and income on investments attributable to fund balances upto 31/03/2016 (Also refer Note No. 29). The shareholders of the company in their annual general meeting held on 29/09/2018 had resolved that the entire amount of ' 6,69,492 Thousand standing to the credit of the Settlement Guarantee Fund Reserve of the Company shall be reclassified and credited to the 'Surplus Account' of the Company, and subsequent thereto, such amount credited to the 'Surplus Account' of the Company shall be reclassified as, and constitute accumulated profits of the Company in accordance with the provisions of the Companies Act, 2013 and subject to such approvals as may be necessary.

**4. SHARE ALLOTMENT KEPT IN ABEYANCE**

(₹ in thousand)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Share allotment kept in abeyance	156	156
	156	156

Share allotment kept in abeyance represents amount of ₹ 78 Thousand each received from two persons during the Financial Year 2007-08. The same is pending allotment because of pending completion of legal formalities/requirements by the applicants. Against the share application money, equity shares of face value of ₹ 1/- each, will be issued at par, in accordance with the provision of the Act and after completion of legal formalities/requirements by the applicants such as production of Letter of Probate, Court Order, Succession certificate etc. No separate interest is payable on the amount. The present authorised share capital of the company is sufficient to cover the shares to be issued against the share allotment kept in abeyance. However, the issued Capital and consequently the subscribed capital will be required to be increased by 78000 Shares if all the 156000 Shares are allotted. As a precautionary measure and as a matter of prudence, the Company has made earmarked bank FDRs of equivalent amount of ₹ 156 Thousand in the name of the aforesaid applicants.

**5. DEFERRED TAX LIABILITIES**

(₹ in thousand)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<u>Deferred Tax Liability</u>		
Property, Plant & Equipment	2,161	2,391
<u>Less: Deferred Tax Asset</u>		
Expenses allowable under Income Tax Act on payment basis	90	70
	<b>2,071</b>	<b>2,321</b>



*Notes forming part of Accounts...*

**6. OTHER LONG TERM LIABILITIES**

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Margin Money, Capital Adequacy Norms Deposits, Earnest Money Deposit (under erstwhile stock exchange mechanism)	19,191	19,382
Payable for Capital contracts	1,522	1,522
Other Liabilities (including defaulter, deceased broker members)	2,469	2,469
	<b>23,182</b>	<b>23,373</b>

**7. PROVISIONS**

(₹ in thousand)

Particulars	As At 31st March, 2023		As At 31st March, 2022	
	Long Term	Short term	Long Term	Short term
<b>Provisions For Employees Benefit (Refer Note No. 24)</b>				
Leave encashment	202	205	124	137
Gratuity	-	-	-	14
<b>Others</b>				
Income Tax	-	4,100	-	6,330
	<b>202</b>	<b>4,305</b>	<b>124</b>	<b>6,481</b>

**8. OTHER CURRENT LIABILITIES**

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Amount Refundable to brokers towards Settlement Guarantee Fund (SGF / TGF) in terms of SEBI order (Refer Note no. 29)	3,845	4,095
Refundable to erstwhile members against encashment of Margin FDR	955	1,355
Statutory Dues Payable	100	83
Freehold/ Conversion Charges and ground rent payable for property sold	1,491	5,286
Expenses Payable	1,322	1,181
Advance against sale of Properties (Flats)	-	5,050
	<b>7,713</b>	<b>17,050</b>

Notes forming part of Accounts...

9. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in thousand)

S. No	Particulars	Gross Block at Cost				Depreciation/Amortisation/Impairment				Net Block	
		As at 1st April 2022	Additions during the year	Deductions during the year	As at March 31, 2023	Upto 31st March 2022	For the year	Deduction during the year	Total upto March 31 2023	As on 31st March 2023	As on 31st March 2022
<b>A</b>	<b>Property, Plant and Equipment</b>										
1	Land(s) (Lease hold)	54,385	-	-	54,385	25,137	1,005	-	26,142	28,244	29,249
2	Buildings	68,991	-	-	68,991	56,676	1,550	-	58,226	10,765	12,315
3	Electric Installation & Equipments	29,162	-	-	29,162	27,826	12	-	27,837	1,325	1,336
4	Furniture & Fixtures	11,877	-	-	11,877	11,361	-	-	11,361	516	516
5	Office Equipment	7,958	46	-	8,003	7,631	35	-	7,666	337	327
6	Computers & Peripherals	6,421	-	-	6,421	5,875	146	-	6,021	400	546
7	Liabrary Books	298	-	-	298	298	-	-	298	-	-
	<b>Total (A)</b>	<b>179,092</b>	<b>46</b>	<b>-</b>	<b>179,137</b>	<b>134,804</b>	<b>2,748</b>	<b>-</b>	<b>137,552</b>	<b>41,587</b>	<b>44,288</b>
	Previous Year	181,023	4,120	6,051	179,092	133,796	2,916	1,908	134,804	44,288	47,227
<b>B</b>	<b>Intangible Assets</b>										
1	Softwares	-	-	-	-	-	-	-	-	-	-
	<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Previous Year	5,483	-	5,483	-	5,483	-	5,483	-	-	-
	<b>Total (A+B)</b>	<b>179,092</b>	<b>46</b>	<b>-</b>	<b>179,137</b>	<b>134,804</b>	<b>2,748</b>	<b>-</b>	<b>137,552</b>	<b>41,587</b>	<b>44,288</b>
	(Previous Year)	186,505	4,120	11,534	179,092	139,279	2,916	7,391	134,804	44,288	47,227



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Notes forming part of Accounts...

10. NON CURRENT INVESTMENTS

(₹ in thousand)

Name of the Company	Face Value (₹)	As at 31st March,2023		As at 31st March,2022	
		Qty. (Nos.)	Amount	Qty. (Nos.)	Amount
<b>LONG TERM INVESTMENTS (At Cost)</b>					
<b>OTHER INVESTMENTS (NON TRADE)</b>					
<b>(A) Investment in Equity Instruments</b>					
<b>-Unquoted</b>					
<b>-FULLY PAID UP EQUITY SHARES</b>					
<b>-IN WHOLLY OWNED SUBSIDIARY COMPANY</b>					
Delstox Stocks and Shares Limited (Earlier knowns as DSE Financial Services Ltd.)	1000	60000	60,000	60000	60,000
<b>TOTAL A</b>		60000	60,000	60000	60,000
<b>(B) INVESTMENTS IN BONDS</b>					
<b>-Quoted</b>					
<b>-FULLY PAID UP</b>					
7.55% State Bank of India Bond (Perpetual)	10000000	1	10,009	1	10,009
7.72% State Bank of India Bond (Perpetual)	10000000	1	10,056	1	10,056
7.35% National Highway Authority of India (Tax Free)	1000	20000	22,329	-	-
<b>TOTAL B</b>		20002	42,394	2	20,065
<b>(C) INVESTMENT IN MUTUAL FUNDS</b>					
<b>- Unquoted</b>					
<b>-FULLY PAID UP UNITS</b>					
Edelweiss Mutual Fund (BHARAT Bond FOF - April 2030 - Direct Plan - Growth)	10	2398014	28,000	864074	10,000
HDFC Short Term Debt Fund - Direct Plan - Growth Option	10	789124	20,000	789124	20,000
<b>TOTAL C</b>		3187138	48,000	1653198	30,000
<b>TOTAL (A+B+C)</b>		3267140	150,394	1713200	110,065

- 10.1 Aggregate cost of investment in mutual funds as on 31.03.2023 ₹ 48,000 Thousand (previous year ₹ 30,000 Thousand). Net Asset Value thereof as on 31.03.2023 ₹ 51,698 Thousand (previous year ₹ 31,064 Thousand).
- 10.2 Aggregate cost of investment in Quoted bonds as on 31.03.2023 ₹ 42,394 Thousand (previous year ₹ 20,065 Thousand). Market Value thereof as on 31.03.2023 ₹ 43,224 Thousand (previous year ₹ 19873 Thousand).



## Notes forming part of Accounts...

## 11. LOANS AND ADVANCES

(₹ in thousand)

Particulars	As At 31st March, 2023		As At 31st March, 2022	
	Long Term	Short term	Long Term	Short term
<b>Unsecured, Considered Good, Unless otherwise stated:</b>				
<b>Others</b>				
Prepaid Expenses/Advance against expenses	-	834	-	662
Amount paid to SEBI toward broker / Sub broker fees (Net of recovery) (Refer Note no. 31)	-	132,250	-	132,251
GST Recoverable	10,077	-	8,464	-
Advance Tax/TDS/Income Tax refunds due	-	16,569	-	15,715
Recoverable from Financial Technologies (India) Ltd. (Refer Note No. 11.1)				
—Considered Doubtful	71,591	-	71,591	-
Less: Provision for Doubtful Advances	(71,591)	-	(71,591)	-
	<b>10,077</b>	<b>149,653</b>	<b>8,464</b>	<b>148,628</b>

- 11.1** The company had entered into a technology agreement in September 2008 with Financial Technologies (India) Ltd. (hereinafter referred to as "FTIL") for availing license of its trading software. Due to various deficiencies/defects in the license/software and services, the agreement was terminated by the company in April 2011. The company had paid/incurred a sum of ₹ 71,591 thousand (₹ 71,591 thousand net of service tax) which included payments made to FTIL, other expenses like travelling, Legal and Professional Charges etc., in connection therewith, and also service tax of ₹ 6,423 thousand. Consequent upon the termination of the agreement, the amount had been shown recoverable from FTIL. On the other hand, FTIL has made counter claim of further amount of ₹ 1,00,917 thousand. In the opinion of management, the claim of FTIL is not tenable at all and the management is hopeful of recovery of the amount from FTIL. However, as a matter of prudence, provision for the amount of ₹ 71,591 thousand was made and charged in the Statement of Profit & Loss in the earlier year.



*Notes forming part of Accounts...*

**12. OTHER NON-CURRENT ASSETS**

(₹ in thousand)

Particulars	As at	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Security Deposits	1,504	1,507
	<b>1,504</b>	<b>1,507</b>

**13. CURRENT INVESTMENTS**

(valued at lower of cost and fair value)

(₹ in thousand)

Particulars	As at		As at	
	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	No. of Units	Amount	No. of Units	Amount
Investment-(Unquoted, fully paid up) Non-Trade In Mutual Funds (Fully paid up units)				
ICICI Prudential Saving Fund- Direct Plan-Growth	9083	3,000	-	-
ICICI Prudential Short Term Fund- Direct Plan-Growth Option	60951	3,180	190885	9,588
Kotak Banking and PSU Debt Fund Direct Growth	77425	4,005	77425	4,005
	<b>147459</b>	<b>10,185</b>	<b>268310</b>	<b>13,593</b>

Aggregate cost of Current Investment ₹ 10,185 Thousand (Previous Year ₹ 13,593 Thousand)

Net Asset Value as on 31.03.2023 ₹ 10,744 Thousand (Previous year ₹ 13,946 Thousand).

**14. TRADE RECEIVABLES**

(₹ in thousand)

Particulars	As at	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Unsecured Considered Good	1,359	1,454
	<b>1,359</b>	<b>1,454</b>

Ageing Schedule for Trade Receivables as 31st March 2023 is as follows: -

(₹ in thousand)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 moths - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables considered good	-	-	-	-	1,359	1,359
ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-

## Notes forming part of Accounts...

Ageing Schedule for Trade Receivables as 31st March 2022 is as follows: - (₹ in thousand)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables - considered good	-	-	-	-	1,454	1,454
ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-

## 15. CASH AND BANK BALANCES

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Cash &amp; Cash equivalents</b>		
Balances with Banks		
-In Current Accounts	1,073	4,812
-In Deposit Accounts*	317,494	542,100
Cash-on-Hand	5	7
<b>Others</b>		
Deposits with financial institution/ NBFC* (Housing Development Finance Corporation Limited)	92,000	38,000
<b>Total (A) Cash &amp; Cash Equivalents</b>	<b>410,572</b>	<b>584,919</b>
<b>B. Other Bank balances</b>		
- Other Bank deposits (with original maturity of more than 12 months)	132,700	-
- Deposits Lien marked with The Registrar of High Court	-	194
<b>Total (B) -Other Bank Balances</b>	<b>132,700</b>	<b>194</b>
<b>Total Cash and Bank Balances (A+B)</b>	<b>543,272</b>	<b>585,113</b>

\* Balance with Banks and financial institutions/ NBFC in deposits accounts represents time deposits with banks and financial institutions/ NBFC which can be withdrawn by the company at any point of time without prior notice or penalty on the Principal. Deposits with banks and financial institutions/ NBFC includes deposits of ₹ 1,32,600 Thousand (Previous year ₹ 1,97,800 thousand) with remaining maturity of more than 12 months.



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*Notes forming part of Accounts...*

**16. OTHER CURRENT ASSETS**

(₹ in thousand)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
-Interest accrued on deposits with banks and financial institution/ NBFC	9,975	6,862
-Interest accrued on Investments (Bonds)	2,038	556
-Other recoverable (including Cabin rent, expense recoverable etc.)	1,282	1,120
--Bank FDR earmarked against amount of Share Allotment Kept in abeyance (Refer Note No. 4) [Value with accrued interest as on 31/03/2023 ₹ 408 thousand (Previous Year ₹ 387 thousand)]	156	156
Advance to Employees	10	-
	<b>13,461</b>	<b>8,694</b>

**17. OTHER INCOME**

(₹ in thousand)

Particulars	For the year ended 31 <sup>st</sup> March, 2023		For the year ended 31 <sup>st</sup> March, 2022	
Interest (Gross) on				
a) Fixed Deposits with banks and financial institutions/ NBFC	33,888		32,534	
b) Electricity Security Deposit	35		34	
	33,923		32,568	
		33,923		32,568
Income from Non-Current Investments (Interest on Bonds)		2,646		418
Profit on sale/redemption of current investments		415		810
Rent		82		110
Miscellaneous		109		11
Provision for diminution in value of Current Investment written Back		-		16
Profit on sale/redemption of Non- Current/ Long Term investments		-		13,729
Profit on sale/disposal of Property, Plant and Equipment (Net)		-		22,659
		<b>37,175</b>		<b>70,321</b>

## Notes forming part of Accounts...

(₹ in thousand)

**18. EMPLOYEE BENEFIT EXPENSES**

Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Salaries and Benefits	2,942	2,755
Contribution to Provident Fund and Gratuity Fund (Refer Note No. 24)	166	(308)
Staff welfare	89	68
	<b>3,197</b>	<b>2,515</b>

**19. FINANCE COSTS**

(₹ in thousand)

Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Interest on Income Tax	282	135
Other Interest (on refund of advances received against sale of Flat/ property)	195	0
	<b>477</b>	<b>135</b>

**20. Other Expenses**

(₹ in thousand)

Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Electricity	1,964	2,054
Water	110	146
Property Management Services	4,975	5,380
Repairs and Maintenance - Others	661	328
Advertisement	75	54
Rates & Taxes (including arrears/ demand of property tax of ₹ Nil thousand (Previous Year ₹ 4,385) and ground rent ₹ Nil thousand (Previous Year ₹ 1,491) pertaining to earlier years)	853	7,131
Insurance	611	618
Directors's Sitting Fees	760	1,015
Communication	46	47
Auditor's Remuneration (Refer Note No. 27)	380	380
Legal and Professional	3,107	1,744
Depository and Custodial Charges (CDSL/ NSDL)	11	23
Printing and Stationery	214	283
Bad Debt Written Off	-	111
Brokerage	-	268
Travelling and Conveyance	197	138
Board and Committee Meetings	186	164
Festival	164	148
General Meetings of Members	124	274
Miscellaneous	971	1,013
	<b>15,409</b>	<b>21,319</b>



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Notes forming part of Accounts...

**21. Earning Per Share pursuant to Accounting Standard (AS-20) "Earning Per Share"**

Particulars	Current Year (₹ in thousand) except per share data	Previous Year (₹ in thousand) except per share data
Net Profit after Tax as per Statement of Profit and Loss	11563	34844
Net Profit attributable to Equity Shareholders	11563	34844
<b>Basic Earning Per Share</b>		
Face Value Per Share (₹)	1	1
Weighted Average No. of Equity Shares Outstanding	30242000	30242000
Basic Earning per share (₹)	0.38	1.15
<b>Diluted Earning Per Share</b>		
Face Value Per Share (₹)	1	1
Weighted Average No. of Equity Shares Outstanding	30398000	30398000
Diluted Earning per share (₹)	0.38	1.15

**22. CONTINGENT LIABILITIES AND COMMITMENTS  
(To The Extent Not Provided For)**

- Claims against the Company not acknowledged as debts:- ₹ 1,13,409 Thousand  
(Previous Year ₹ 1,11,894 Thousand)
- The Assessing Officer had disallowed the Company's claim of exemption under section 11 of Income Tax Act, 1961 from the Assessment Year 1996-97 to 1999-2000 and from Assessment Year 2001-02 to 2006-07. The total demands raised by assessing officer for these years were ₹ 3,31,477 Thousand (including interest) (Previous Year ₹ 3,31,477 Thousand). The Commissioner of Income Tax (Appeals) as well as Income Tax Appellate Tribunal (ITAT) upheld the claim of exemption by the Company for all the above years. As per the information to the company, the Income Tax Department has filed appeal before Hon'ble High Court of Delhi against the decision of ITAT.

**23. RELATED PARTY TRANSACTIONS**

**23.1 List of related parties with whom transactions have taken place and relationship:**

- Wholly owned Subsidiary Company*  
Delstox Stocks and Shares Limited  
(Earlier known as DSE Financial Services Ltd.)
- Key Managerial Personnel*  
Mr. V K Yadav - Manager  
Ms. Vandana Sharma (Company Secretary w.e.f. 01.07.2021)
- Directors*  
Mr. Hans Raj Kapoor  
Mr. Vijay Bhushan  
Mr. Mahender Kumar Gupta  
Mr. Vinod Kumar Goel
- Concerns in which directors are interested:*  
Vinod Kumar Goel & Co (Mr. Vinod Kumar Goel is Proprietor)  
M/s Murari Lal Goel (Mr. Vinod Kumar Goel is Proprietor)

## Notes forming part of Accounts...

## 23.2 Transaction during the with related Parties :

(₹ in thousand)

Sr. No.	Name of the Related party	Nature of Transactions	Amount Current Year	Amount Previous Year
1	Delstox Stocks and Shares Limited (Earlier known as DSE Financial Services Ltd.)	Rent income and Maintanances Charges (including GST)	30	30
		Expenses recovered	120	120
		Amount paid on behalf of sub-brokers of subsidiary	-	660
		Amount received and repaid	-	500
		Investments as at the year end	60,000	60,000
2	V K Yadav	Remuneration paid	761	727
3	Vandana Sharma	Remuneration paid	734	514
4	Vijay Bhushan	Sitting Fees paid	205	200
5	Mahender Kumar Gupta	Sitting Fees paid	205	295
6	Vinod Kumar Goel	Sitting Fees paid	205	295
7	Hans Raj Kapoor	Sitting Fees paid	145	225
8	Vinod Kumar Goel & Co.	Cabin rent and other dues	2	1
9	M/s Murari Lal Goel	Cabin rent and other dues	0	1

## 24. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15

Defined Contribution Plan

Amount recognized as expense for defined contribution plans are as under:

Particulars	Current Year Amount (₹ in thousand)	Previous Year Amount (₹ in thousand)	Head under which shown in Statement of Profit & Loss
Contribution to Provident Fund	186	172	Contribution to Provident fund and Gratuity fund





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*Notes forming part of Accounts...*

Defined Benefit Plan

Movement in net liability

(₹ in thousand)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at beginning of the year (A)	581	1144	262	225
Interest Cost (B)	35	58	16	11
Past service cost (C)	Nil	Nil	Nil	Nil
Current service cost (D)	43	41	127	87
Benefits paid (E)	Nil	(126)	Nil	(106)
Actuarial loss/(gain) on obligation (F)	(54)	(538)	2	45
Present value of obligations as at the end of the year (G=A+B+C+D-E+F)	605	581	407	262

The amounts recognized in the Balance Sheet and the Statement of Profit & Loss are as follows :

(₹ in thousand)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	605	581	407	262
Estimated fair value of plan Assets (B)	654	566	Nil	Nil
Net Liability/(Asset) (C=A-B)	(49)	15	407	262
<b>Amounts in the Balance Sheet</b>				
Liabilities/(Asset)	(49)	15	407	262
<b>Amount charged to Profit &amp; Loss Account</b>				
Current Service Cost	43	41	127	87
Interest Cost	35	58	16	11
Past Service Cost	Nil	Nil	Nil	Nil
Expected Return on Plan Asset	(42)	(41)	Nil	Nil
Actuarial(Gain)/Loss	(57)	(539)	2	45
	(20)	(481)	145	143
Head under which shown in the Statement of Profit & Loss	Contribution to Provident Fund and Gratuity Fund (Refer Note No. 24)		Salaries and Benefits	

## Notes forming part of Accounts...

The Actual Return on Plan Assets is as follows

(₹ in thousand)

Particulars	Gratuity	
	Current Year	Previous Year
Actual return on plan assets	44	42

Following are the Principal Actuarial Assumptions used as at the Balance Sheet date:

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	7.20%	6.00%
Expected Rate of Return on Plan Assets	7.19%	7.35%
Salary Escalation Rate	10.00%	10.00%

A reconciliation of the opening and closing balances of the fair value of plan assets :

(₹ in thousand)

Sl. No.	Particulars	Gratuity	
		Current Year	Previous Year
i)	Opening Fair Value of Plan Assets	566	576
ii)	Expected Return on Plan Assets	44	41
iii)	Contribution by the Employer	43	74
iv)	Benefits Paid	Nil	(126)
v)	Actuarial Gain/(Loss)	3	1
	Closing Fair Value of Plan Assets	654	566

**25. Due to Micro, Small and Medium Enterprises**

To the extent information available with the company, it has no dues to the Micro, Small and medium enterprises as at 31st March, 2023 and 31st March, 2022.

26. The company is a small and medium sized company (SMC) as defined in the general instructions in respect of Accounting Standards notified under the Companies Act. Accordingly, the company has complied with the Accounting Standards as applicable to a small and medium sized company.

**27. Auditor Remuneration includes the following (excluding the applicable GST):** (₹ in thousand)

	Current Year	Previous year
Statutory Audit Fees - Standalone financial statements	300	300
- Consolidated financial statements	50	50
- Out of Pocket Expenses	30	30
	380	380

28. In compliance of SEBI exit order requiring the company to change its name so as to delete the word 'Stock Exchange' from it, the name of the Company has been changed from Delhi Stock Exchange Limited to DSE Estates Limited vide certificate dated 14.11.2019 issue by Registrar of Companies, Delhi.



### *Notes forming part of Accounts...*

29. As per Exit order no. WTM/ SR/ SEBI/ MRD-DSA/ 04/01/2017 dated January 23, 2017 passed by Whole Time member, SEBI, the company is to refund SGF / TGF deposit (refundable) to the stock brokers including their initial contribution / deposit to Settlement Gurantee Fund / Trade Gurantee Fund (SGF/ TGF). Accordingly amount of ₹ 15,510 thousand as identified and certified by the management and also by Internal auditors of the Company, was transferred during the financial year 2016-17 from Settlement Gurantee Fund to Other Current liabilities.

#### **30. Litigation**

- a) The Impact of pending litigation has been considered and disclosed in the Contingent Liabilities in Note No. 22.
- b) In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of activities. The Company's management does not reasonably expect that these legal claims and proceedings, when ultimately concluded and decided will have a material and adverse effect on the company's results of operations or financial statements.

31. In terms of SEBI Circular No. CIR/MRD/DSA/14/2012 dated May 30, 2012, Circular No. CIR/MRD/DSA/33/2012 dated December 13, 2012 and Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 dated June 20, 2012, and as approved by the members of the company in their meeting held on May 23, 2014, the company had opted for exit through voluntary surrender of recognition as a Stock Exchange. SEBI Vide Letter No. SEL/LR/OW/10684/2015 dated April 17, 2015 asked the company to comply with the following in order to exit from the business of stock exchange:

- i) To transfer the Investor Protection Fund, Investor Services Fund and 1% Security deposit available with DSEL including interest accrued on this amount till date to SEBI IPEF.
- ii) To transfer the dues outstanding to SEBI including 10% of listing fee and the annual regulatory fee.
- iii) To transfer the outstanding registration fees of brokers/sub-brokers as specified in the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 to till date.

\* In terms of aforesaid letter of SEBI, the company had remitted/transferred the balance of Investor Protection Fund, Investor Services Fund and 1% Security deposit to SEBI in the earlier year. However, with regard to amount of outstanding registration fee of brokers/sub-brokers, in the opinion of management, the company is not liable to pay the outstanding fees of brokers/sub-brokers, if any. The company wrote a letter dated July 13, 2015 to SEBI stating that the company is not liable to pay the outstanding registration fees of brokers. Earlier SEBI informed the company about outstanding brokers/sub-brokers turnover fee amounting to ₹ 2,53,811 thousand. Subsequently after several representations and meetings, SEBI re-calculated the brokers fee at ₹ 1,56,198 thousand and sub-brokers fees at ₹ 2,212 thousand totalling to ₹ 1,58,410 thousand (inclusive of interest) as of September, 2016. SEBI informed the company the liability in respect of members which were party to the appeal in the matter of SEBI vs. Alliance Finstock Private Limited and their corresponding transferees and the members which were party to the appeal in the matter of Association for welfare of Delhi Stock Brokers & Ors. vs. Union of India & Ors. (W.P.(C) 17349/2004) was under calculation and will be informed by SEBI separately. During the financial year 2016-17, the Company had paid the aforesaid amount of ₹ 1,58,410 thousand to SEBI. According to the management, the amounts had been paid to SEBI without prejudice to rights to get the refund of the amount from SEBI if excess amount has been paid. Upto the Year end the Company has recovered amount of ₹ 7,557 thousand (Previous year ₹ 7,556 thousand) from some brokers against the turnover fees/ sub-broker fee. Further, during the previous year the company had received refund of ₹ 18,603 thousand from SEBI on account of excess fees paid in some cases. The amount paid to SEBI net of aforesaid recoveries has been shown in note no. 11 of the Standalone Financial Statements. In the opinion of management the company is also not liable for the liability of remaining amount of ₹ 1,32,250 thousand (i.e. amount paid by it to SEBI less recovery made and refund received) (Previous year ₹ 1,32,251 thousand) as this amount of ₹ 1,32,250 thousand (Previous year ₹ 1,32,251 thousand) will also be recoverable from the respective brokers/sub-brokers and, therefore, no provision for expense/ liability is required to be made for the same.

*Notes forming part of Accounts...*

32. SEBI vide order no. WTM/ SR/ SEBI/ MRD-DSA/ 04/01/2017 dated January 23, 2017 had passed exit order allowing the exit of the Company as stock exchange. In the opinion of management, the going concern concept of the company will not be impacted merely because of exit option through voluntary surrender of the recognition as a Stock Exchange, as the company intends to continue as a corporate entity.
33. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
34. Disclosure u/s 186(4) of the Companies Act, 2013:  
The detail of investments made are given in Note no. 10 and 13.  
The Company has not given any loans.
35. During the current year and previous year, the Company was not required to spent on Corporate Social Responsibility (CSR activities).
- 36. Additional Regulatory Information: -**
- The Title deeds of immovable properties are held in the name of the Company.
  - The Company has not revalued any of its Property, Plant and Equipment during the year
  - The Company does not have any Benami property. No any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition), Act, 1988.
  - The Company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties during the year
  - The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets.
  - The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
  - The company has performed an assesment to identify transactions with Struck off Companies as at 31/03/2023 and the details of which are as under: -

Sr. No.	Name of Struck off Company	Nature of transactions	At at 31st March 2023 (₹ in Thousand)	At at 31st March 2022 (₹ in Thousand)	Relationship with the Struck off Company if any, to be disclosed
1	Fair Finlease & Holdings Private Limited	Shares held by struck off Company	86	86	Equity Shareholder/ Member of erstwhile Stock Exchange
2	MCB Securities Limited	Shares held by struck off Company	50	50	Equity Shareholder/ Member of erstwhile Stock Exchange
		Net recovery of turnover Fees	-	39	
3	Anvee Share Brokers Private Limited	Shares held by struck off Company	-	40	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	-	20	Equity Shareholder/ Member of erstwhile Stock Exchange



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

*Notes forming part of Accounts...*

4	Auric Investments and Securities Private Limited	Shares held by struck off Company	40	40	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	201	201	Equity Shareholder/ Member of erstwhile Stock Exchange
5	Creative Financial Services Private Limited	Shares held by struck off Company	2	2	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	228	228	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	4	4	Equity Shareholder/ Member of erstwhile Stock Exchange
6	Goldy Securities Pvt. Limited	Shares held by struck off Company	2	2	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	63	63	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	31	31	Equity Shareholder/ Member of erstwhile Stock Exchange
7	Rustagi Securities Private Limited	Shares held by struck off Company	2	2	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	13	6	Equity Shareholder/ Member of erstwhile Stock Exchange
		Cabin Rent	6	6	Equity Shareholder/ Member of erstwhile Stock Exchange
		Adjustment towards dues of subsidiary company	-	119	Equity Shareholder/ Member of erstwhile Stock Exchange
8	Goldman Venture Private Limited	Shares held by struck off Company	0 (Rs. 300)	0 (Rs. 300)	Equity Shareholder/ Member of erstwhile Stock Exchange
9	JPS Share Brokers Private Limited	Shares held by struck off Company	10	10	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	56	56	Equity Shareholder/ Member of erstwhile Stock Exchange
10	Chhabra Securities Private Limited	Cabin Rent	6	6	Member of erstwhile Stock Exchange
		Payable	63	63	Member of erstwhile Stock Exchange
		Receivable	50	44	Member of erstwhile Stock Exchange
11	S.J. Capital Limited	Cabin Rent	1	1	Member of erstwhile Stock Exchange
		Receivable	18	17	Member of erstwhile Stock Exchange
		Payable	344	344	Member of erstwhile Stock Exchange

## Notes forming part of Accounts...

12	Needful Sec. & Credits Private Limited	Receivable	9	9	Member of erstwhile Stock Exchange
		Payable	465	465	Member of erstwhile Stock Exchange
13	Friends Portfolio Private Limited	Payable	65	65	Member of erstwhile Stock Exchange
		Receivable	13	13	Member of erstwhile Stock Exchange
14	Anurag Portfolio Private Limited	Payable	275	275	Member of erstwhile Stock Exchange
		Receivable	7	7	Member of erstwhile Stock Exchange
15	DVR Capital Consultancy Private Limited	Receivable	4	4	Member of erstwhile Stock Exchange
		Payable	100	100	Member of erstwhile Stock Exchange
		Adjustment towards dues of subsidiary company	-	100	Member of erstwhile Stock Exchange
16	Evergreen Stock Broking Private Limited	Receivable	4	4	Member of erstwhile Stock Exchange
17	Paramount Share & Stock Brokers Limited	Net recovery of turnover fees	13	0	Member of erstwhile Stock Exchange
		Payable	0	58	Member of erstwhile Stock Exchange
		Receivable	0	11	Member of erstwhile Stock Exchange
		Repayment against Net Payable	33	0	
18	S B Dewan Stock Broking Limited	Shares held by struck off Company	45	45	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	25	19	Member of erstwhile Stock Exchange
		Cabin Rent	6	6	
19	Shikar Securities and Finance Limited	Shares held by struck off Company	2	2	Equity Shareholder/ Member of erstwhile Stock Exchange

**Note: - In the absence of purchase price of share held by struck off companies face value is considered for reporting purpose.**

- viii The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.
- ix The company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.



*Notes forming part of Accounts...*

- x The company has not advanced/ loaned/ invested funds (borrowed/share premium/any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- xi The company has not received any funds from any other person(s) or entity(ies), including foreign entities (Funding Party), with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.
- xii The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- xiii The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note 37 : Analytical Ratios**

Particulars	Numerator	Denominator	31.03.2023	31.03.2022	% Variance	Remarks for variance more than 25%
(a) Current Ratio (in times)	Current Assets	Current Liabilities	59.74	32.19	85.57	The proportionate/ percentage decrease in current liability is higher than the decrease in Current Assets
(b) Debt-Equity ratio (in times)	Total Debt	Shareholder's Equity	NA	NA	NA	NA
(c) Debt-Service Coverage Ratio (in times)	Earnings for Debt service = Net Profit before taxes + Non - cash operating expenses + interest cost	Debt service = Interest expense + Lease Payments + Principal Repayments	NA	NA	NA	NA
(d) Return on Equity ratio (in%)	Net Profit after taxes	Average Shareholders's Equity	1.32	4.08	67.69	There is decrease in net profit during the year due to decrease in earning during the year. The main decrease in income is in respect of profit on sale of Investments, Property, Plant and Equipment
(e) Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory	NA	NA	NA	NA



## Notes forming part of Accounts...

(f) Trade Receivables turn-over ratio (in times)	Net Credit Sales	Average Trade Receivables	NA	NA	NA	NA
(g) Trade Payables turnover ratio (in times)	Net credit Purchases	Average Trade Payables	NA	NA	NA	NA
(h) Net Capital turnover ratio (in times)	Net Sales	Working Capital = Current Assets - Current Liabilities	NA	NA	NA	NA
(i) Net Profit ratio (in %)	Net Profit after taxes	Net Total Sales	NA	NA	NA	NA
(j) Return on Capital Employed (in %)	Earning before interest and taxes	Capital employed = Tangible Net Worth + Deferred Tax Liability	1.79	4.97	64.04	There is decrease in net profit during the year due to decrease in earning during the year. The main decrease in income is in respect of profit on sale of Investments, Property, Plant and Equipment
(k) Return on Investment (in %)	Interest Income	Average Investments + Fixed Bank Deposits (Including Accrued Interest)	5.25	4.61	13.93	NA

38 Previous year's figures have been regrouped/reclassified, wherever considered necessary to conform to the Current Year's presentation.

As per our report on even date  
For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Regd. No. 000468N  
**Amit Goel**  
(Partner)  
M.No. 092648  
UDIN : 23092648BGZSBJ1301  
Place : New Delhi  
Date : 24.08.2023

## FOR AND ON BEHALF OF THE BOARD

**VIJAY BHUSHAN**  
(CHAIRMAN)  
DIN:00002421

**VINOD KUMAR GOEL**  
(DIRECTOR)  
DIN:00039086

**MAHENDER KUMAR GUPTA**  
(DIRECTOR)  
DIN:01194791

**V. K. YADAV**  
(Manager)

**HANS RAJ KAPOOR**  
(DIRECTOR)  
DIN:00989487

**VANDANA SHARMA**  
Company Secretary  
M. No. A33194



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures.**

**Part "A": Subsidiaries**

(Amount in '000)

Sl. No.	Particulars	
1.	Name of the subsidiary	<b>Delstox Stocks And Shares Limited</b>
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A
4.	Share capital	60,000.00
5.	Reserves & surplus	17,972.82
6.	Total assets	107,698.32
7.	Total Liabilities	107,698.32
8.	Investments	5,614.42
9.	Turnover	10,873.11
10.	Profit before taxation	3,732.75
11.	Provision for taxation	1,376.60
12.	Profit after taxation	2,401.23
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

**Notes:**

- Names of subsidiaries which are yet to commence operations – N.A
- Names of subsidiaries which have been liquidated or sold during the year – N.A

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

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures— Not Applicable**

As per our report on even date  
For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Regd. No. 000468N  
**Amit Goel**  
(Partner)  
M.No. 092648  
UDIN : 23092648BGZSBJ1301  
Place : New Delhi  
Date : 24.08.2023

**FOR AND ON BEHALF OF THE BOARD**

<b>VIJAY BHUSHAN</b> (CHAIRMAN) DIN:00002421	<b>MAHENDER KUMAR GUPTA</b> (DIRECTOR) DIN:01194791	<b>VINOD KUMAR GOEL</b> (DIRECTOR) DIN:00039086
<b>HANS RAJ KAPOOR</b> (DIRECTOR) DIN:00989487	<b>V. K. YADAV</b> (Manager)	<b>VANDANA SHARMA</b> Company Secretary M. No. A33194

## Independent Auditors' Report on Consolidated Financial Statements

To,  
The Members of  
DSE ESTATES LIMITED  
(FORMERLY KNOWN AS DELHI STOCK  
EXCHANGE LIMITED)

Report on the Audit of the Consolidated  
Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of DSE ESTATES LIMITED (FORMERLY KNOWN AS DELHI STOCK EXCHANGE LIMITED) and its subsidiary (the Holding company and its subsidiary together referred to as 'the group'), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of profit and loss, the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (herein after 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2023, their consolidated profit, their consolidated cash flows for the year then ended.

### Basis for Qualified Opinion

Reference is invited to Note no. 34 of the consolidated financial statements regarding non-provision of amount of ₹ 1,32,250 thousand in respect of fees of brokers/sub-brokers (inclusive of interest) paid to SEBI during the earlier year (net of recovery and refund). In the opinion of management no provision is required for the said amount. In our opinion, on the basis of information and explanations made available to us by the management, there is uncertainty of the refund / recovery of the aforesaid amount and, therefore, provision is required to be made for the same. As a result of this, profit for the

year as shown in the statement of Profit & loss is higher by ₹ 1,32,250 thousand; amount of Reserve & Surplus as shown in the Balance sheet is overstated to that extent; Short Term loans and advances as shown in the Balance sheet is overstated to that extent. Our opinion is qualified on this issue. We had also given qualified opinion on this issue in our audit report on the financial statements as on/ for the year ended 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2017, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2022.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group, in accordance with Code of Ethics and provision of the Companies Act, 2013 that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Emphasis of Matter

Without qualifying our opinion, we invite reference to:

- (i) As per the audit report of subsidiary company:-  
Note No. 38
- (A) Trade Receivables outstanding for more than six months aggregating to ₹ 7,386 thousand net of credit balances (Previous year ₹ 7,388 thousand) out of which ₹ 6,466 thousand pertains to the Trade Receivables as doubtful and out of which total of Rs. 6432 Thousand is under litigation for which transactions have been stopped and balance confirmation as on 31st March 2023 have also not been obtained. In the opinion of the Management these balances are partially doubtful for recovery and hence provision for doubtful debts of ₹ 6,432 thousand (Previous Year ₹ 6,532 thousand) has been made in the books of accounts. Even though awards under arbitration have



been received in favor of the company and execution petitions have been filed in the court which are pending.

- B) The Company has not made provision for doubtful debts in respect of CDSL Trade Receivables outstanding other than litigation cases amounting to ₹ 901 Thousand for more than six months as neither any recovery process nor any legal action is initiated for the recovery of outstanding dues by the Company. However, in the opinion of the Management these balances are good for recovery and necessary action for recovery has now been initiated.

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

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### **Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial

statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

#### **Other matters**

- (a) We did not audit the financial statements / financial information of the subsidiary, whose financial statements / financial information reflect total assets of ₹ 1,07,698 thousand as at 31st March, 2023, total revenues of ₹ 10,873 thousand and net cash flows amounting to ₹ 2,329 thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of



the above matter with respect to our reliance on the work done and the report of the other auditor.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

As required by sec. 143(3) of the Act we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors
- (c) The consolidated financial statements dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards 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 of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the

Group. – Refer Note 33 to the consolidated financial statements;

- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- iv. (a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or subsidiary from any person(s) or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the respective Holding Company or subsidiary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those

performed by the auditor of subsidiary which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor notice that has caused us or other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Group has neither proposed nor declared any dividend during the year.
- vi. Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from 01.04.2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.
- (h) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:  
The Group has not paid any managerial remuneration for the year ended 31<sup>st</sup> March, 2023 to its directors.

FOR P. BHOLUSARIA & CO.  
*Chartered Accountants*  
Firm Registration No. 000468N  
UDIN : 2309264BGZSBK9141  
AMIT GOEL

Place : New Delhi  
Date : 24.08.2023  
(Partner)  
M.No. 92648

**Annexure 'A' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the consolidated financial statements of DSE Estates Limited**

**In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:**

(xxi). There are no qualifications or adverse remarks by the auditor in the Companies (Auditors Report) Order (CARO) reports of the company included in the Consolidated Financial Statements. Accordingly, the requirement to report on clause 3 (xxi) of the order is not applicable to the Holding Company.

FOR P. BHOLUSARIA & CO.  
*Chartered Accountants*  
Firm Registration No. 000468N  
UDIN : 2309264BGZSBK9141  
AMIT GOEL

Place: New Delhi  
Date : 24.08.2023  
(Partner)  
M.No. 92648

#### **Annexure – B to the Auditors' Report**

#### **Report on the Internal Financial Control under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of DSE Estates Limited and its subsidiary company (Collectively referred to as "the group") as of and for the year ended 31 March 2023, We have audited the internal financial controls over financial reporting of DSE ESTATES LIMITED ("the Holding Company") and its subsidiary company which is company incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### **Auditors' Responsibility**

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





*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the group's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the group 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 except.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company, which is audited by another auditor, which is company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

FOR P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. 000468N  
UDIN : 2309264BGZSBK9141  
AMIT GOEL  
(Partner)  
M.No. 92648

Place : New Delhi  
Date : 24.08.2023

Consolidated Balance Sheet as at 31<sup>st</sup> March, 2023

(₹ in thousand)

Particulars	Note	As At 31 <sup>st</sup> March, 2023	As At 31 <sup>st</sup> March, 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	30,242	30,242
Reserves and Surplus	3	871,597	857,631
		901,839	887,873
<b>Share Allotment Kept in abeyance</b>	4	156	156
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	5	1,972	2,267
Other Long-term Liabilities	6	23,182	23,373
Long Term Provisions	7	1,018	857
		26,172	26,497
<b>Current Liabilities</b>			
Trade Payables	8		
-total outstanding dues of micro enterprises and small enterprises		0	0
-total outstanding dues of creditors other than micro enterprises and small enterprises		20,852	21,101
Other Current Liabilities	9	14,444	22,790
Short Term Provisions	7	5,630	7,662
		40,926	51,553
		<b>969,093</b>	<b>966,079</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Property, Plant &amp; Equipment and Intangible Assets</b>			
(i) Property, Plant and Equipment	10	42,041	44,678
(ii) Intangible assets		432	294
Non-Current Investments	11	96,009	55,680
Long-term Loans and Advances	12	10,665	9,052
Other Non-Current Assets	13	56,709	53,876
		205,856	163,580
<b>Current Assets</b>			
Current Investments	14	10,185	13,593
Trade Receivables	15	2,461	3,414
Cash and Bank balances	16	584,570	624,081
Short-Term Loans and Advances	12	151,406	150,226
Other Current Assets	17	14,615	11,185
		763,237	802,499
		<b>969,093</b>	<b>966,079</b>
SIGNIFICANT ACCOUNTING POLICIES AND THEIR NOTES	1 24 to 45		

As per our report on even date  
For P. BHOLUSARIA & CO.

FOR AND ON BEHALF OF THE BOARD

Chartered Accountants  
Firm Regd. No. 000468N

**VIJAY BHUSHAN**  
(CHAIRMAN)  
DIN:00002421

**MAHENDER KUMAR GUPTA**  
(DIRECTOR)  
DIN:01194791

**HANS RAJ KAPOOR**  
(DIRECTOR)  
DIN:00989487

**Amit Goel**  
(Partner)

**VINOD KUMAR GOEL**  
(DIRECTOR)  
DIN:00039086

**V. K. YADAV**  
(Manager)

**VANDANA SHARMA**  
Company Secretary  
M. No. A33194

M.No. 092648  
UDIN : 2309264BGZSBK9141

Place : New Delhi  
Date : 24.08.2023



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

**Consolidated Statement of Profit and Loss**  
(₹ in thousand)  
for the year ended 31<sup>st</sup> March, 2023 (except per share data)

Particulars	Note	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Revenue from operations	18	5868	5747
Other Income	19	942155	92018
<b>Total Income</b>		<b>48023</b>	<b>97765</b>
<b>Expenses:</b>			
Employee Benefits Expense	20	6282	5654
Finance Costs	21	477	135
Depreciation/Amortisation	10	3351	3397
Other Expenses	22	18834	26516
<b>Total Expenses</b>		<b>28944</b>	<b>35702</b>
Profit for the year before Tax		<b>19079</b>	<b>62063</b>
<b>Tax expense:</b>			
- Current		5163	7230
- Earlier Year		246	32
- Deferred		(296)	2245
Profit for the year after Taxation		<b>13966</b>	<b>52556</b>
<b>Earning Per Share:</b>			
Equity share of par value ₹ 1/-each	23		
Basic		0.46	1.74
Diluted		0.46	1.73
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES	1 24 to 45		

As per our report on even date  
For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Regd. No. 000468N  
**Amit Goel**  
(Partner)  
M.No. 092648  
UDIN : 2309264BGZSBK9141  
Place : New Delhi  
Date : 24.08.2023

**FOR AND ON BEHALF OF THE BOARD**

**VIJAY BHUSHAN**  
(CHAIRMAN)  
DIN:00002421

**VINOD KUMAR GOEL**  
(DIRECTOR)  
DIN:00039086

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**V. K. YADAV**  
(Manager)

**HANS RAJ KAPOOR**  
(DIRECTOR)  
DIN:00989487

**VANDANA SHARMA**  
Company Secretary  
M. No. A33194

Consolidated Cash Flow Statement

For the year ended 31<sup>st</sup> March 2023

(₹ in thousands)

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>A) CASH FLOW FROM OPERATION ACTIVITIES</b>		
Net Profit/(Loss) before tax and Extraordinary Items	19,079	62,063
<i>Adjustment for :</i>		
Finance Costs	477	135
Depreciation	3,351	3,397
Provisions for Doubtful debts	0	1,000
Provision for diminution in value of Current Investment written Back	0	(16)
Bad Debt Written off	0	119
Interest Income	(40,444)	(36,102)
Dividend Income	(862)	(503)
Rental Income	(57)	(85)
Profit on redemption of Current Investments	(470)	(1,056)
Profit on redemption of Non-Current Investments	0	(31,300)
Profit on sale of Property, Plant and Equipment	0	(22,659)
<b>Operating Profit/-Loss before Working Capital Changes</b>	<b>(18,924)</b>	<b>(25,003)</b>
<i>Adjustment for :</i>		
Trade, other Receivables and loans and advances / Other Current and Non-Current Assets	(7,347)	11,801
Other Bank balance	(132,506)	0
Current and Non-current Liabilities	(8,589)	8,130
<b>Cash Generated from operation</b>	<b>(167,366)</b>	<b>(5,072)</b>
Income tax paid (Net of refunds)	8,235	4,611
<b>Net Cash from Operation Activities</b>	<b>(175,601)</b>	<b>(9,683)</b>
<b>B) CASH FLOW FROM INVESTMENTS ACTIVITIES</b>		
Interest Income	40,444	36,103
Rental Income	57	85
Dividend Income	862	503
Purchase of Property, Plant and Equipment and Intangible Assets	(852)	(5,054)
Sale of Property, Plant and Equipments	0	26,802
Purchase of Investments	(73,029)	(186,720)
Sale/Redemption of Investments	36,578	232,594
<b>Net Cash used in Investing Activities</b>	<b>4,060</b>	<b>104,313</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Costs	(477)	(135)
<b>Net Cash used in Financing Activities</b>	<b>(477)</b>	<b>(135)</b>
<b>Net Increase in Cash &amp; Cash Equivalents A+B+C</b>	<b>(172,018)</b>	<b>94,495</b>
<b>Cash and Cash Equivalents</b>	<b>623,888</b>	<b>529,393</b>
(Opening Balance)		
<b>Cash and Cash Equivalents</b>	<b>451,870</b>	<b>623,888</b>
(Closing Balance)		
<b>Components of Cash and Cash Equivalents at the end of the year (I)</b>		
<u>Balances with Banks</u>		
In Current and Deposit Accounts	359,861	585,874
Cash-on-hand	9	13
Deposit with Financial Institutions/ NBFC	92,000	38,000
<b>Total (I)</b>	<b>451,870</b>	<b>623,887</b>
<u>Other Bank Balances (II)</u>		
- Other Bank deposits (with original maturity of more than 12 months)	132,700	-
- Deposits Lien marked with The Registrar of High Court Lien marked with Registrar of High Court	-	194
<b>Total (II)</b>	<b>132,700</b>	<b>194</b>
<b>Total Cash and Bank Balances (I+II)</b>	<b>584,570</b>	<b>624,081</b>

As per our report on even date

For P. BHOLUSARIA & CO.

Chartered Accountants

Firm Regd. No. 000468N

Amit Goel

(Partner)

M.No. 092648

UDIN : 2309264BGZSBK9141

Place : New Delhi

Date : 24.08.2023

VIJAY BHUSHAN

(CHAIRMAN)

DIN:00002421

VINOD KUMAR GOEL

(DIRECTOR)

DIN:00039086

FOR AND ON BEHALF OF THE BOARD

MAHENDER KUMAR GUPTA

(DIRECTOR)

DIN:01194791

V. K. YADAV

(Manager)

HANS RAJ KAPOOR

(DIRECTOR)

DIN:00989487

VANDANA SHARMA

Company Secretary

M. No. A33194

## Consolidated Cash Flow Statement

For the year ended 31<sup>st</sup> March 2023

(` in thousands)

	Year ended 31st March,2023	Year ended 31st March,2022
<b>A) CASH FLOW FROM OPERATION ACTIVITIES</b>		
Net Profit/(Loss) before tax and Extraordinary Items	19,079	62,063
<i>Adjustment for :</i>		
Finance Costs	477	135
Depreciation	3,351	3,397
Provisions for Doubtful debts	0	1,006
Provision for diminution in value of Current Investment written Back	0	(16)
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<b>Operating Profit/-Loss before Working Capital Changes</b>	<b>(18,924)</b>	<b>(25,003)</b>
<i>Adjustment for :</i>		
Trade,other Receivables and loans and advances / Other Current and Non-Current Assets	(7,347)	11,801
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Sale/Redemption of Investments	36,578	232,594
<b>Net Cash used in Investing Activities</b>	<b>4,060</b>	<b>104,313</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Costs	(477)	(135)
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<b>Total (II)</b>	<b>132,700</b>	<b>194</b>
<b>Total Cash and Bank Balances (I+II)</b>	<b>584,570</b>	<b>624,081</b>

As per our report on even date

For P. BHOLUSARIA &amp; CO.

Chartered Accountants

Firm Regd. No. 000468N

**Amit Goel**

(Partner)

M.No. 092648

UDIN : 2309264BGZSBK9141

Place : New Delhi

Date : 24.08.2023

**VIJAY BHUSHAN**

(CHAIRMAN)

DIN:00002421

**VINOD KUMAR GOEL**

(DIRECTOR)

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**V. K. YADAV**

(Manager)

**HANS RAJ KAPOOR**

(DIRECTOR)

DIN:00989487

**VANDANA SHARMA**

Company Secretary

M. No. A33194

FOR AND ON BEHALF OF THE BOARD



## NOTES FORMING PART OF ACCOUNTS

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS ON/FOR THE YEAR ENDED 31ST MARCH,2023

#### **Corporate Information**

The Company was originally incorporated on 25/06/1947. The Company was earlier a recognised stock exchange in India and known as Delhi Stock Exchange Association Limited/ Delhi Stock Exchange Limited. SEBI vide order dated 23rd June 2017 passed exit order allowing the exit of the Company as stock exchange. The name of the Company was changed to DSE Estates Limited vide Certificate dated 14.11.2019 issued by Registrar of Companies, Delhi. Presently the Company is deriving income mainly from Bank deposits and other Investments. The registered office of the company is situated at DSE House, 3/1, Asaf Ali Road, New Delhi-110002. The Company has one subsidiary namely Delstox Stocks and Shares Limited (formerly known as "DSE Financial Services Limited) which is member of both cash and future & option segments of NSE and cash segment of BSE. The company is also a depository participant of Central Depository Services (India) Limited. The company provides all types of connectivity options for trading.

#### **1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS**

##### **1.1 PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements relates to DSE Estates Limited (Earlier known as Delhi Stock Exchange Limited) - (the company) and its subsidiary company Delstox Stocks and Shares Limited (Earlier known as DSE Financial Services Ltd.) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements" on the following basis:

- 1.1.1 The Financial Statements of the Company and the subsidiary company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profit or losses.
- 1.1.2 As far as materially possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in the similar circumstances and are presented to, in the same manner as the company's separate financial statements.

##### **1.2 OTHER SIGNIFICANT ACCOUNTING POLICY**

###### **a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- i These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act,2013 ('Act') read with Rule7of the Companies (Accounts) Rules,2014 and the provisions of the Act.
- ii The preparation of Financial Statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of Financial Statements and reported amount of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

###### **b) BASIS OF ACCOUNTING**

Income and Expenditure are accounted for on accrual basis, except to the extent stated otherwise.

###### **c) REVENUE RECOGNITION**

- i Income is accounted for on accrual basis. Where the ability to assess the ultimate collection with reasonable certainty is lacking, revenue recognition is postponed to the extent of uncertainty involved as per Accounting Standard – Revenue Recognition (AS-9).
- ii Interest earned on bank and other deposits is recognized as income on accrual basis.
- iii Interest income on income tax refund is recognized as income at the time of receipt of refund or receipt of intimation of determination of refund.

###### **d) INVESTMENTS**

Non Current/Long Term Investments are carried at cost and decline in value other than temporary, is provided for. Current investments are valued at lower of cost and fair value.

Notes forming part of Accounts...

**e) PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment are stated at cost of acquisition including installation expenditure, if any less accumulated depreciation and impairment loss, if any.

**f) DEPRECIATION**

- i Depreciation on tangible assets except Leasehold land is provided on Written down value method over the useful life of assets in the manner specified in Schedule II to the Companies Act, 2013.
- ii Leasehold land is amortized over unexpired period of lease.
- iii Intangible Assets viz., Softwares are amortised over a period of three years.

**g) EMPLOYEE BENEFITS**

Employee Benefits are recognized/accounted for on the basis of revised AS-15 detailed as under :-

- i Short term employee benefits are recognized as expense at the undiscounted amount in the Statement of Profit & Loss for the year in which they are incurred.
- ii Employee benefits under defined contribution plans, comprises of contribution to Provident Fund. Contributions to Provident Fund are deposited with appropriate authorities and charged to Statement of Profit & Loss.
- iii Employee Benefits under defined benefit plans, comprises of gratuity and leave encashment, which are accounted for, as at the year end, based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for gratuity is funded with Life Insurance Corporation of India.
- iv Termination benefits are recognized as an expense, as and when incurred.
- v The actuarial gains and losses arising during the year are recognized in the Statement of Profit & Loss for the year without resorting to any amortization.

**h) TAXATION**

Tax expenses for the year comprises of Current tax and Deferred tax charged or credited. The Deferred Tax Asset/Liability is calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax law are recognized only if there is virtual certainty of its realisation. Other Deferred Tax Assets are recognized only to the extent there is a reasonable certainty of realisation in future. Deferred Tax Assets/Liabilities are reviewed at each balance sheet date based on development during the year, further future expectations and available case laws to reassess realisation/liabilities.

**i) EARNING PER SHARE**

Basic Earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluting earning per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares, if any.

**j) CASH & CASH EQUIVALENTS**

Cash and Cash equivalents for the purpose of Cash Flow Statements comprise Cash at bank and in hand, demand deposits with banks and financial institutions/ NBFC, deposits with banks and financial institutions/ NBFC which are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

**k) CASH FLOW STATEMENT**

Cash flows are reported using indirect method. The Cash flows from operating, investing and financing activities of the Company are segregated based on the information available.

**l) CONTINGENCIES:**

The company creates a provision when there is present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.





*Notes forming part of Accounts...*

**2. SHARE CAPITAL**

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Authorised</b>		
100000000 (Previous Year 100000000) Equity Shares of ₹ 1/- each	100000	100000
	<b>100000</b>	<b>100000</b>
<b>Issued</b>		
30320000 (Previous Year 30320000) Equity Shares of ₹ 1/- each	30320	30320
	<b>30320</b>	<b>30320</b>
<b>Subscribed</b>		
30320000 (Previous Year 30320000) Equity Shares of ₹ 1/- each	30320	30320
	<b>30320</b>	<b>30320</b>
<b>Paid up</b>		
30242000 (Previous Year 30242000) Equity Shares of ₹ 1/- each fully paid up	30242	30242
	<b>30242</b>	<b>30242</b>

- 2.1 Issued Share Capital of the Company has only one class of shares referred to as equity shares having par value of ₹ 1/-. Each holder of Equity Shares is entitled to One vote per share.
- 2.2 In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the exchange, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- 2.3 In certain Secretarial records of the Company, there is difference of 4000 (Previous year 4000) equity shares in the paid up capital. The figure of paid up equity share as per financial statement is 30242000 (Previous year 30242000) shares of ₹ 1/- each as stated above. However, as per certain secretarial records, the total number of shares are 30246000 (Previous year 30246000). The Company has filed petition before the Hon'ble National Company Law Tribunal (NCLT), New Delhi for rectification of secretarial records.
- 2.4 During the previous year, the Company had filed a petition before the Hon'ble National Company Law Tribunal (NCLT), New Delhi, inter-alia praying for:-
- Allowing the Company to rectify its register of members.
  - Allowing the Company to reduce its paid up share capital by ₹ 158 Thousand (158000 equity shares of ₹ 1/- each) from its financial statements.
  - Allowing the Company to issue the consequential refund of ₹ 158 Thousand on account of aforesaid capital reduction.
  - Reduction of paid up share capital by 162000 equity shares in the secretarial/ROC records. The Hon'ble NCLT has issued notices to the parties and presently the matter is pending before the Hon'ble NCLT for further hearings/ arguments.
- 2.5 The Dividend Proposed, if any, 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. No dividend has been proposed for the current year or for the previous year.

Notes forming part of Accounts...

- 2.6 Reconciliation of the number of shares outstanding and amount of Share Capital as on 31st March, 2023 & 31st March, 2022 is as under:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	₹ in thousand	No. of shares	₹ in thousand
Number of shares at the beginning	30242000	30242	30242000	30242
Number of shares at the end	30242000	30242	30242000	30242

- 2.7 There are no shareholders holding more than 5% shares in the company as at 31st March, 2023 & 31st March, 2022.
- 2.8 No share was issued in cash/ share issued pursuant to contract without payment being received in cash during the period of five years immediately preceding the reporting date. No shares were allotted as fully paid up bonus shares during the period of five years immediately preceding the reporting date. There has been no buy back of shares during the period of five years immediately preceding the reporting date.
- 2.9 Promoter's Shareholding as at 31st March, 2022 and percentage change in shareholding during the year as compared to previous year is as follow: -

Promotor Name	No. of Shares as at March 31, 2023	% of total shares	% Change during the year	No. of Shares as at March 31, 2022
Nil	Nil	Nil	Nil	Nil

3. RESERVES AND SURPLUS

(₹ in thousand)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Reserve-Opening Balance	513567	513567
	<b>513567</b>	<b>513567</b>
Settlement Guarantee Fund Reserve (SGF)- Opening Balance*	669492	669492
	<b>669492</b>	<b>669492</b>
General Reserve-Opening Balance	578	578
	<b>578</b>	<b>578</b>
Surplus -opening balance	(326006)	(378562)
Add: Net Profit after tax transferred from Statement of Profit & Loss	13966	52556
Surplus-Closing balance	<b>(312040)</b>	<b>(326006)</b>
	<b>871597</b>	<b>857631</b>

- \* Settlement Guarantee Fund was created with the objective of guarantee of the settlement of bonafide transactions of the members of the erstwhile exchange, inter se, which formed part of the erstwhile exchange's settlement system. Fund balance represented initial contribution of the exchange and certain collections made from the members and income on investments attributable to fund balances upto 31/03/2016 (Also refer Note No. 32). The shareholders of the company in their annual general meeting held on 29/09/2018 had resolved that the entire amount of ₹ 6,69,492 Thousand standing to the credit of the Settlement Guarantee Fund Reserve of the Company shall be reclassified and credited to the 'Surplus Account' of the Company, and subsequent thereto, such amount credited to the 'Surplus Account' of the Company shall be reclassified as, and constitute accumulated profits of the Company in accordance with the provisions of the Companies Act, 2013 and subject to such approvals as may be necessary.



*Notes forming part of Accounts...*

**4. SHARE ALLOTMENT KEPT IN ABEYANCE**

(₹ in thousand)

Particulars	As At	As At
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Share allotment kept in abeyance	156	156
	<b>156</b>	<b>156</b>

Share allotment kept in abeyance represents amount of ₹ 78 Thousand each received from two persons during the Financial Year 2007-08. The same is pending allotment because of pending completion of legal formalities/requirements by the applicants. Against the share application money, equity shares of face value of ₹ 1/- each, will be issued at par, in accordance with the provision of the Act and after completion of legal formalities/requirements by the applicants such as production of Letter of Probate, Court Order, Succession certificate etc. No separate interest is payable on the amount. The present authorised share capital of the company is sufficient to cover the shares to be issued against the share allotment kept in abeyance. However, the issued Capital and consequently the subscribed capital will be required to be increased by 78000 Shares if all the 156000 Shares are allotted. As a precautionary measure and as a matter of prudence, the Company has made earmarked bank FDRs of equivalent amount of ₹156 Thousand in the name of the aforesaid applicants.

**5. DEFERRED TAX LIABILITIES**

(₹ in thousand)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Deferred Tax Liability		
Property, Plant & Equipment	2062	2337
Less: Deferred Tax Asset		
Expenses allowable under Income Tax Act on payment basis	90	70
	<b>1972</b>	<b>2267</b>

**6. OTHER LONG TERM LIABILITIES**

(₹ in thousand)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Margin Money, Capital Adequacy Norms Deposits, Earnest Money Deposit (under erstwhile stock exchange mechanism)	19191	19382
Payable for Capital contracts	1522	1522
Other Liabilities (including defaulter, deceased members)	2469	2469
	<b>23182</b>	<b>23373</b>

**7. PROVISIONS**

(₹ in thousand)

Particulars	As At 31st March, 2023		As At 31st March, 2022	
	Long Term	Short term	Long Term	Short term
<b>Provisions For Employees Benefit</b> (Refer Note No. 27)				
Leave encashment	202	467	124	417
Gratuity	816	0	733	14
<b>Others</b>				
Income Tax	0	5163	0	7230
	<b>1018</b>	<b>5630</b>	<b>857</b>	<b>7662</b>

Notes forming part of Accounts...

**8. TRADE PAYABLES**

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
-total outstanding dues of micro enterprises and small enterprises	0	0
-total outstanding dues of creditors other than micro enterprises and small enterprises	20852	21101
	<b>20852</b>	<b>21101</b>

Ageing for Trade Payable - as at March 31, 2023 is as follows

(₹ in thousand)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	20852	-	-	-	20852
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-

Ageing for Trade Payable - as at March 31, 2023 is as follows

(₹ in thousand)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years 3 years	More than	
(i) MSME	-	-	-	-	-
(ii) Others	21,101	-	-	-	21,101
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-

**9. OTHER CURRENT LIABILITIES**

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Amount Refundable to brokers towards Settlement Guarantee Fund (SGF / TGF) in terms of SEBI order (Refer Note no. 32)	3,845	4095
Margin from Sub-brokers	4067	4310
Refundable to erstwhile member against encashment of Margin FDR	955	1355
Statutory dues Payable	278	277
Freehold/ Conversion Charges and ground rent payable for property sold	1491	5286
Expenses Payable	1803	2,417
Client FDR with interest	2005	0
Advance against sale of Properties (Flats)	0	5050
	<b>14444</b>	<b>22790</b>

## Notes forming part of Accounts...

## 10. Property, Plant and Equipments

(₹ in thousand)

S. No.	Particulars	Gross Block at Cost				Depreciation/Amortisation				Net Block	
		As at 1st April 2022	Additions during the year	Deductions during the year	As at March 31 2023	Upto March 31 2022	For the year	Deduction during the year	As at 31st March 2023	As on 31st March 2023	As on 31st March 2022
<b>A</b>	<b>Tangible Assets</b>										
1	Land (Lease hold)	54385	0	0	54385	25137	1005	0	26142	28244	29249
2	Buildings	68991	0	0	68991	56676	1550	0	58226	10765	12315
3	Electric Installation & Equipments	29162	0	0	29162	27826	12	0	27837	1325	1336
4	Furniture & Fixtures	11951	0	0	11951	11432	1	0	11432	518	519
5	Office Equipment	8384	218	0	8601	8018	92	0	8110	491	365
6	Computers & Peripherals	8784	210	0	8994	7890	406	0	8296	698	894
7	Library Books	298	0	0	298	298	0	0	298	0	0
8	Online Trading System & Communication Equipments	0	0	0	0	0	0	0	0	0	0
	<b>Total Tangible Assets (A)</b>	<b>181954</b>	<b>428</b>	<b>0</b>	<b>182382</b>	<b>137277</b>	<b>3066</b>	<b>0</b>	<b>140342</b>	<b>42041</b>	<b>44678</b>
	Previous Year	183301	4704	6051	181954	135886	3299	1908	137277	44678	47415
<b>B</b>	<b>Intangible Assets</b>										
1	Softwares	420	424	0	844	126	285	0	412	432	294
	<b>Total Intangible Assets (B)</b>	<b>420</b>	<b>424</b>	<b>0</b>	<b>844</b>	<b>126</b>	<b>285</b>	<b>0</b>	<b>412</b>	<b>432</b>	<b>294</b>
	Previous Year	5553	350	5483	420	5511	98	5483	126	294	42
	<b>Total (A+B)</b>	<b>182374</b>	<b>852</b>	<b>0</b>	<b>183226</b>	<b>137403</b>	<b>3351</b>	<b>0</b>	<b>140754</b>	<b>42473</b>	<b>44972</b>
	(Previous Year)	188854	5054	11534	182374	141397	3397	7391	137403	44972	47457



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN: U91120DL1947PLC001239

Notes forming part of Accounts...

11. NON CURRENT INVESTMENTS

(₹ in thousand)

Particulars	Face Value (₹)	As at 31st March,2023		As at 31st March,2022	
		Qty. (Nos.)	Amount	Qty. (Nos.)	Amount
<b>LONG TERM INVESTMENTS (At Cost)</b> <b>(Non Trade)</b>					
<b>(A) Investment in Equity Instruments (Quoted)</b>					
-Fully Paid up Equity Shares					
Bombay Stock Exchange Limited	2	59550	2066	59550	2066
<b>TOTAL A</b>		59550	2066	59550	2066
<b>(B) INVESTMENTS IN MUTUAL FUNDS (Quoted)</b>					
-FULLY PAID UP UNITS					
7.55% State Bank of India Bond (Perpetual)	10000000	1	10009	1	10009
7.72% State Bank of India Bond (Perpetual)	10000000	1	10056	1	10056
7.35% National Highway Authority of India (Tax Free)	1000	20000	22329	0	0
9.40% IFCI Bond 2025	1000	200	201	200	201
8.56% REC Bond 2028	1000000	3	3348	3	3348
<b>TOTAL B</b>		20205	45943	205	23614
<b>(C) INVESTMENTS IN MUTUAL FUNDS (Unquoted)</b>					
<b>Fully paid up Units</b>					
Edelweiss Mutual Fund (BHARAT Bond FOF - April 2030 - Direct Plan - Growth)	10	2398014	28000	864074	10000
HDFC Short Term Debt Fund - Direct Plan - Growth Option	10	789124	20000	789124	20000
<b>TOTAL C</b>		3187138	48000	1653198	30000
<b>TOTAL (A+B+C)</b>		3266893	96009	1712953	55680

Aggregate cost of Quoted investments ₹ 48,009 Thousand (Previous year ₹ 25,680 Thousand)

Market value of Quoted Investments ₹ 72,220 Thousand (Previous year of ₹ 79,559 Thousand)

Aggregate cost of investment in mutual fund as on 31.03.2023 ₹ 48,000 Thousand (previous year ₹ 30,000 Thousand). Net Asset Value thereof as on 31.03.2023 ₹ 51,698 Thousand (previous year ₹ 31,064 Thousand).





*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

*Notes forming part of Accounts...*

**12. LOANS AND ADVANCES**

(₹ in thousand)

Particulars	As At 31st March, 2023		As At 31st March, 2022	
	Long Term	Short term	Long Term	Short term
<b>Unsecured, Considered Good, unless otherwise stated:</b>				
<b>Others</b>				
Prepaid Expenses/Advance against expenses	-	1,771	-	944
Amount paid to SEBI toward broker / Sub broker fees (Net of recovery) (Refer Note no. 34)	-	132,250	-	132,251
GST Recoverable	10,077	-	8,464	401
TDS/Income Tax refunds due Recoverable from Financial Technologies (India) Ltd. (Refer Note No. 12.1)	588	17,385	588	16,630
—Considered Doubtful	71,591	-	71,591	-
Less: Provision for Doubtful Advances	(71,591)	-	(71,591)	-
	<b>10,665</b>	<b>151,406</b>	<b>9,052</b>	<b>150,226</b>

**12.1** The company had entered into a technology agreement in September 2008 with Financial Technologies (India) Ltd. (hereinafter referred to as "FTIL") for availing license of its trading software. Due to various deficiencies/defects in the license/software and services, the agreement was terminated by the company in April 2011. The company had paid/incurred a sum of ₹ 78,013 Thousand (₹ 71,591 Thousand net of service tax) which includes payments made to FTIL, other expenses like travelling, Legal and Professional Charges etc., in connection therewith, and also service tax of ₹ 6,423 Thousand. Consequent upon the termination of the agreement, the amount had been shown recoverable from FTIL. On the other hand, FTIL has made counter claim of further amount of ₹ 1,00,917 Thousand. In the opinion of management, the claim of FTIL is not tenable at all and the management is hopeful of recovery of the amount from FTIL. However, as a matter of prudence, provision for the amount of ₹ 71,591 Thousand was made and charged in the Statement of Profit & Loss in the earlier year.

Notes forming part of Accounts...

**13. OTHER NON-CURRENT ASSETS**

(₹ in thousand)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Security Deposit	16479	29082
FDR's (including interest accrued) pledged with Stock Exchanges & other given as Security Deposits	40230.	24794
	<b>56709</b>	<b>53876</b>

**14. CURRENT INVESTMENTS**

(valued at lower of cost and fair value)

(₹ in thousand)

Particulars	As At		As At	
	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	No. of Units	Amount in ₹	No. of Units	Amount in ₹
<u>Investment in Mutual Funds-</u> (Unquoted, fully paid up) Non-Trade				
ICICI Prudential Saving Fund- Direct Plan-Growth*	9083	3,000	-	-
ICICI Prudential Short Term Fund- Direct Plan-Growth Option	160951	3,180	190885	9,588
Kotak Banking and PSU Debt Fund Direct Growth	77425	4,005	77425	4,005
	<b>147459</b>	<b>10,185</b>	<b>268310</b>	<b>13,593</b>

Aggregate cost of Current Investment ₹ 10,185 Thousand (Previous Year ₹ 13,593 Thousand)  
Net Asset Value as on 31.03.2023 ₹ 10,744 Thousand (Previous year ₹ 13,946 Thousand).

**15. TRADE RECEIVABLES**

(₹ in thousand)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Unsecured		
Considered Good	2427	3414
Considered doubtful	6466	6532
Less: Provision for doubtful debts	(6432)	(6532)
	<b>2461</b>	<b>3414</b>
	<b>2461</b>	<b>3414</b>





*Notes forming part of Accounts...*

**Ageing for Trade Payable - as at March 31, 2023 is as follows**

(₹ in thousand)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 moths - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables - considered good	146	67	-	-	2,214	2,427
ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	6,466	6,466
Less: Provision for Doubtful Debts	-	-	-	-	(6,432)	(6,432)
<b>Balance at the end of the year</b>						<b>2,461</b>

**Ageing for Trade Payable - as at March 31, 2022 is as follows**

(₹ in thousand)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 moths - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables - considered good	1,104	124	732	-	1454	1,454
ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	6,532	6,532
Less: Provision for Doubtful Debts	-	-	-	-	6,532	6,532
<b>Balance at the end of the year</b>						<b>3,414</b>

**16. CASH AND BANK BALANCES**

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(A) Cash &amp; Cash equivalents</b>		
Balances with Banks		
- In Current Accounts	14867	16774
- In Deposit Accounts*	344994	569100
Cash-in-Hand	9	13
<b>Others</b>		
Deposits with financial institution/ NBFC (Housing Development Finance Corporation Limited)*	92000	38000
<b>Total (A) Cash &amp; Cash Equivalents</b>	<b>451870</b>	<b>623887</b>
<b>(B) Other Bank balances</b>		
- Other Bank deposits (with original maturity of more than 12 months)	132700	-
- Deposits Lien marked with The Registrar of High Court	-	194
<b>Total (B) -Other Bank Balances</b>	<b>132700</b>	<b>194</b>
<b>Total Cash and Bank Balances (A+B)</b>	<b>584570</b>	<b>624081</b>

Notes forming part of Accounts...

\* Balance with Banks and financial institutions/ NBFC in deposits accounts represents time deposits with banks and financial institutions/ NBFC which can be withdrawn by the company at any point of time without prior notice or penalty on the Principal. Deposits with banks and financial institutions/ NBFC includes deposits of ₹ 1,50,100 Thousand (Previous year ₹ 1,97,800 Thousand) With remaining maturity of more than 12 months.

17. OTHER CURRENT ASSETS

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Interest accrued on deposits with banks and financial institution	9974	6862
- Interest accrued on Investments (Bonds)	2175	645
Margin Deposit with IL&FS (for NSE (F&O))	0	1482
Rent Receivable	1282	1120
Other Receivables	217	221
Life Insurance Corporation of India (Gratuity)	801	699
Bank FDR earmarked against amount of Share Allotment Kept in abeyance ( Refer Note No. 4) [Value with accrued interest as on 31/03/2023 ₹ 408 Thousand (Previous Year ₹ 387 Thousand)]	156	156
Advance to Employees	10	-
	<b>14615</b>	<b>11185</b>

18. REVENUE FROM OPERATIONS

(₹ in thousand)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Brokerage Income (Net)*	5,058	4,705
Depository Income	810	1,042
	<b>5,868</b>	<b>5,747</b>

\* Net of ₹ 8,685 Thousand ( previous year ₹ 11,970 Thousand) paid to Sub-brokers/ clearing member

19. OTHER INCOME

(₹ in thousand)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<u>Interest (Gross) on</u>		
a) Fixed Deposits with banks	37,280	35,306
b) Others	330	205
	<b>37,610</b>	<b>35,512</b>
Income from Non-Current Investments (Interest on Bonds)	2,834	591
Profit on sale/redemption of Current Investments	470	1,056
Rent Income	57	85
Dividend Income on Long Term/Non-Current Investment	862	503
Miscellaneous Income	322	296
Provision for diminution in value of Current Investment written Back	-	16
Profit on sale/redemption of Non- Current/ Long Term investments	-	31,300
Profit on sale/disposal of Property, Plant and Equipment (Net)	-	22,659
	<b>42,155</b>	<b>9,2018</b>



*Notes forming part of Accounts...*

**20. EMPLOYEE BENEFIT EXPENSES**

(₹ in thousand)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Salaries and Benefits	5,897	5,753
Contribution to Provident fund and Gratuity fund	249	(185)
Staff welfare	136	86
	<b>6,282</b>	<b>5,654</b>

**21. FINANCE COSTS**

(₹ in thousand)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Interest on Income Tax	282	135
Other Interest (on refund of advances received against sale of Flat/ property)	195	-
	<b>477</b>	<b>135</b>

**22. OTHER EXPENSES**

(₹ in thousand)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Electricity	2,088	2,190
Water 110	146	
Property Management Services	4,975	5,380
Repairs and Maintenance- Others	924	469
Advertisement	75	54
Rates & Taxes (including arrears/ demand of property tax of ₹ Nil Thousand (Previous Year ₹ 4385 Thousand) and ground rent of ₹ Nil thousand (Previous Year ₹ 1491 Thousand) pertaining to earlier years)	853	7,131
Insurance	611	618
Directors's Sitting Fees	1,325	1,530
Software Expense	63	57
Communication	127	150
Auditor's Remuneration (Refer Note No. 30)	495	505
Legal and Professional	3,474	3,299
Connectivity	443	405
Annual Subscription & other charges to National/ Bombay Stock Exchange Ltd.	101	101
Printing and Stationery	278	383
Provision for Doubtful Debts	-	1,006
Dividend paid to clients	50	73
Travelling and Conveyance	221	168
Depository and Custodial	575	446
Board and Committee Meetings	186	164
Bad debts/Advances/ Misc. Balances written-off	-	119
Brokerage	-	268
Festival	164	148
General Meetings of Members	124	274
Miscellaneous	1,572	1,434
	<b>18,834</b>	<b>26,516</b>

Notes forming part of Accounts...

23. Earning Per Share pursuant to Accounting Standard (AS-20) "Earning Per Share" (₹ in thousand) except Shares

Particulars	Current Year ₹	Previous Year ₹
Net Profit/(Loss) after Tax as per Statement of Profit and Loss	13966	52556
Net Profit/(Loss) attributable to Equity Shareholders	13966	52556
<b>Basic Earning Per Share</b>		
Face Value Per Share (₹)	1	1
Weighted Average Nos. of Equity Share Outstanding	30242000	30242000
Basic Earning per share (₹)	0.46	1.74
<b>Diluted Earning Per Share</b>		
Face Value Per Share (₹)	1	1
Weighted Average Nos. of Equity Share Outstanding	30398000	30398000
Diluted Earning per share (₹)	0.46	1.73

24. These Consolidated Financial Statement includes the accounts of DSE Estates Limited (Earlier known as Delhi Stock Exchange Limited) and its following subsidiary:-

Name of Company	Country of Incorporation	Proportion of ownership interest and relationship	Financial Year ended
Delstox Stocks and Shares Limited (Earlier known as DSE Financial Services Ltd.)	India	100% subsidiary	31.03.2023

25. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

- (a) Claims against the Group not acknowledged as debts:- ₹ 1,13,436 Thousand  
(Previous Year ₹ 1,11,921 Thousand)
- (b) The Assessing Officer has disallowed the holding company claim of exemption under section 11 of Income Tax Act, 1961 from the Assessment Year 1996-97 to 1999-2000 and from Assessment Year 2001-02 to 2006-07. The total demands raised by assessing officer for these years were ₹ 3,31,477 Thousand (including interest) (Previous Year ₹ 3,31,477 Thousand). The Commissioner of Income Tax (Appeals) as well as Income Tax Appellate Tribunal (ITAT) upheld the claim of exemption by the Company for all the above years. As per the information available with the company, the Income Tax Department has filed appeal before Hon'ble High Court of Delhi against the decision of ITAT.

26. RELATED PARTY TRANSACTIONS

26.1 List of Related Parties with whom transactions have taken place and relationship:

- a) **Key Managerial Personnel**  
Mrs. Rachna Prakash ( Company Secretary upto 24.06.2021)  
Mr. V K Yadav - Manager  
Ms. Vandana Sharma (Company Secretary w.e.f. 01.07.2021)
- b) **Directors**  
Mr. Hans Raj Kapoor  
Mr. Vijay Bhushan  
Mr. Mahender Kumar Gupta  
Mr. Vinod Kumar Goel  
Mr. I.C. Singhal (Directorship upto 12.12.2022)



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

*Notes forming part of Accounts...*

- c) Concerns in which directors are interested:  
Vinod Kumar Goel & Co (Mr. Vinod Kumar Goel is Proprietor)  
M/s Murari Lal Goel (Mr. Vinod Kumar Goel is Proprietor)

**26.2 Transactions during the year with Related Parties:-**

(₹ in thousand)

Sr. No.	Name of the Related party	Nature of Transactions	Amount Current Year	Amount Previous Year
1	V K Yadav	Remuneration paid	761	727
2	Vandana Sharma	Remuneration paid	734	514
3	Rachna Prakash	Remuneration and other services charges paid	-	256
4	Vijay Bhushan	Sitting Fees paid	205	200
5	Mahender Kumar Gupta	Sitting Fees paid	435	485
6	Vinod Kumar Goel	Sitting Fees paid	205	470
7	Hans Raj Kapoor	Brokerage Income Sitting Fees paid	11 145	43 225
8	I C Singhal	Sitting Fees paid	105	150
9	Vinod Kumar Goel & Co.	Cabin rent and other dues	2	1
10	M/s Murari Lal Goel	Cabin rent and other dues	0	1

**27. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 (in case of Holding Company)**

*Defined Contribution Plan*

Amount recognized as expense for defined contribution plans are as under: - (₹ in thousand)

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)	Head under which shown in Statement in Profit & Loss
Contribution to Provident Fund	186	172	Contribution to Provident Fund and Gratuity Fund

Notes forming part of Accounts...

Defined Benefit Plan  
Movement in net liability

(₹ in thousand)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at beginning of the year (A)	581	1144	262	225
Interest Cost (B)	35	58	16	11
Past service cost (C)	Nil	Nil	Nil	Nil
Current service cost (D)	43	41	127	87
Benefits paid (E)	Nil	(126)	Nil	(106)
Actuarial loss/(gain) on obligation (F)	(54)	(538)	2	45
Present value of obligations as at the end of the year (G=A+B+C+D-E+F)	605	581	407	262

The amounts recognized in the Balance Sheet and the Statement of Profit & Loss are as follows :

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	605	581	407	262
Estimated fair value of plan Assets (B)	654	566	Nil	Nil
Net Liability/(Asset) (C=A-B)	(49)	15	407	262
<b>Amounts in the Balance Sheet</b> Liabilities/(Asset)	(49)	15	407	262
<b>Amount charged to Profit &amp; Loss Account</b>				
Current Service Cost	43	41	127	87
Interest Cost	35	58	16	11
Past Service Cost	Nil	Nil	Nil	Nil
Expected Return on Plan Asset	(42)	(41)	Nil	Nil
Actuarial(Gain)/Loss	(57)	(539)	2	45
	(20)	(481)	145	143
Head under which shown in the Statement of Profit & Loss	Contribution to Provident Fund and Gratuity Fund		Salaries and Benefits	

The Actual Return on Plan Assets is as follows (₹ in thousand)

Particulars	Gratuity	
	Current Year	Previous Year
Actual return on plan assets	44	42



*Notes forming part of Accounts...*

Following are the Principal Actuarial Assumptions used as at the Balance Sheet date (*₹ in thousand*)

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	7.20%	6.00%
Expected Rate of Return on Plan Assets	7.19%	7.35%
Salary Escalation Rate	10.00%	10.00%

A reconciliation of the opening and closing balances of the fair value of plan assets

SI.No.	Particulars	Gratuity	
		Current Year	Previous Year
i)	Opening Fair Value of Plan Assets	566	576
ii)	Expected Return on Plan Assets	44	41
iii)	Contribution by the Employer	43	74
iv)	Benefits Paid	Nil	(126)
v)	Actuarial Gain/(Loss)	3	1
	Closing Fair Value of Plan Assets	654	566

**DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 (in case of Subsidiary Company)**

I) Defined Contribution Plan

As the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 are not presently applicable to the Subsidiary Company, employer's contribution during the year is ₹ NIL (previous year is ₹ NIL).

II) Defined Benefit Plans

- Gratuity liability is accounted as per the company's policy for employees who have completed six months as at Balance Sheet date, computed as per the provisions of the Payment of Gratuity Act, 1972
- Leave encashment liability of employees is accounted for on accrual basis computed as per the Subsidiary company policy on the basis of last pay drawn at the end of the year.

**28. DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES**

To the extent information available with the Group, it has no dues to the Micro, Small and medium enterprises as at 31st March, 2023 and 31st March, 2022.

29. The Group is a small and medium sized company (SMC) as defined in the general instructions in respect of Accounting Standards notified under the Companies Act. Accordingly, the Group has complied with the Accounting Standards as applicable to a small and medium sized company.

**30. Auditor Remuneration includes the following:**

(*₹ in thousand*)

	Current Year	Previous year
Statutory Audit Fees	450	450
Tax Audit Fees	0	10
Others	15	15
Out of Pocket Expenses	30	30
	495	505

Notes forming part of Accounts...

31. In compliance of SEBI exit order requiring the company to change its name so as to delete the word 'Stock Exchange' from it, the name of the Company has been changed from Delhi Stock Exchange Limited to DSE Estates Limited vide certificate dated 14.11.2019 issue by Registrar of Companies, Delhi.
32. As per Exit order no. WTM/ SR/ SEBI/ MRD-DSA/ 04/01/2017 dated January 23, 2017 passed by Whole Time member, SEBI, the company is to refund SGF / TGF deposit (refundable) to the stock brokers including their initial contribution / deposit to Settlement Gurantee Fund / Trade Gurantee Fund (SGF/ TGF). Accordingly amount of ₹ 15,510 thousand as identified and certified by the management and also by Internal auditors of the Company, was transferred during the financial year 2016-17 from Settlement Gurantee Fund to Other Current liabilities.
33. **Litigation**
- a) The Impact of pending litigation has been considered and disclosed in the Contingent Liabilities in Note No. 25.
- b) In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The group's management does not reasonably expect that these legal claims and proceedings, when ultimately concluded and decided will have a material and adverse effect on the company's results of operations or financial statements.
34. In terms of SEBI Circular No. CIR/MRD/DSA/14/2012 dated May 30, 2012, Circular No. CIR/MRD/DSA/33/2012 dated December 13, 2012 and Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 dated June 20, 2012, and as approved by the members of the holding company in their meeting held on May 23, 2014, the holding company had opted for exit through voluntary surrender of recognition as a Stock Exchange. SEBI Vide Letter No. MRD/DSA/DSEL/LR/OW/10684/2015 dated April 17, 2015 asked the holding company to comply with the following in order to exit from the business of stock exchange:
- i) To transfer the Investor Protection Fund, Investor Services Fund and 1% Security deposit available with DSEL including interest accrued on this amount till date to SEBI IPEF immediately.
- ii) To transfer the dues outstanding to SEBI including 10% of listing fee and the annual regulatory fee.
- iii) To transfer the outstanding registration fees of brokers/sub-brokers as specified in the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 to till date.
- In terms of aforesaid letter of SEBI, the company had remitted/transferred the balance of Investor Protection Fund, Investor Services Fund and 1% Security deposit to SEBI in the earlier year. However, with regard to amount of outstanding registration fee of brokers/sub-brokers, in the opinion of management, the company is not liable to pay the outstanding fees of brokers/sub-brokers, if any. The company wrote a letter dated July 13, 2015 to SEBI stating that the company is not liable to pay the outstanding registration fees of brokers. Earlier SEBI informed the company about outstanding brokers/subbrokers turnover fee amounting to ₹ 2,53,811 thousand. Subsequently after several representations and meetings, SEBI re-calculated the brokers fee at ₹ 1,56,198 thousand and sub-brokers fees at ₹ 2,212 thousand totalling to ₹ 1,58,410 thousand (inclusive of interest) as of September, 2016. SEBI informed the company the liability in respect of members which were party to the appeal in the matter of SEBI vs. Alliance Finstock Private Limited and their corresponding transferees and the members which were party to the appeal in the matter of Association for welfare of Delhi Stock Brokers & Ors. vs. Union of India & Ors. (W.P.(C) 17349/2004 was under calculation and will be informed by SEBI separately. During the financial year 2016-17, the Company had paid the aforesaid amount of ₹ 1,58,410 thousand to SEBI. According to the management, the amounts had been paid to SEBI without prejudice to rights to get the refund of the amount from SEBI if excess amount has been paid. Upto the Year end the Company has recovered amount of ₹ 7,557 thousand (Previous year ₹ 7,556 thousand) from some brokers against the





*Notes forming part of Accounts...*

turnover fees/ sub- broker fee. Further, during the previous year the company had received refund of ₹ 18,603 thousand from SEBI on account of excess fees paid in some cases. The amount paid to SEBI net of aforesaid recoveries has been shown in note no. 12 of the Consolidated Financial Statements. In the opinion of management the company is also not liable for the liability of remaining amount of ₹ 1,32,250 thousand (i.e. amount paid by it to SEBI less recovery made and refund received) (Previous year ₹ 1,32,251 thousand) as this amount of ₹ 1,32,250 thousand (Previous year ₹ 1,32,251 thousand) will also be recoverable from the respective brokers/sub-brokers and, therefore, no provision for expense/liability is required to be made for the same.

35. SEBI vide order no. WTM/ SR/ SEBI/ MRD-DSA/ 04/01/2017 dated January 23, 2017 had passed exit order allowing the exit of the Company as stock exchange. In the opinion of management, the going concern concept of the company will not be impacted merely because of exit option through voluntary surrender of the recognition as a Stock Exchange, as the company intends to continue as a corporate entity.

36. **Additional information as per schedule III of the Companies Act, 2013. (₹ in thousand)**

Name of the entity in the	Net Assets i.e Total assets minus total Liabilities		Share in Profit/ Loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit/Loss	Amount
1	2	3	4	5
<b>Parent</b> DSE Estates Limited	98.01 (98.25)	883866 (872301)	80.44 (69.95)	15346 (43409)
<b>Subsidiary (Indian)</b> Delstox Stocks and Shares Ltd.	1.99 (1.75)	17973 (15572)	19.56 (30.05)	3733 (18653)
<b>Total</b>	100.00 (100.00)	901839 (887873)	100.00 (100.00)	19079 (62062)

37. As per financial statements of Subsidiary Company, it is having a procedure for sending quarterly confirmation letters/ accounts statements to its debtors and other parties as per the requirements of SEBI/ Various Stock Exchanges, However confirmation in respect of debtors are still pending for reconciliations and adjustments, if any, in this regard would be done in the year in which such reconciliations confirmations take place

38. As per financial statements of Subsidiary Company,

(A) Trade Receivables outstanding for more than six months aggregating to ₹ 7,386 Thousand net of credit balances (Previous Year ₹ 7,388 Thousand) out of which ₹ 6,466 Thousand pertains to the debtors under litigation for which transactions have been stopped and balance confirmation as on 31st March 2023 have also not been obtained. In the opinion of the Management these balances are partially doubtful for recovery and hence provision for doubtful debts of ₹ 6,432 Thousand (Previous Year ₹ 6532 Thousand) has been made in the books of accounts, even though awards under arbitration have been received in favor of the company and execution petitions have been filed in the court which are pending.

Notes forming part of Accounts...

- B) The Company has not made provision for doubtful debts in respect of CDSL Trade Receivables outstanding other than litigation cases amounting to ₹ 901 Thousand for more than six months as neither any recovery process nor any legal action is initiated for the recovery of outstanding dues by the Company. However, in the opinion of the Management these balances are good for recovery and necessary action for recovery has now been initiated.
39. As per financial statements of Subsidiary Company, FDRs amounting to ₹ 1,375 Thousand (previous year ₹ 1375 Thousand) has been pledged by sub-broker directly with the BSE limited. In the name of the company as base Minimum Capital and Additional Margin as on 31.03.2023.
40. During the current year and previous year, the Group was not required to spent on Corporate Social Responsibility (CSR activities).
41. As per financial statements of Subsidiary Company, there are some unclaimed shares ( quoted value of ' 40 Thousand as on 31.03.2023) lying for more than 3 years in the Demat account of the Subsidiary Company, which do not belong to it and the board of directors of the Company is look into the matter and would take appropriate decision shortly.
42. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
43. Disclosure u/s 186(4) of the Companies Act, 2013:  
The detail of investments made are given in Note no. 11 and 14.  
The Company has not given any loans.
- 44 Additional Regulatory Information: -**
- The Title deeds of immovable properties are held in the name of the Group.
  - The Group has not revalued any of its Property, Plant and Equipment during the year
  - The Group does not have any Benami property. No any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition), Act, 1988.
  - The Group has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties during the year
  - The Group does not have any working capital loan from banks or financial institutions on the basis of security of current assets.
  - The Group has not been declared as wilful defaulter by any bank or financial Institution or other lender.
  - The Group has performed an assesment to identify transactions with Struck off Companies as at 31/03/2023 and the details of which are as under: -

Sr. No.	Name of Struck off Company	Nature of transactions	At at 31st March 2023 (₹ in Thousand)	At at 31st March 2022 (₹ in Thousand)	Relationship with the Struck off Company if any, to be disclosed
1	Fair Finlease & Holdings Private Limited	Shares held by struck off Company	86	86	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	3	3	External Customer



*Notes forming part of Accounts...*

2	MCB Securities Limited	Shares held by struck off Company	50	50	Equity Shareholder/ Member of erstwhile Stock Exchange
		Net Recovery of turnover fees	-	39	Equity Shareholder/ Member of erstwhile Stock Exchange
3	Anvee Share Brokers Private Limited	Shares held by struck off Company	-	40	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	-	20	Equity Shareholder / Member of erstwhile Stock Exchange
4	Auric Investments and Securities Private Limited	Shares held by struck off Company	40	40	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	201	201	Equity Shareholder/ Member of erstwhile Stock Exchange
5	Creative Financial Services Private Limited	Shares held by struck off Company	2	2	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	228	228	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	14	14	Equity Shareholder/ Member of erstwhile Stock Exchange
6	Goldy Securities Private Limited	Shares held by struck off Company	2	2	Equity Shareholder Member of erstwhile Stock Exchange
		Payable	63	63	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	31	31	Equity Shareholder/ Member of erstwhile Stock Exchange
7	Rustagi Securities Private Limited	Shares held by struck off Company	2	2	Equity Shareholder/ Member of erstwhile Stock Exchange
		Cabin Rent	6	6	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable	33	26	Equity Shareholder/ Member of erstwhile Stock Exchange
		Adjustment towards dues of subsidiary company	-	119	Equity Shareholder/ Member of erstwhile Stock Exchange
8	Goldman Venture Private Limited	Shares held by struck off Company	0 (Rs. 300)	0 (Rs. 300)	Equity Shareholder/ Member of erstwhile Stock Exchange

Notes forming part of Accounts...

9	JPS Share Brokers Private Limited	Shares held by struck off Company	10	10	Equity Shareholder/ Member of erstwhile Stock Exchange
		Payable	56	56	Equity Shareholder/ Member of erstwhile Stock Exchange
10	Chhabra Securities Private Limited	Payable	63	63	Member of erstwhile Stock Exchange
		Receivable	50	44	Member of erstwhile Stock Exchange
		Cabin Rent	6	6	
11	S.J. Capital Limited	Receivable	18	17	Member of erstwhile Stock Exchange
		Payable	344	344	Member of erstwhile Stock Exchange
		Cabin Rent	1	1	
12	Needful Sec. & Credits Private Limited	Receivable	9	9	Member of erstwhile Stock Exchange
		Payable	465	465	Member of erstwhile Stock Exchange
13	Friends Portfolio Private Limited	Payable	65	65	Member of erstwhile Stock Exchange
		Receivable	13	13	Member of erstwhile Stock Exchange
14	Anurag Portfolio Private Limited	Payable	312	312	Member of erstwhile Stock Exchange
		Receivable	7	7	Member of erstwhile Stock Exchange
15	DVR Capital Consultancy Private Limited	Receivable	4	4	Member of erstwhile Stock Exchange
		Payable	100	100	Member of erstwhile Stock Exchange
		Adjustment towards dues of subsidiary company	-	100	Member of erstwhile Stock Exchange
16	Evergreen Stock Broking Private Limited	Receivable	4	4	Member of erstwhile Stock Exchange
17	Paramount Share & Stock Brokers Limited	Net recovery of turnover fees	13	0	Member of erstwhile Stock Exchange
		Payable	-	58	Member of erstwhile Stock Exchange
		Receivable	-	11	
		Repayment against Net Payable	33	0	Member of erstwhile Stock Exchange
18	S B Dewan Stock Broking Limited	Shares held by struck off Company	45	45	Equity Shareholder/ Member of erstwhile Stock Exchange
		Receivable Cabin Rent	25 6	19 6	Member of erstwhile Stock Exchange
19	Shikar Securities and Finance Limited	Shares held by struck off Company	2	2	Equity Shareholder/ Member of erstwhile Stock Exchange
20	Sally Media and Entertainment Private Ltd	Receivable	5	5	External Customer
21	Armament Security Service Private Ltd	Receivable	2	1	External Customer
22	Rising Fibers Private Limited	Receivable	2	2	External Customer
23	Rudra Equity Advisor Private Limited	Receivable	4	3	External Customer



*DSE Estates Limited*  
(formerly Delhi Stock Exchange Ltd.)  
CIN:U91120DL1947PLC001239

*Notes forming part of Accounts...*

24	Local Goods Carriers Private Limited	Receivable	12	12	External Customer
25	Malik Trading & Investment Private Limited	Receivable	10	9	External Customer
26	Ordinary Financial Services Private Limited	Payable	0	0	External Customer

**Note: - In the absence of purchase price of share held by struck off companies face value is considered for reporting purpose.**

- viii** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.
- ix** The Group do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- x** The Group has not advanced/ loaned/ invested funds (borrowed/share premium/any other sources of kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- xi** The Group has not received any funds from any other person(s) or entity(ies), including foreign entities (Funding Party), with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.
- xii** The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 45** Previous year's figures have been regrouped/reclassified, wherever considered necessary to conform to the Current Year's presentation.

As per our report on even date  
For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Regd. No. 000468N  
**Amit Goel**  
(Partner)  
M.No. 092648  
UDIN : 23092648BGZSBJ1301  
Place : New Delhi  
Date : 24.08.2023

**FOR AND ON BEHALF OF THE BOARD**

**VIJAY BHUSHAN**  
(CHAIRMAN)  
DIN:00002421

**MAHENDER KUMAR GUPTA**  
(DIRECTOR)  
DIN:01194791

**HANS RAJ KAPOOR**  
(DIRECTOR)  
DIN:00989487

**VINOD KUMAR GOEL**  
(DIRECTOR)  
DIN:00039086

**V. K. YADAV**  
(Manager)

**VANDANA SHARMA**  
Company Secretary  
M. No. A33194



**DSSL**

Delstox Stocks And Shares Ltd.

**27th  
Annual Report  
2022 - 2023**

**Delstox Stocks And Shares Ltd.**

(formerly known as DSE Financial Services Ltd)

(A subsidiary of DSE Estates Ltd.)

## GOVERNING BOARD

Shri M. K. Gupta	Chairman
Shri Vinod Kumar Goel	Director
Shri Virender Kr. Yadav	Director

### **Statutory Auditors :**

SMA & ASSOCIATES  
*Chartered Accountants*

### **Bankers :**

HDFC Bank

### **Registered Office :**

DSE House  
3 /1, Asaf Ali Road  
New Delhi - 110 002

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## Notice to Members

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of Delstox Stocks And Shares Limited (Formerly DSE Financial Services Ltd) will be held on the Friday, 22<sup>ND</sup> September 2023 at 04:30 P.M. at the Board Room, DSE House, 3/1, Asaf Ali Road, New Delhi-110002 to transact the following business:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2023 and the Profit & Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution  
"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, SMA & Associates, Chartered Accountants, (Firm Registration No. 009912N) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this 27<sup>th</sup> Annual General Meeting till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company to be held in 2028-29 Financial year, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.
3. To appoint a Director in place of Mr. Vinod Kumar Goel, who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors  
For **Delstox Stocks And Shares Ltd.**  
(Formerly DSE Financial Services Ltd)

Date: August 12, 2023  
Regd. Office:  
3/1, Asaf Ali Road  
New Delhi-110 002

<b>Mahender Kumar Gupta</b>	<b>Vinod Kumar Goel</b>
Chairman	Director
DIN : 01194791	DIN : 00039086

### NOTES:

- a. A member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself and the proxy need not be a member.
- b. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
- c. None of the Directors seeking re-appointment is related to any member of the Board of Directors or to any Management Personnel.



## Directors' Report

Dear Members,

The Board of Directors hereby submits the 27<sup>th</sup> Annual Report of the business and operations of your company ('the Company' or 'DSSL'), along with the audited financial statements, for the financial year ended March 31, 2023.

### RESULTS OF OPERATIONS

**The standalone performance of the Company for the financial year ended March 31, 2023 is Summarized below:**

(Amount in ₹ '000)

Particulars	2022-23	2021-22
Net Sales /Income from Business Operations	5868.11	5747.53
Add: Other Income	5005.00	21721.75
<b>Total Income</b>	<b>10873.11</b>	<b>27469.28</b>
Less : Expenses	6536.81	8361.63
<b>Profit/(Loss)before Depreciation</b>	<b>4336.30</b>	<b>19107.65</b>
Less Depreciation	603.55	480.14
<b>Profit/(Loss)after depreciation and expenses</b>	<b>3732.75</b>	<b>18627.51</b>
Less Current Income Tax	1063.28	900.33
Less Previous year adjustment of Income Tax,	313.32	33.07
Less Deferred Tax	45.08	19.46
<b>Net Profit /Loss after Tax</b>	<b>2401.23</b>	<b>17713.56</b>
Less: Dividend (including Interim if any and final )	—	—
<b>Net Profit (after dividend and Tax)</b>	<b>2401.23</b>	<b>17713.56</b>

### PERFORMANCE HIGHLIGHTS

Your directors are pleased to report that your Company has earned a net profit of Rs. 2401.23 thousand during the year against Rs. 17713.56 thousand in the previous year. The Decline in profit in comparison to the previous year is on account of an income of Rs. 17570.98 thousand realised on sale of Long term investment during the previous year.

### OPERATIONS

Your company is a member of the National Stock Exchange of India Limited (NSE) for cash, Future & Options Segments and it is also member of the Bombay Stock Exchange Limited for Cash Segment. Your Company is a Depository Participant (DP) of Central Depository Services Limited (CDSL). There are 536 number of active clients as on March 31, 2023 who were trading.

### DEPOSITORY PARTICIPANT SERVICES

The number of Demat accounts of DP of your Company has registered a modest increase of about 3.24 % from 3482 as on March 31, 2022 to 3595 as on March 31, 2023.

### DIVIDEND

To conserve the resources of the Company, your Directors do not recommend any dividend for the year ended March 31, 2023.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid by the Company till date.

### **TRANSFER TO RESERVES**

In spite of profit during the current year, the Company has not made any transfer to the reserves during the financial year ended March 31, 2023.

### **DIRECTORS**

The Company place on record its deep condolence on sudden death of one of the Director Sh. I. C. Singhal, on 12.12.2022. He had given his tremendous contribution to your Company during his directorship period.

In accordance with the provisions of the Companies Act, 2013, and Article of Association of the Company one of the Directors, Mr. Vinod Kumar Goel retires by rotation and being eligible, offers himself for re-appointment. Seeing his rich experience of capital market, your Board recommends his reappointment.

### **ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 are furnished in Annexure 1 and is attached to this Report.

### **NUMBER OF BOARD MEETINGS AND COMMITTEE MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

During the year, 06 Board Meetings and 07 committee meetings were held details of which are given in Corporate Governance Report.

### **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit 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 have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have 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 have prepared the annual accounts on a going concern basis; and
- (e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **AUDITORS**

The Auditors M/s. SMA & Associates, Chartered Accountants, retiring at the conclusion of the 27<sup>th</sup> Annual General Meeting. Therefore in pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, SMA & Associates, Chartered Accountants, (Firm Registration No. 009912N) have offered themselves for re-appointment, as the Statutory Auditors of the Company and to hold the office from the conclusion of this 27<sup>th</sup> Annual General Meeting till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company to be held in 2028-29 Financial year.

As per requirement under Section 141 of the Companies Act, 2013, the Company has obtained from them a confirmation to the effect that their re-appointment, if made, would be within the limits prescribed in the said section.

### **CORPORATE GOVERNANCE**

Your Company has adopted high standard of Corporate Governance principles by ensuring strict compliance of SEBI Guidelines and Companies Act, 2013. A report on Corporate Governance for the year 2022-23, is given as a separate statement and forms part of the Annual Report.



**MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statement relate on the date of this report

**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.

**RISK MANAGEMENT POLICY**

The Company has a proper Risk Management Policy in place.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

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.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There is an arrangement made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**DEPOSITS**

The Company has neither accepted nor renewed any deposits under the Companies Act, 2013 during the year under review.

**DECLARATION OF INDEPENDENT DIRECTORS**

**The provision of Companies Act, 2013 for Independent Directors was not compulsory during F.Y 2022-23 for the Company.**

**SHARES**

The Company has not bought back any of its securities and also not issued any Sweat Equity Shares during the year under review. The Company has not provided any Stock Option Scheme to the employees.

**PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration in excess of the limits prescribed under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, as amended.

**AUDITOR'S OBSERVATION**

The comments on the opinion in the report of Auditors on the financial statements for the financial year 2022-23 are as under:

- A) Trade Receivables outstanding for more than six months aggregating to Rs. 7,386.43 thousand net of credit balances (Previous Year Rs. 7,388.28 Thousand) out of which Rs. 6465.64 thousand pertains to the Trade Receivables as doubtful and out of which total of Rs. 6,431.72 is under litigation for which transactions have been stopped and balance confirmation as on 31st March 2023 have also not been obtained. In the opinion of the Management these balances are partially doubtful for recovery and hence provision for doubtful debts of Rs. 6431.72 thousand, (Previous Year Rs. 6532.26 Thousand) has been made in the books of accounts. Even though awards under arbitration have been received in favor of the company and execution petitions have been filed in the court which are pending.
- B) The Company has not made provision for doubtful debts in respect of CDSL Trade Receivables outstanding other than litigation cases amounting to Rs. 900.67 thousand for more than six months as neither any recovery process nor any legal action is initiated for the recovery of outstanding dues by the Company. However, in the opinion of the Management these balances are good for recovery and necessary action for recovery has now been initiated.

**In regard to the above mentioned matter,**

The management as a prudent policy has decided to write off the bad and doubtful debts over 5 years in spite of Arbitration award in favor of the Company.

**ACKNOWLEDGEMENTS**

Your Directors acknowledge with deep sense of appreciation for the guidance and co-operation received from the Board and the management of DSE Estates Limited Your Directors also acknowledge for the support and guidance received from Securities & Exchange Board of India (SEBI), BSE LTD (BSE), National Stock Exchange Of India Ltd (NSE), Central Depository Services Ltd.(CDSL), Bankers, local administration and agencies and patronage for the extended during the year. Your directors express deep sense of gratitude for the cooperation extended by the sub brokers/ authorized persons and members of the staff at all levels in improving the trading volumes and in ensuring the progress of your company year on year.

**For and on behalf of the Board of  
For Delstox Stocks And Shares Ltd.  
(Formerly DSE Financial Services Ltd)**

Date: August 12, 2023  
Place : New Delhi-110 002

<b>Mahender Kumar Gupta</b> <i>Chairman</i> DIN : 01194791	<b>Vinod kumar Goel</b> <i>Director</i> DIN : 00039086
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## Corporate Governance Report

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that the Code prescribes only a minimum framework for governance of a business corporate framework. The company recognizes that transparency, disclosure, financial controls and accountability are the pillars of any good system of corporate governance. The Company pursues growth by adopting best corporate practices and disclosures in order to enhance the long term value and aspiration of stakeholders. Good Corporate Governance, apart from enhancing the image of company, also helps in retaining stakeholders' confidence on a sustainable basis.

### 2. BOARD OF DIRECTORS

#### A. Composition and Category of Directors:

The composition of the Board of the Company is governed by the Article of Association of the Company. The Directors can be nominated by DSE ESTATES LIMITED (formerly Delhi Stock Exchange Limited). In addition there should be CEO who shall be Director on the Board.

#### B. As on March 31, 2023 there were following Directors on the Board of the Company:-

Sr. No.	Name	Directorship	Date of Appointment
1	Mr. M.K. Gupta	Director	01.03.2016
2	Mr. Virender Kumar Yadav	Director	01.04.2022
3	Mr. Vinod Kumar Goel	Director	05.01.2018

#### C. In the financial year 2022-23 the attendance of Directors is as follows:-

Sr. No.	Name of Director	Date of Appointment	Date of Cessation	Board Meetings held during the tenure	Board Meetings attended	Committee Meetings held during the tenure	Committee Meetings attended
1	Mr. M.K. Gupta	01.03.2016	-	6	6	7	7
2	Mr. Virender Kumar Yadav	01.04.2022	-	6	6	0	0
3	Mr. Vinod Kumar Goel	05.01.2018	-	6	6	7	7
4	Sh. I.C. Singhal	09.09.2016	12.12.2022	4	4	2	2

### 3. BOARD MEETINGS

BOARD MEETING	1	2	3	4	5	6
	12.04.2022	11.08.2022	12.09.2022	30.09.2022	16.12.2022	10.03.2023
Time	11:30 AM	04:00PM	11:00AM	04:00PM	04:00 PM	04:00PM
Venue	Board Room, 3/1,Asaf Ali road, New Delhi-02	Board Room, 3/1,Asaf Ali road, New Delhi-02	Board Room, 3/1,Asaf Ali road, New Delhi-02	Board Room, 3/1,Asaf Ali road, New Delhi-02	Board Room, 3/1,Asaf Ali road, New Delhi-02	Board Room, 3/1,Asaf Ali road, New Delhi-02

### 4. COMMITTEE MEETINGS

COMMITTEE MEETING	Date	Time	Venue
1	08.06.2022	04:00PM	Board Room, 3/1,Asaf Ali road,New Delhi-02
2	03.08.2022	05:00PM	Board Room, 3/1,Asaf Ali road,New Delhi-02
3	03.08.2022	11:30AM	Board Room, 3/1,Asaf Ali road,New Delhi-02
4	16.12.2022	11:00AM	Board Room, 3/1,Asaf Ali road,New Delhi-02
5	16.12.2022	11:30AM	Board Room, 3/1,Asaf Ali road,New Delhi-02
6	24.02.2023	03:30PM	Board Room, 3/1,Asaf Ali road,New Delhi-02
7	23.03.2023	04:30PM	Board Room, 3/1,Asaf Ali road,New Delhi-02

5) GENERAL BODY MEETINGS

Location and time of last three AGMs and EGM are as follows:-

For the Financial year	2019-20	2020-21	2021-22
AGM	24 <sup>th</sup>	25 <sup>th</sup>	26 <sup>th</sup>
Date	September 21, 2020	September 30, 2021	September 23 <sup>rd</sup> , 2022
Time	4:00 P.M	4:30 P.M	4:30 P.M
Venue	Board Room, 3/1,Asaf Ali road, New Delhi-02	Board Room, 3/1,Asaf Ali road, New Delhi-02	Board Room, 3/1,Asaf Ali road, New Delhi-02

**Whether any special resolution was passed during last year through Postal Ballot :**

The rules of postal ballot are not applicable to the Company being an un-listed Company.

6. DISCLOSURES

- i) During the year there have been no materially significant related party transactions that may have potential conflict with the interest of the company at large except trading by the Directors.
- ii) The Company has complied with the requirement of the SEBI, Stock Exchanges & CDSL and other regulatory authorities as applicable from time to time.
- iii) During the year 2022-23 the Company has paid Rs.5,65,000/- (previous year Rs.5,15,000/) as sitting fees to the Directors.

7. GENERAL SHAREHOLDERS INFORMATION

i) 27th Annual General Meeting

Date & Time	: Friday, September 22 <sup>ND</sup> 2023, at 04:30PM
Venue	: Board Room, DSE House, 3/1 Asaf Ali Road, New Delhi -110002

ii) Financial Year:

The Company's financial year was from April 1<sup>st</sup>, 2022 to March 31<sup>st</sup>, 2023.

iii) Address for the Correspondence:

**Delstox Stocks And Shares Limited**  
(Formerly DSE Financial Services Ltd)  
DSE House, 3/1, Asaf Ali Road,  
New Delhi-110002,  
Phone No. 011- 41010941/42/43  
Official website is <http://www.dssl.co.in>  
Investor's Grievances I.D. is [grievances@dssl.co.in](mailto:grievances@dssl.co.in)

For and on behalf of the Board of  
**Delstox Stocks And Shares Limited**  
(Formerly DSE Financial Services Ltd)

Date: August 12, 2023  
Place: New Delhi

**Mahender Kumar Gupta**  
Chairman  
DIN : 01194791

**Vinod Kumar Goel**  
Director  
DIN : 00039086



**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2023

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : **U67110DL1996PLC079973**
- ii) Registration Date : **28/6/1996**
- iii) Name of the Company : **DELSTOX STOCKS AND SHARES LIMITED**
- iv) Category / Sub-Category of the Company : **Company Limited by shares**
- v) Address of the Regd. Office & contact details : **DSE HOUSE  
3/1, ASAF ALI ROAD,  
New Delhi - 110002**
- vi) Whether listed company : **No**
- vii) Name Address & Contact details of the Registrar & Transfer Agent, if any : **NIL**

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	<b>BROKING SERVICES FOR DEALING OF SHARES AND SECURITIES ON EXCHANGES</b>	6499	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary Associate	% of shares held	Applicable Section
1.	<b>DSE ESTATES LTD.</b> <i>(Formerly Delhi Stock Exchange Ltd.)</i>	U91120DL1947PLC001239	HOLDING	100	2(87)



**IV. SHARE HOLDING PATTERN****(Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									<b>No change</b>
<b>1 Indian</b>									
(a) Individuals/ HUF	0	0	0	0		0	0	0	
(b) Central Government/ State Government(s)	0	0	0	0	0	0	0	0	
(c) Bodies Corporates*	0	59994	59994	99.99	0	59994	59994	99.99	
(d) Banks/FI	0	0	0	0	0	0	0	0	
(e) Any Others(Specify) Representative of DSE	0	6	6	0.01	0	6	6	0.01	
<b>Sub Total(A)(1)</b>	<b>0</b>	<b>60000</b>	<b>60000</b>	<b>100</b>	<b>0</b>	<b>60000</b>	<b>60000</b>	<b>100</b>	
<b>2 Foreign</b>									
a NRI/Individuals				<b>NIL</b>					
b Other /Individuals									
c Bodies Corporate									
d Banks/FI									
e Any Others(Specify)									
<b>Sub Total(A)(2)</b>									
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>60000</b>	<b>60000</b>	<b>100</b>	<b>0</b>	<b>60000</b>	<b>60000</b>	<b>100</b>	
<b>(B) Public shareholding</b>									
<b>1 Institutions</b>									
(a) Mutual Funds/ UTI				<b>NIL</b>					
(b) Banks/FI									
(c) Central Government/ State Government(s)									
(d) Venture Capital Funds									
(e) Insurance Companies									
(f) FII									
(g) Foreign Venture Capital Funds									
(h) Any Other (specify)									
<b>Sub-Total (B)(1)</b>									

<b>2 Non-institutions</b>									
(a) Bodies Corporate i) Indian ii) Overseas (b) Individuals i. Individual shareholders holding nominal share capital up to ₹ 1 lakh ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakhs									
<b>Sub-Total (B)(2)</b>									
<b>(B) Total Public Shareholding (B)= (B)(1)+(B)(2)</b>									
<b>(C) Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>0</b>	<b>60000</b>	<b>60000</b>	<b>100</b>	<b>0</b>	<b>60000</b>	<b>60000</b>	<b>100</b>	

\* DELSTOX STOCKS AND SHARES LTD. IS WHOLLY OWNED SUBSIDIARY OF DSE ESTATES LIMITED.

(ii) **Shareholding of Promoters**

Sl. No.	NAME OF SHAREHOLDERS	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	
1	<b>DSE ESTATES LIMITED</b> (including 6 representative)	60000	100	0	60000	100	0	NIL
	<b>TOTAL</b>	60000	100	0	60000	100	0	NIL

(iii) **Change in Promoters' Shareholding : No Change**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the Beginning of the year				
2	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease ( e.g. allotment/ transfer / bonus / sweat equity etc) :	<b>NO CHANGE</b>			
3	At the End of the year				

(iv) **Shareholding Pattern of TOP TEN Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For each of the Top 10 Shareholder's	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. V. K. YADAV	1*	0	1	0
2.	Mr. Mahender Kumar Gupta	1*	0	1	0
3.	Mr. Vinod Goel	1*	0	1	0
4.	Mrs. Neeta Lodha	1*	0	1	0
5.	Mr. Ramdeen Morya	1*	0	1	0
6.	Mr. Anurag Sharma	1*	0	1	0

\*as nominee of DSE Estates Ltd.



**(v) Shareholding of Directors & KMP : NIL**

Sl. No.		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the Beginning of the year				
2	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease ( e.g. allotment / transfer / bonus / sweat equity etc ) :				
3	At the End of the year				

**NIL**

**V. INDEBTEDNESS : NIL**

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

	Secured Loans excluding deposits	Unsecured Loans /Advances	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				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

**NIL**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director and/or Manager**

Sl. no	Particulars of Remuneration	Name of the MD/WTD/Manager			
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) profit in lieu of salary under section 17(3) of the Income-tax Act, 1961	<b>NIL</b>			
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of Profit				
5	Others, please specify				
	<b>Total A</b> Ceiling as per the Act				

**B. REMUNERATION TO OTHER DIRECTORS:**

Sl. no	Particulars of Remuneration		Name of the Directors				Total Amount
1	Independent Director a) Fee for attending Board Committee Meeting b) Commission c) Other, Please Specify						
	Total (1)						
2	Other Non-Executive Directors	Mr. M. K. Gupta	Mr I. C. Singhal	Mr. Vinod Kumar Goel			<b>TOTAL AMOUNT</b>
	a) Fee for attending board Committee Meeting b) Commission c) Other, Please Specify	230000	105000	230000			565000
	Total (2)	<b>230000</b>	<b>105000</b>	<b>230000</b>			<b>565000</b>
	Total (B)=(1+2)						
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

₹'000

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) profit in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	NIL	Nil	NIL
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of Profit				
5	Others, please specify				
	<b>Total</b>		<b>NIL</b>		<b>NIL</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give Details)
<b>A.</b>	<b>COMPANY</b>				
	Penalty	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL
<b>B.</b>	<b>DIRECTOR</b>				
	Penalty	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL
<b>C.</b>	<b>OTHER OFFICERS IN DEFAULT</b>				
	Penalty	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL

*For and on behalf of the Board of Directors*  
**For Delstox Stocks And Shares Limited**  
(Formerly DSE Financial Services Ltd)

Date : August 12, 2023  
Place: New Delhi

**Mahender Kumar Gupta**  
Chairman

**Vinod Kumar Goel**  
Director



**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	DSE Estates Ltd Holding Company
b)	Nature of contracts/arrangements/transaction	Space for Operations
c)	Duration of the contracts/arrangements/transaction	Continuing from January 05,2018
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.2100/- as Rent and Rs.10000/- for Electricity per month
e)	Date of approval by the Board	05.01.2018
f)	Amount paid as advances, if any	NIL

For and on behalf of the Board of  
**Delstox Stocks And Shares Limited**  
(Formerly DSE Financial Services Ltd)

**Mahender Kumar Gupta**  
Chairman

**Vinod Kumar Goel**  
Director

Date : August 12, 2023  
Place : New Delhi.



**SMA & ASSOCIATES**

Chartered Accountants

304/10178, Ravinder Plaza, Abdul Aziz Road

Karol Bagh, New Delhi-110005

Tel. : 43685156

E-mail : smacpartners@gmail.com

## **Independent Auditor's Report**

To  
**THE MEMBERS OF**  
**Delstox Stocks And Shares Limited**  
**Report on the Audit of the Standalone**  
**Financial Statements**

### **Opinion**

We have audited the financial statements of **DELSTOX STOCKS AND SHARES LIMITED (Formerly Known as DSE Financial Services Limited)** which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its profit/loss and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that



**AUDITORS' REPORT....Contd.**

an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Emphasis of Matter**

We draw attention in respect of following matter-

1. Note No. 20.B.4 (A) Trade Receivables outstanding for more than six months aggregating to Rs. 7,386.43 thousand net of credit balances (Previous Year Rs. 7,388.28 Thousand) out of which Rs. 6465.64 thousand pertains to the Trade Receivables as doubtful and out of which total of Rs. 6431.72 is under litigation for which transactions have been stopped and balance confirmation as on 31st March 2023 have also not been obtained. In the opinion of the Management these balances are partially doubtful for recovery and hence provision for doubtful debts of Rs. 6431.72 thousand, (Previous Year Rs. 6532.26 Thousand) has been made in the books of accounts. Even though awards under arbitration have been received in favor of the company and execution petitions have been filed in the court which are pending.
2. Note No. 20.B.4 (B) The Company has not made provision for doubtful debts in respect of CDSL Trade Receivables outstanding other than litigation cases amounting to Rs. 900.67

**AUDITORS' REPORT....Contd.**

thousand for more than six months as neither any recovery process nor any legal action is initiated for the recovery of outstanding dues by the Company. However, in the opinion of the Management these balances are good for recovery and necessary action for recovery has now been initiated.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) In our opinion, the company has not paid any type of managerial remuneration during the financial year 2022-23 which qualifies for requisite approvals mandated by the provisions of Section 197 of the Companies Act, 2013 read with schedule V of the Companies Act, 2013.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the

AUDITORS' REPORT....Contd.

- understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. No dividend have been declared or paid during the year by the company.

**For SMA & ASSOCIATES**

**Chartered Accountants**

**FRN.- 009912N**

**PARTNER**

**F.C.A. PREETI GUPTA**

Place: New Delhi

**M.No. 515317**

Date:12.08.2023

**UDIN No.: 23515317BGYZXI2677**

**Annexure 'A'**

**The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements."**

We report that:

- I. (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company has maintained proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- II. The Company is not carrying any inventory either during the year or at the year end, thus related clause of the said order is not applicable to the company and hence not commented upon.
- III. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- IV. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

**AUDITORS' REPORT....Contd.**

- Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans and advance in the nature of loan given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, as there is no any overdue loan amounts for more than 90 days granted to the parties.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, as there is no any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- V. According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- VI. The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable
- VII. The Central Government has not specified the maintenance of cost records by the company under section 148 (1) of the Companies Act. Accordingly comment upon is not applicable to the company.
- VIII. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (b) According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.
- IX. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- X. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (b) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year.

AUDITORS' REPORT....Contd.

- Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (c) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (d) In our opinion and according to the information and explanations given by the management, the company itself is a subsidiary company and does not having any other subsidiary, associate or joint venture and therefore has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.
- (e) The Company itself is a subsidiary company and does not having any other subsidiary, associate or joint venture and therefore does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) is not applicable.
- XI. (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- XII. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us. No fraud by the company or any fraud on the company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- XIII. The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- XIV. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;
- XV. Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business.
- XVI. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- XVII. (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.



**AUDITORS' REPORT....Contd.**

**Annexure 'B'**

- XVIII. Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- XIX. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- XX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- XXI. Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- XXII. The company itself is a subsidiary company and hence not required to prepare Consolidate financial statement hence this clause is not applicable.

**For SMA & ASSOCIATES**

**Chartered Accountants**

**FRN.- 009912N**

**PARTNER**

**F.C.A. PREETI GUPTA**

**M.No. 515317**

**UDIN No.: 23515317BGYZXI2677**

Place: New Delhi

Date:12.08.2023

**Report on Internal Financial Controls with reference to financial statements**

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

We have audited the internal financial controls over financial reporting of **DELSTOX STOCKS AND SHARES LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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



**AUDITORS' REPORT....Contd.**

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

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

**For SMA & ASSOCIATES**

**Chartered Accountants**

**FRN.- 009912N**

**PARTNER**

**F.C.A. PREETI GUPTA**

**M.No. 515317**

**UDIN No.: 23515317BGYZXI2677**

Place: New Delhi

Date:12.08.2023



## BALANCE SHEET as at March 31, 2023

CIN NO. U67110DL1996PLC079973

(Amt. in thousand)

Particulars	Note No.	As At 31.3.2023	As At 31.3.2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	60,000.00	60,000.00
(b) Reserves and Surplus	2	17972.82	15571.59
<b>(2) Share Application Money Pending Allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long term borrowings		-	-
(b) Deffered tax liabilities(Net)		-	-
(c) Other long-term liabilities		-	-
(d) Long term provisions	3	816.12	733.09
<b>(4) Current Liabilities</b>			
(a) Short term borrowings		-	-
(b) Trade payables Micro and Small Enterprise Other than Micro and Small Enterprise	4	20852.22	21100.98
(c) Other current liabilities	5	6731.88	5740.00
(d) Short-term provisions	6	1325.28	1180.34
<b>Total</b>		<b>107698.32</b>	<b>104326.00</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) - Property, Plant & Equipments	7(a)	453.92	390.01
- Intangible assets	7(b)	432.39	293.86
(b) Non-current investments	8	5614.42	5614.42
(c) Deffered tax assets (Net)		99.07	54.00
(d) Long-term loans and advances	-	-	-
(e) Other non-current assets	9	55793.44	52957.51
<b>(2) Current assets</b>			
(a) Inventories	-	-	-
(b) Trade receivables	10	1100.87	1959.66
(c) Cash and cash equivalents	11	41297.35	38968.47
(d) Current investments	-	-	-
(e) Short-term loans and advances	-	-	-
(f) Other current assets	12	2906.86	4088.50
<b>Total</b>		<b>107698.32</b>	<b>104326.00</b>

Statement on Significant Accounting Policies and Notes - 1 to 19  
Notes on Accounts referred to above form  
an integral are part of Balance Sheet & Profit & Loss A/c

As per our report attached of even date.

FOR SMA & ASSOCIATES  
Chartered Accountants  
FRN 009912N

For and on behalf of the Board of Directors of  
**DELSTOX STOCKS AND SHARES LIMITED**

**Preeti Gupta**  
M. No. 515317  
**UDIN No.: 23515317BGYZXI2677**

**M.K. Gupta**  
Director  
DIN: 01194791

**Vinod Kumar Goel**  
Director  
DIN: 00039086

**Virender Kr. Yadav**  
Director  
DIN: 09416595

Place: New Delhi  
Date : August 12, 2023



## STATEMENT OF PROFIT AND LOSS for the Year Ended March 31, 2023

CIN NO. U67110DL1996PLC079973

(Amt. in thousand)

Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
<b>(A) Revenue :</b>			
Revenue from operations	13	5868.11	5747.53
Other Income	14	5005.00	21721.75
<b>Total Revenue (A)</b>		<b>10873.11</b>	<b>27469.28</b>
<b>(B) Expenses :</b>			
Operating Expenses	15	1170.65	986.32
Employee benefit expense	16	3084.89	3139.97
Other expenses	17	2280.63	3229.07
Financial costs	18	0.64	0.70
Depreciation	7	603.55	480.14
Provision for Doubtful Debts	10	-	1005.58
<b>Total Expenses(B)</b>		<b>7140.36</b>	<b>8841.78</b>
<b>Profit before exceptional and extraordinary items and tax(A-B)</b>		<b>3732.75</b>	<b>18627.50</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>3732.75</b>	<b>18627.50</b>
Tax expense:			
Current Tax		1063.28	900.33
Previous Year Income Tax		313.32	33.07
Deferred tax		45.08	19.46
<b>Profit for the year</b>		<b>2401.23</b>	<b>17713.56</b>
Equity Share of Par Value of Rs. 1/- each			
Basic		40.02	295.23
Diluted		40.02	295.23

Statement on Significant Accounting Policies and Notes 1-19  
on Accounts referred to above  
form an integral part of statement of Profit and Loss

As per our report attached of even date.

FOR SMA & ASSOCIATES  
Chartered Accountants  
FRN 009912N

For and on behalf of the Board of Directors of  
**DELSTOX STOCKS AND SHARES LIMITED**

**Preeti Gupta**  
M. No. 515317  
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**M.K. Gupta**  
Director  
DIN: 01194791

**Vinod Kumar Goel**  
Director  
DIN: 00039086

**Virender Kr. Yadav**  
Director  
DIN: 09416595

Place: New Delhi  
Date : August 12, 2023



## CASH FLOW STATEMENT for the Year ended March 31, 2023

CIN NO. U67110DL1996PLC079973

(Amt. in thousand)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>A) CASH FLOW FROM OPERATIONAL ACTIVITIES</b>		
Net Profit/(Loss) before tax and Extraordinary Items	2356	18628
<i>Adjustment for :</i>		
Depreciation	604	480
Provisions for Doubtful Debts, Gratuity, Leave encashment and employee benefits	-	-15
Interest Income	-3875	-3116
Dividend Income	-862	-503
Profit on Sale of Investment	-	-17571
Profit on Sale of MF	-55	-247
<b>Operating Profit/-Loss before Working Capital Changes</b>	<b>-1832</b>	<b>-2346</b>
<i>Adjustment for :</i>		
Trade, other Receivables and loans and advances	-796	-4758
Current and Non-current Liabilities, Short & Long Term Provision	971	-499
<b>Cash Generated from operation</b>	<b>-1657</b>	<b>-7602</b>
Income tax paid	-	-
<b>Net Cash from Operation Activities</b>	<b>-1657</b>	<b>-7602</b>
<b>B) CASH FLOW FROM INVESTMENTS ACTIVITIES</b>		
Dividend Income	862	503
Interest Income	3875	3116
Purchase of Fixed assets	-806	-934
Profit on Sale of Investment	-	17571
Profit on Sale of MF	55	247
Sale of Investment	-	-1787
<b>Net Cash used in Investing Activities</b>	<b>3986</b>	<b>18716</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net Increase in Cash &amp; Cash Equivalents A+B+C</b>	<b>2329</b>	<b>11115</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>38968</b>	<b>27853</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>41297</b>	<b>38968</b>
<b>Components of Cash and Cash Equivalents at the end of the year</b>		
<b>Balances with Banks</b>		
Investment in Fixed Deposit	27500	27000
In Current Accounts	13793	11962
Cash-in-hand	4	6
<b>Total</b>	<b>41297</b>	<b>38968</b>

As per our report attached of even date.

FOR SMA & ASSOCIATES  
Chartered Accountants  
FRN 009912N

For and on behalf of the Board of Directors of  
**DELSTOX STOCKS AND SHARES LIMITED**

**Preeti Gupta**  
M. No. 515317  
**UDIN No.: 23515317BGYZXI2677**

**M.K. Gupta**  
*Director*  
DIN: 01194791

**Vinod Kumar Goel**  
*Director*  
DIN: 00039086

**Virender Kr. Yadav**  
*Director*  
DIN: 09416595

Place: New Delhi  
Date : August 12, 2023

## NOTES ON ACCOUNTS

### NOTE 1

#### SHARE CAPITAL

(Amt. in thousand)

Particulars	As At 31.03.2023	As At 31.03.2022
<b>AUTHORISED</b> 2,50,000 (Previous Year 2,50,000) equity shares of ₹ 1000/- (Previous Year ₹ 1000/-) each	2,50,000.00	2,50,000.00
	<b>2,50,000.00</b>	<b>2,50,000.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b> 60,000 (Previous Year 60,000) equity shares of ₹ 1000/- (Previous Year ₹ 1000/-) each fully paid up	60,000.00	60,000.00
	<b>60,000.00</b>	<b>60,000.00</b>

a) List of persons holding more than 5 percent shares in the Company

#### Equity Share Capital

Name of the shareholder	As At 31.03.2023		As At 31.03.2022	
	No. of shares	% holding	No. of shares	% holding
DSE Estates Limited - (including 6 Representative Share Holders)	60,000	100	60,000	100.00

#### Disclosure of Shareholding of Promoters

Share held by promoters at the end of the year

Promoter Name	No. of Shares	% of total shares	% change during the Year
DSE Estates Limited	60,000	100.00%	-

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

#### Equity Share Capital

Particulars	As At 31.03.2023	As At 31.03.2022
Number of shares at the beginning of the year	60,000.00	60,000.00
Number of shares issued during the year	NIL	NIL
Number of shares outstanding at the end of the year	<b>60,000.00</b>	60,000.00

**Notes on Accounts...contd.**
**NOTE 2**
**RESERVES AND SURPLUS**

(Amt. in thousand)

Particulars	As At 31.03.2023	As At 31.03.2022
<b>SURPLUS</b>		
Loss at the beginning of the year	15571.59	-2141.97
Profit during the year	2401.23	17713.56
<b>Closing balance</b>	<b>17972.82</b>	<b>15571.59</b>

**NOTE 3**
**LONG TERM PROVISIONS**

(Amt. in thousand)

Particulars	As At 31.03.2023	As At 31.03.2022
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	816.12	733.09
	<b>816.12</b>	<b>733.09</b>

**Note No. 4**
**Trade Payables**

(Amt. in thousand)

Particulars	As At 31.03.2023	As At 31.03.2022
<b>Micro and Small Enterprise</b>		
<b>Other than Micro and Small Enterprise</b>		
Trade Payables of Trading Members	20852.22	21100.98
	<b>20852.22</b>	<b>21100.98</b>

**TRADE PAYABLES**

Outstanding for following periods from the date of payment (As on 31.03.2023)

Particulars	Less than	1-2 years 1 year	2-3 years	More than	Total 3 Years
MSME	-	-	-	-	-
Others	20852.22	-	-	-	20852.22
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>20852.22</b>	-	-	-	<b>20852.22</b>

**TRADE PAYABLES**

Outstanding for following periods from the date of payment (As on 31.03.2022)

Particulars	Less than	1-2 years 1 year	2-3 years	More than	Total 3 Years
MSME	-	-	-	-	-
Others	21100.98	-	-	-	21100.98
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>21100.98</b>	-	-	-	<b>21100.98</b>

## Notes on Accounts...contd.

**NOTE 5***(Amt. in thousand)***OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As At 31.03.2023</b>	<b>As At 31.03.2022</b>
Margin from Sub-Brokers	4066.96	4309.50
DSE Estates Limited	-	-
TDS Payable	117.30	170.22
Expenses Payable	480.88	1235.94
GST Payable	61.36	24.12
Client FDR with Interest	2005.38	-
	<b>6731.88</b>	<b>5740.00</b>

**\*\* FDR belongs to client Ram Nivas Gupta, which shall be refundable in the next FY 2023-24, FDR Amount 2000 Thousand Interest 5.38 Thousand)**

**NOTE 6****SHORT TERM PROVISIONS**

<b>Particulars</b>	<b>As At 31.03.2023</b>	<b>As At 31.03.2022</b>
Provision for Leave Encashment	262.00	280.01
Provision for Income Tax	1063.28	900.33
	<b>1325.28</b>	<b>1180.34</b>

## Notes on Accounts...contd.

## NOTE 7

## FIXED ASSETS

(Amount in Thousand)

Particulars	GROSS BLOCK AT COST				ACCUMULATED DEPRECIATION/AMORTIZATION					NET BLOCK	
	As At 01.04.2022	Additions during the Year	Sales during the Year	As At 31.3.2023	Upto 31.3.2022	Dep. For the Year	Sales during the Year	Charged to retained Earning	Upto 31.3.2023	As At 31.3.2023	As At 31.3.2022
<b>(a) Property, Plant &amp; Equipments</b>											
Office Equipments	425.87	172.00	-	597.87	387.15	57.02	-	-	444.17	153.70	38.72
Computers(Server & Network)	1130.50	-	-	1130.50	943.16	118.32	-	-	1061.48	69.02	187.34
Computers(End User Devices)	1232.41	210.00	-	1442.41	1071.30	142.01	-	-	1213.30	229.11	161.12
Furniture & fixture	73.19	-	-	73.19	70.37	0.73	-	-	71.10	2.09	2.82
<b>Total</b>	<b>2861.98</b>	<b>382.00</b>	<b>-</b>	<b>3243.98</b>	<b>2471.97</b>	<b>318.09</b>	<b>-</b>	<b>-</b>	<b>2790.06</b>	<b>453.92</b>	<b>390.01</b>
Previous Year	2278.13	583.92	-	2862.05	2089.79	382.18	-	-	2471.97	390.08	
<b>(b) Intangible Assets (Computer Software)</b>											
Webtel Software	13.86	-	-	13.86	11.95	0.48	-	-	12.42	1.44	1.91
Anti Virus Software	56.11	74.00	-	130.11	26.67	24.06	-	-	50.73	79.38	29.44
Finkorp Software	350.00	350.00	-	700.00	87.50	260.93	-	-	348.43	351.57	262.50
<b>Total</b>	<b>419.97</b>	<b>424.00</b>	<b>-</b>	<b>843.97</b>	<b>126.12</b>	<b>285.47</b>	<b>-</b>	<b>-</b>	<b>411.58</b>	<b>432.39</b>	<b>293.86</b>
Previous Year	69.97	350.00	-	419.97	28.16	97.95	-	-	126.12	293.86	

## Notes on Accounts...contd.

(Amount in Thousand)

Particulars	As At 31.03.2023	As At 31.03.2022
<b>NOTE 8</b>		
<b>NON-CURRENT INVESTMENTS</b>		
59550 Equity Shares of BSE Ltd. of face value of Rs. 2/- each. Aggregate Market Value of 59550 shares as on 31.03.2023 is Rs. 25,663.73/- Thousand (Previous Year held 59550 Equity Shares of Aggregate Market Value as on 31.03.2022 is Rs. 56,215.20/-Thousand	2065.62	2065.62
Investment in 9.40% IFCI Bond 2025 Qty 200 Bonds (Face Value 1.00 Thousand) Aggregate Market Value as on 31.03.2023 is Rs. 202/- Thousand ) (Previous Year Aggregate Market Value as on 31.03.2022 is Rs.202/- Thousand)	200.80	200.80
INVESTMENT IN 8.56% REC 2028 Qty 3 Bonds (Face Value 1000.00 Thousand) Aggregate Market Value as on 31.03.2023 is Rs. 3130.50/- (Previous Year Aggregate Market Value as on 31.03.2022 is Rs.3253.80/- Thousand)	3348.00	3348.00
	<b>5614.42</b>	<b>5614.42</b>

**NOTE 9****OTHER NON-CURRENT ASSETS**

(Amount in Thousand)

Particulars	As At 31.03.2023	As At 31.03.2022
<b>Security Deposits (Interest Free)</b>		
- National Stock Exchange of India Ltd. (CM)	6500.00	19100.00
-National Securities Clearing Corporation Ltd.	3400.00	3400.00
- National Stock Exchange of India Ltd. (FO)	2000.00	2000.00
- National Stock Exchange of India Ltd.(Base additional capital)	2500.00	2500.00
- BSE Ltd.(Base capital)	200.00	200.00
- BSE Ltd.(Minimum Base capital)	125.00	125.00
-Central Depository Services(India) Ltd.	250.00	250.00
<b>Fixed Deposits with:</b>		
<b>HDFC Bank</b>		
-FDR Pledged with BSE Ltd. (Base Minimum Capital)	1375.00	1375.00
FDR Deposited with Globe	6500.00	6500.00
-Pledged with National Securities Clearing Corporation Ltd. as Security and Margin	2500.00	2500.00
Globe Capital Market Limited- Cash	3000.00	200.00
FDR Deposited with Globe	5000.00	5000.00
FDR Deposited with Globe (Client)	2000.00	-
FDR-NSECM-50300545011650	5000.00	5000.00
FDR-NSECM-50300546277889	4000.00	4000.00
FDR-NSECM-10220013347062	10000.00	-
Interest accrued on FDR's with Banks	855.34	219.40
Income Tax Refund Due ( For Previous Years)	588.10	588.10
AY 2006-07- 292.11 Thousand		
AY 2020-21- 107.51 Thousand		
AY 2021-22- 188.49 Thousand		
	<b>55793.44</b>	<b>52957.51</b>

## Notes on Accounts...contd.

## Note No. 10

(Amount in Thousand)

**TRADE RECEIVABLES**

Ageing Schedule for Trade Receivables as 31st March 2023 is as follows:

Particulars	Outstanding for following periods from the date of payment					Total
	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivables considered good	146.16	66.69	-	-	854.11	1066.96
Undisputed Trade Receivables considered Doubtful	-	-	-	-	-	0.00
Disputed Trade Receivables - considered good	-	-	-	-	-	0.00
Disputed Trade Receivables - considered Doubtful	-	-	-	-	6465.64	6465.64
<b>Total</b>	<b>146.16</b>	<b>66.69</b>	<b>-</b>	<b>-</b>	<b>7319.75</b>	<b>7532.60</b>
Less- Provision for Doubtful Debts						6431.72
<b>Net Trade Receivables</b>						<b>1100.87</b>

(Amount in Thousand)

Ageing Schedule for Trade Receivables as 31st March 2022 is as follows:

Particulars	Outstanding for following periods from the date of payment					Total
	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivables considered good	1103.64	124.19	731.83	-	-	1959.66
Undisputed Trade Receivables considered Doubtful	-	-	-	-	-	0.00
Disputed Trade Receivables - considered good	-	-	-	-	-	0.00
Disputed Trade Receivables - considered Doubtful	-	-	-	-	-	6532.26
<b>Total</b>	<b>1103.64</b>	<b>124.19</b>	<b>731.83</b>	<b>-</b>	<b>-</b>	<b>8491.92</b>
Less- Provision for Doubtful Debts						6532.26
<b>Net Trade Receivables</b>						<b>1959.66</b>



## Notes on Accounts...contd.

**NOTE 11****CASH AND CASH EQUIVALENTS***(Amount in Thousand)*

Particulars	As At 31.03.2023	As At 31.03.2022
Cash in hand	4.16	5.99
<b>Balances with banks:</b>		
In Current accounts	13793.19	11962.48
<b>Fixed Deposit</b>		
-With Bank	27500.00	27000.00
	<b>41297.35</b>	<b>38968.47</b>

**NOTE 12****OTHER CURRENT ASSETS***(Amount in Thousand)*

Particulars	As At 31.03.2023	As At 31.03.2022
Margin Deposit with IL&FS (for National Stock Exchange Ltd.-F&O)	-	1,481.97
Advance Tax	375.00	575.00
Accrued Interest on Bonds	136.78	88.20
TDS Recoverable(Current Year)	441.12	340.42
Prepaid Expenses	936.53	281.53
Life Insurance Corporation of India (Gratuity)	800.91	698.94
Goods & Service Tax	-	401.42
Other Receivables	216.52	221.00
	<b>2906.86</b>	<b>4088.50</b>

**NOTE 13****REVENUE FROM OPERATIONS***(Amount in Thousand)*

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
<b>Brokerage Income</b>		
<b>1. CASH SEGMENT</b>		
<b>BSE &amp; NSE Ltd. Trading</b>		
Gross Receipts	11069.18	
Less : Paid to Sub-Brokers	<u>6995.15</u>	
	4074.03	4292.92
<b>2. DERIVATIVE SEGMENT (F&amp;O)</b>		
<b>NSE Ltd. Trading</b>		
Gross Receipts	2673.87	
Less : Paid to Sub-Brokers	<u>1689.75</u>	
Depository Income	809.96	412.14
	<b>5868.11</b>	<b>5747.53</b>

*Notes on Accounts...contd.*
**NOTE 14**
**OTHER INCOME**
*(Amount in Thousand)*

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest Income	3874.75	3116.33
Profit on Sale of Current Investment	54.98	246.70
Profit on Sale of Non Current Investment	-	17570.98
Dividend Income	862.06	503.09
Delayed Payment Charges	118.49	170.13
Misc. Income	94.72	114.52
	<b>5005.00</b>	<b>21721.75</b>

**NOTE 15**
**Operating Expenses**
*(Amount in Thousand)*

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Depository Charges Paid to CDSL & ILFS	563.92	423.24
Internet & Connectivity Charges	442.73	405.33
Software Expenses	63.00	56.75
Annual Subscription & other charges to National Stock Exchange Ltd.	51.00	51.00
Annual Subscription & other charges to Bombay Stock Exchange Ltd.	50.00	50.00
	<b>1170.65</b>	<b>986.32</b>

**NOTE 16**
**EMPLOYEE BENEFIT EXPENSES**
*(Amount in Thousand)*

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salary to Staff	2782.27	2841.59
Leave Travel Allowance	86.80	44.98
Grauity	83.03	123.23
Leave Encashment	86.07	112.05
Staff Welfare	46.72	18.13
	<b>3084.89</b>	<b>3139.97</b>

## Notes on Accounts...contd.

**NOTE 17****Other Expenses***(Amount in Thousand)*

<b>Particulars</b>	<b>Year ended 31.03.2023</b>	<b>Year ended 31.03.2022</b>
Rent Expenses	25.20	25.20
Electricity & water expenses	123.73	135.58
Legal & Professional Charges	367.19	1554.59
<u>Auditor Remuneration :</u>		
-Audit Fees	100.00	100.00
-Certification work	15.00	15.00
-Tax Audit	-	10.00
Web Maintenance exp	58.00	25.35
Conveyance Expenses	23.95	29.69
Sitting Fees to Directors	565.00	515.00
Printing & Postage Charges	106.26	162.16
Dividend Paid to Clients*	49.97	72.77
Computer Expenses & AMC Charges	263.27	140.51
Telephone Expenses	39.30	40.56
Office Expenses	220.11	195.07
ODIN Charges & Software Expenses	223.56	61.02
Subscription / Membership Fees to ANMI	20.00	15.00
Misc.Expenses	80.10	124.43
Bad Debts Written Off	-	7.15
	<b>2280.63</b>	<b>3229.07</b>

**NOTE 18****FINANCIAL COSTS***(Amount in Thousand)*

<b>Particulars</b>	<b>Year ended 31.03.2023</b>	<b>Year ended 31.03.2022</b>
Bank Charges	0.64	0.70
	<b>0.64</b>	<b>0.70</b>

**NOTE 19 NOTES FORMING PART OF ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES****1. Background**

Delstox Stocks And Shares Limited (Formerly known as "DSE Financial Services Limited") is the wholly owned subsidiary company of DSE Estates Limited. It has trading membership of both cash and future & option w.e.f. 13<sup>th</sup> July, 2009 segments of NSE and cash segment of BSE. The company is also a depository participant of Central Depository Services (India) Limited. The company provides all types of connectivity options for trading.

**2. Basis of Preparation of Financial Statements**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act.

The preparation of Financial Statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of Financial Statements and reported amount of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**3. Revenue recognition**

Revenue is recognized on accrual basis in accordance with AS-9. Penalty levied by Exchange's or other is provided on payment basis. NSE & BSE Transaction Charges Levied, are being recovered from the clients hence entries are not disclosed in the Statement of Profit & Loss

**4. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized if, as a result of a past event, the company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligations at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements. Any declaration of final dividend to be approved by the members in the AGM, is disclosed as a note and the provision of proposed dividend and taxes associated with the same is disclosed in the period in which such dividend is approved by the members in accordance with the provisions of Accounting Standard 4 issued by the Institute of Chartered Accountants of India.

**5. Investment**

Current Investments are disposed off by the company and income on sale of such investments is included in the profit and loss statement. No other current investments are held by the company as on 31.03.2023.

Non-Current Investments-

\* Investment in Equity Shares of BSE Limited, being long term, are stated at cost. Cost represents amount deposited for card based membership (Rs. 206.50 thousand for 59,550 shares of face value of Rs. 2 each). Aggregate Market Value as on 31.03.2023 is 25,663.73 thousand

- \* Investment in 9.40% IFCI Bonds 2025 (Debt Fund) being long term, are stated at cost (200 Bonds of value Rs.2.008 thousand) Aggregate Market Value as on 31.03.2023 is 202.00 thousand
- \* Investment in 8.56% REC Bonds 2028 (Debt Fund) being long term, are stated at cost (3 Bonds of value Rs.3348 thousand) Aggregate Market Value as on 31.03.2023 is 3,130.50 thousand

#### **6. Property, plant and equipment**

Property, plant and equipment are stated as per the Cost Model as defined by the Accounting Standard 10 less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets up to the date the assets are ready for use. All expenses incidental to the acquisition and commissioning of assets are capitalized until assets are ready for use.

Capital work-in-progress comprises of assets that are not yet ready for their intended use at the reporting date. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss. Any restrictions existing on title of the property, plant and equipment's, due to pledging as security against a liability or otherwise is disclosed specifically, in absence of which it is deemed that there are no restrictions on the title whatsoever.

Depreciation is provided on written down value basis for property, plant and equipment so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on prospective basis. The managements' estimates of useful lives are in accordance with the Schedule II to the Companies Act, 2013 or reported otherwise.

#### **7. Impairment of Assets**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis. If such assets are considered to be impaired, the impairment recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the assets

#### **8. Treatment of Employee Benefits including Retirement and Termination Benefits**

At Present the provision of the Employee Provident Fund and Miscellaneous Provision Act 1952 are not applicable to the company, since the total number of employees is lesser than the minimum stipulated requirement of the Act

The company is making provision for Gratuity and Leave Encashment to staff as per the provision of payment of Gratuity Act, 1952 and Leave Rules of the company respectively.

#### **9. Cash and Cash Equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand and balance with bank including fixed deposit and short-term highly liquid investment with an original maturity of three month or less.

#### **10. Taxation**

Provision for Taxation for the year is made in accordance with the Income Tax Act, 1961.

Deferred Tax Asset or Liability at the end of each year is recognized on account of all timing differences in accordance with the mandatory Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The required adjustment is made in the statement of profit and loss accordingly.

Further, Deferred Tax Asset is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets



## B. NOTES TO ACCOUNTS

- I. DSE Estates Limited (DSEL), the holding Company has opted to voluntarily exit from the business as Stock Exchange vide its letter dated May 24, 2014 to Securities Exchange Board of India (SEBI). Now the DSEL officially stands de-recognized as per the publication of notification of Ministry of Finance of gazette of India dated March 15, 2016.
- II. However, de-recognition of the holding company. DSE Estates Limited (DSEL) from the business of the stock exchange will not affect Delstox Stocks And Shares Limited (Formerly known as "DSE Financial Services Limited"). Hence, the accompanying financial statements of the company have been prepared on the basis of "as a going concern"
- III. In the Opinion of the Board, Trade Receivables and Current Assets are approximately of the value stated if realized in the ordinary course of business, unless otherwise stated.
- IV. The Company is having a procedure for sending quarterly confirmation letters/ accounts statements to its Trade Receivables and other parties as per the requirements of SEBI/ Various Stock Exchanges, However confirmation in respect of Trade Receivables are still pending for reconciliations and adjustments, if any, in this regard would be done in the year in which such reconciliations confirmations take place
  - A) Trade Receivables outstanding for more than six months aggregating to Rs. 7,386.43 thousand net of credit balances (Previous Year Rs. 7,388.28 Thousand) out of which Rs. 6465.64 thousand pertains to the Trade Receivables as doubtful and out of which total of Rs. 6431.72 is under litigation for which transactions have been stopped and balance confirmation as on 31st March 2023 have also not been obtained. In the opinion of the Management these balances are partially doubtful for recovery and hence provision for doubtful debts of Rs. 6431.72 thousand, (Previous Year Rs. 6532.26 Thousand) has been made in the books of accounts. Even though awards under arbitration have been received in favor of the company and execution petitions have been filed in the court which are pending.
  - B) The Company has not made provision for doubtful debts in respect of CDSL Trade Receivables outstanding other than litigation cases amounting to Rs. 900.67 thousand for more than six months as neither any recovery process nor any legal action is initiated for the recovery of outstanding dues by the Company. However, in the opinion of the Management these balances are good for recovery and necessary action for recovery has now been initiated.
- V. FDRs amounting to Rs. 1375.00 Thousand (previous year Rs 1375.00 Thousand) has been pledged directly with the BSE limited in the name of the company as Base Minimum Capital and Additional Margin as on 31.03.2023. FDRs amounting to Rs. 13500.00 Thousand (previous year Rs 11500.00 Thousand) has been pledged directly with the Globe Capital Market Limited in the name of the company for the Purpose of Additional Margin as on 31.03.2023. FDRs amounting to Rs. 21500.00 Thousand (previous year Rs 11500.00 Thousand) has been pledged directly with the National Stock Exchange in name of the company for the Purpose of Additional Margin as on 31.03.2023.
- VI. As per Accounting Standard 22 on "Accounting for taxes on income", virtual certainty supported by conclusive evidence is necessary to credit deferred tax asset on unabsorbed losses under the income tax laws. The management do foresee substantial profitability in the near future, thus deferred tax asset is been created.
- VII. Income tax refunds aggregating to Rs 588.00 Thousand for the prior years are still pending for recovery from the income tax department, out of which Rs. 107.51 thousand has been recovered in next financial year 2023-24, for the pending refund effective action is being initiated by the Management for the recovery.
- VIII. There are some unclaimed shares (quoted value of Rs. 40.05 Thousand as on 31.03.2023) lying for more than 3 year in the Demat account of the company, which do not belong to it. The Board of Director of the company is looking into the matter and would take appropriate decision shortly.
- IX. Director's Remuneration-NIL.

There is no Whole time Executive Director in the company during the Financial Year 2022-23 and immediately preceding year.

X. The disclosures of "Employee Benefits" as defined in the Accounting Standard 15 are as under:-

i) Defined Contribution Plan

As per the provision of the Employee Provident Fund and Miscellaneous Provision Act, 1952 are not applicable to the company employer's contribution during the year is Rs NIL (previous year is Rs NIL)

ii) Defined Benefits Plans.

a) Gratuity Liability is accounted as per the company's policy for employees who have completed six months as at Balance Sheet date computed as per the provision of the Payment of Gratuity Act, 1972.

b) Leave encashment liability of employees is accounted for on accrual basis computed as per the company's policy on the basis of last year pay drawn at the end of the year.

XI. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been indentified on the basis of information available with the company, accordingly they are no micro, small and medium enterprises to whom the company owes dues.

XII. As the company is covered under the definition of Small and Medium Enterprises (SME), the disclosure required under the mandatory accounting standard have only been furnished in the Notes to Accounts of the accompanying financial statements.

XIII. Income in Foreign Currency Nil

XIV. Expenditure in Foreign Currency Nil

XV. Auditors Remuneration (Excluding Taxes) (Amt. in '000)

S. No.	Particulars	Current Year	Previous Year
I	Audit Fee SMA & ASSOCIATES (Statutory Auditors)	100.00	110.00
II	Fees for Other Matters (Certification Work)	15.00	15.00



**XVI. Related Party Transactions**
**A. List of Related Parties**

S. No.	Particulars	Name of Key Management Personnel/Director
I	Director	i) M.K. Gupta ii) I.C. Singhal (Directorship upto 12.12.2022) iii) Vinod Kr. Goel iv) Virender Kumar Yadav
II	Holding Company	i) DSE Estates Limited (Formerly Delhi Stock Exchange Limited)

**B. Transactions with Related Parties (In '000')**

Name of Key Management Personnel	Nature of Transaction	Amount
DSE Estates Limited (Formerly Delhi Stock Exchange Ltd.)	Office Rent	25.20/- (P.Y. 25.20/-)
DSE Estates Limited (Formerly Delhi Stock Exchange Ltd.)	Reimbursement of expenses/ electricity and Maintenance Charges etc.	120.00/- (P.Y. 120.00/-)
DSE Estates Limited (Formerly Delhi Stock Exchange Ltd.)	Payment of Outstanding Liability	NIL
M.K. Gupta	Sitting Fees	230.00/-(P.Y. 190.00/-)
I.C. Singhal*	Sitting Fees	105.00/-(P.Y. 150.00/-)
Vinod Kr. Goel	Sitting Fees	230.00/-(P.Y. 175.00/-)
Rachana Prakash	Remuneration to Company Secretary	NIL (P.Y. 219.63/-)
Vinod Kumar Goel	Brokerage Income	11.201/-(P.Y. 42.85/-)
Virender Kumar Yadav	Brokerage Income	0.310/-(P.Y. 0.366/-)

**XVII. Obligation toward Lease:**

Rent (Payment made to holding company) Rs. 25.20 Thousand

**XVIII. Earning Per Shares (EPS)**

Basic earnings per share are computed by dividing the net profit after tax for the period by the weighted average number of equity shares outstanding during the period. **(Amount in Thousand)**

S. No.	Particulars	Current Year	Previous Year
A	Net Profit for the year	2,401.23	17,713.56
B	Amount available for equity shareholders (A)	2,401.23	17,713.56
C	Weighted average number of shares (B)	60000	60000
D	Basic earnings per share (A/B)	40.42	295.23

**XIX.** The management is of the opinion that there is no impairment of assets as contemplated in Accounting Standard 28.

**XX.** Contingent Liabilities in form of guarantees or other obligations:

**(i) Contingent Liabilities:**

- Claims against the company not acknowledged as debt: NIL
- Guarantees: NIL
- Other money of Rs. 27.00 Thousand (being TDS defaults) appearing on TRACES web portal (Previous Year Rs. 27.00 Thousand)

**(ii) Commitment:**

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for: NIL
- (b) Uncalled liability on shares and other investments partly paid: NIL
- (c) Other commitments: NIL
- XXI.** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.
- XXII.** The company does not have borrowings from banks or financial institutions on the basis of security of current assets, and hence there is no default in repayment of the same.
- XXIII** The following table summaries the transactions with the companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 for the year ended/as at 31st March 2022 & 31st March 2022

Name of the Struck off Company	Nature of transaction with Struck Off Company	As at 31st March 2023 in thousand	As at 31st March 2022 in thousand	Relationship with the struck Off company
RUSTAGI SECURITIES PVT LTD	Trade Receivable	20.12	20.12	External Customer
ANURAG PORTFOLIO PVT LTD	Subbroker Margin Payable	36.97	36.97	External Customer
SALLY MEDIA AND ENTERTAINMENT PRIVATE LIMITED	Trade Receivable	5.13	5.13	External Customer
ARMAMENT SECURITY SERVICE PRIVATE LIMITED	Trade Receivable	2.36	1.18	External Customer
RISING FIBERS PRIVATE Ltd.	Trade Receivable	1.77	1.77	External Customer
RUDRA EQUITY ADVISOR PRIVATE LIMITED	Trade Receivable	4.13	2.95	External Customer
CREATIVE FINANCIAL SERVICES (P) LTD	Trade Receivable	9.95	9.95	External Customer
FAIR FINLEASE & HOLDINGS PVT. LTD	Trade Receivable	2.86	2.86	External Customer
LOCAL GOODS CARRIERS PVT .LTD	Trade Receivable	12.47	12.06	External Customer
MALIK TRADING & INVESTMENT PRIVATE LTD	Trade Receivable	1049	9.31	External Customer
ORDINARY FINANCIAL SERVICIES PRIVATE LIMITED	Trade Payable	0.01	0.01	External Customer

- XXIV** There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- XXV** The company is not covered under section 135 of the Companies Act, for the adherence to the provisions of CSR activities.
- XXVI** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**XXVII. Analytical Ratios**

PARTICULARS	NUMERATOR	DENOMINATOR	RATIO FOR 31.03.2023	RATIO FOR 31.03.2022	VARIANCE (+/-)	EXPLANATION FOR VARIANCE MORE THAN 25%
(a) Current Ratio,	Current assets	Current Liabilities	157%	161%	-2%	NA
(b) Debt-Equity Ratio	Total Debt	Shareholders equity	38%	38%	0%	NA
(c) Debt Service Coverage	Earnings available for debt service	Debt service requirement (Interest cost)	NA	NA	NA	No interest cost
(d) Return on Equity Ratio	PAT (Minus dividend to preference shareholders if any)	Shareholders equity	3%	23%	-87%	In the last year, the company has disposed off long term non current investments, therefore Return on equity is high for the period.
(e) Inventory turnover ratio	Cost of goods sold/sales	Average Inventory	NA	NA	NA	No Inventory
(f) Trade Receivables turnover ratio	Net credit sales	Average accounts receivable	3.83	2.31	66%	NA
(g) Trade payables turnover ratio	Net credit purchases	Average trade payables	NA	NA	NA	Since it is service sector company, no outside purchases/services are availed in the nature of purchase.
(h) Net capital turnover ratio	Net sales	Average working capital	65%	174%	-62%	The company has disposed off long term non current investments, therefore Turnover (including income from sale of investments) is higher in the last year.
(i) Net profit ratio	Net Profit	Net sales	22%	64%	-66%	The company has disposed off long term non current investments, therefore net profits (including income from sale of investments) is higher in the last year.
(j) Return on Capital employed	Earnings before interest & taxes	Capital employed (Debts+equity)	3%	18%	-81%	The company has disposed off long term non current investments, therefore EBIT (includes income from sale of investments) is higher in the last year.
(k) Return on investment.	Net profit	Investments	1%	317%	-100%	The company has increased efforts for growth

**XXVIII.** Previous year's figures have been regrouped/reclassified, wherever considered necessary to conform to the Current Year's presentation.

As per our report attached of even date.

FOR SMA & ASSOCIATES  
 Chartered Accountants  
 FRN 009912N

For and on behalf of the Board of Directors of  
**DELSTOX STOCKS AND SHARES LIMITED**

**Preeti Gupta**  
 M. No. 515317  
**UDIN No.: 23515317BGYZXI2677**  
 Place: New Delhi  
 Date : August 12, 2023

<b>M.K. Gupta</b> Director DIN: 01194791	<b>Vinod Kumar Goel</b> Director DIN: 00039086	<b>Virender Kr. Yadav</b> Director DIN: 09416595
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# DSE ESTATES LIMITED

CIN:U91120DL1947PLC001239

Regd. Office : DSE HOUSE, 3/1, ASAF ALI ROAD, NEW DELHI-110002

## ATTENDANCE SLIP

I/we hereby record my presence at the 75th Annual General Meeting of DSE Estates Ltd. being held on Saturday, September 30, 2023 at 3:30 PM at DSE House, 3/1, Asaf Ali Road, New Delhi-110002

Full name of shareholder	Full name of proxyholder	Shareholder's/proxyholder's Signature

No. of share(s) held \_\_\_\_\_ Shareholder's Folio No./Client ID \_\_\_\_\_

Tear here



# DSE ESTATES LIMITED

CIN:U91120DL1947PLC001239

Regd. Office : DSE HOUSE, 3/1, ASAF ALI ROAD, NEW DELHI-110002

## PROXY FORM - MGT-11

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

Name of the member(s) : \_\_\_\_\_  
Registered Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Folio No./Client Id : \_\_\_\_\_  
DP ID : \_\_\_\_\_

I/we, being the member of \_\_\_\_\_ share(s) of the abovenamed company, hereby appoint

1. Name:	2. Name:	3. Name:
Address:	Address:	Address:
E-mail Id:	E-mail Id:	E-mail Id:
Signature..... or failing him/her	Signature..... or failing him/her	Signature..... or failing him/her

as my/our Proxy and to attend and vote (on a poll) for me/us and on/or my behalf at the 73rd Annual General Meeting of the Company to be held on Saturday, September 30, 2023 at 3:30 PM at DSE House, 3/1, Asaf Ali Road, New Delhi-110002 and at any adjournment thereof in respect of following resolutions :

### Ordinary Business(es):

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 and the Reports of the Board of Directors and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023 and the Report of the Auditors thereon.
2. To appoint a Director in place of Shri Mahender Kumar Gupta (DIN:01194791), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

### Special Business:

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

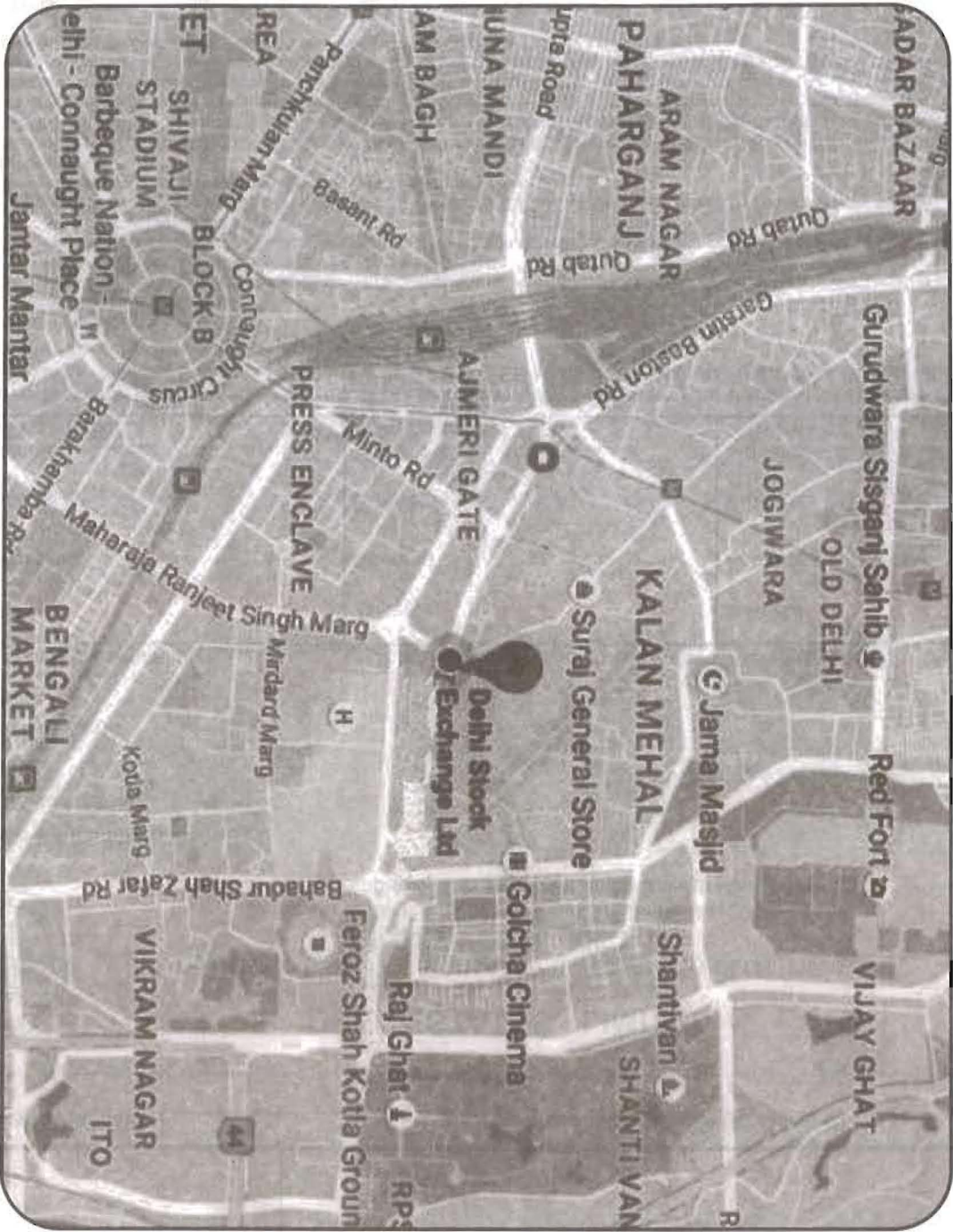
**"RESOLVED THAT** the sum of ₹ 66,94,92,106/- (Rupee sixty six crores ninety four lacs ninety two thousand one hundred six only) standing to the credit of the Settlement Guarantee Fund Reserve of the Company shall be reclassified and credited to the 'General Reserve' of the Company, and subsequent thereto, such amount credited to the 'General Reserve' of the Company shall be reclassified as, and constitute General reserve of the Company in accordance with the provisions of the Companies Act, 2013 and subject to such approvals as may be necessary.

Revenue Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

Note : The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.



Map of Venue of the  
75<sup>th</sup> ANNUAL GENERAL MEETING  
DSE ESTATES LIMITED





## **DSE ESTATES LIMITED**

**(Formerly known as Delhi Stock Exchange Limited)**

**CIN:U91120DL1947PLC001239**

**DSE House, 3/1, Asaf Ali Road, New Delhi-110002**

**Phones: 91-11-42074802 Web.: [www.dseindia.org.in](http://www.dseindia.org.in)**