



# B.N.Rathi Securities Ltd.

CIN : L65993TG1985PLC005838  
Corporate Member : NSE / BSE / MCX  
Depository Participant of Central Depository Service (I) Ltd.

**REGISTERED OFFICE** : # 6-3-652, IV Floor, "Kautilya"  
Amrutha Estates, Somajiguda, Hyderabad - 500 082  
Tel. : 040 - 40527777, 40727777, Fax : 040-40526283  
bnrsl@bnrsecurities.com www.bnrsecurities.com

Date: 04.06.2024

To

BSE Limited  
P.J. Towers, Dalal Street,  
Mumbai-400001

Dear Sirs,

Sub: Submission of 38<sup>th</sup> AGM Annual Report for the Financial Year 2023-24 under Regulation 34 of SEBI (LODR) Regulation 2015 and as amended- Reg.

Ref: Our Company Code: 523019

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In Compliance with Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith submitting the 38<sup>th</sup> AGM Annual Report for the Financial Year 2023-24 of the Company, which is being dispatched to our shareholders on 04.06.2024. The Annual General Meeting of the company is scheduled to be held on Thursday, 27<sup>th</sup> of June, 2024 at 10.00 am at FTCCI Surana Hall, The Federation of Telangana Chambers of Commerce and Industry, (FTCCI) Federation House, Federation Marg, Red Hills, Hyderabad - 500 004, Telangana.

This is for the information and records of the exchange, Please.

Thanking You,

For B.N. Rathi Securities Limited

G Sabitha Reddy  
Company Secretary





**B. N. RATHI**  
**SECURITIES LIMITED**

**38<sup>th</sup> Annual Report**  
**2023-2024**

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

- Mr. Laxminiwas Sharma\* - Additional Director (Non-Executive Category),  
Chairman (DIN: 00010899)
- Mr. K. Harishchandra Prasad\* - Additional Director (Non-Executive Category)  
(DIN: 00012564)
- Mrs. Shanti Sree Bolleni - Non-Executive & Independent Director  
(DIN:07092258)
- Mr. Lakshminarayana Bolisetty\* - Additional Director (Independent Category)  
(DIN:02766709)
- Mr. Hari Narayan Rathi - Managing Director (DIN: 00010968)
- Mr. Chetan Rathi - Executive Director & CFO (DIN: 00536441)
- \*Appointed w.e.f. 01.04.2024

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Gadila Sabitha Reddy

**REGISTERED OFFICE**

6-3-652, IV Floor, Kautilya,  
Amrutha Estates, Somajiguda,  
Hyderabad, Telangana - 500 082.  
Ph. No. 040-40527777,  
Fax: 40526283

**STATUTORY AUDITORS**

M/s. Seshachalam & Co.,  
Chartered Accountants  
1-11-256, Street No.1,  
Wall Street Plaza, 6th Floor,  
Lane Adjacent to Begumpet Airport  
Begumpet, Hyderabad - 500016.

**SECRETARIAL AUDITORS**

M/s. S.S. Reddy & Associates  
Practicing Company Secretaries  
Plot No.8-2-603/23/3 & 8-2-603/23, 15,  
2nd Floor, HSR Summit, Banjara Hills,  
Road No. 10, Hyderabad-500 034.

**BANKERS**

ICICI Bank Ltd.  
HDFC Bank Ltd.  
State Bank of India  
AXIS Bank

<b>Committees up to 31.03.2024</b>	<b>Committees w.e.f. 01.04.2024</b>
<b>AUDIT COMMITTEE</b> Mr. Laxminiwas Sharma- Chairman (ID) Mr. K. Harishchandra Prasad- Member (ID) Mrs. Shanti Sree Bolleni- Member (ID) Mr. Hari Narayan Rathi - Member (MD)	<b>AUDIT COMMITTEE</b> Mrs. Shanti Sree Bolleni - Chairman (ID) Mr. B Lakshminarayana- Member (ID) Mr. Laxminiwas Sharma- Member (NED)
<b>NOMINATION &amp; REMUNERATION COMMITTEE</b> Mr. K. Harishchandra Prasad- Chairman (ID) Mr. Laxminiwas Sharma- Member (ID) Mrs. Shanti Sree Bolleni- Member (ID)	<b>NOMINATION &amp; REMUNERATION COMMITTEE</b> Mrs. Shanti Sree Bolleni - Chairman (ID) Mr. B Lakshminarayana- Member (ID) Mr. Harishchandra Prasad Kanuri - Member (NED)
<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b> Mrs. Shanti Sree Bolleni- Chairperson (ID) Mr. Laxminiwas Sharma- Member (ID) Mr. K. Harishchandra Prasad- Member (ID) Mr. Chetan Rathi- Member (ED)	<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b> Mrs. Shanti Sree Bolleni- Chairperson (ID) Mr. Laxminiwas Sharma- Member (ID) Mr. K. Harishchandra Prasad- Member (ID) Mr. Chetan Rathi- Member (ED)
<b>INDEPENDENT DIRECTORS</b> Mr. Laxminiwas Sharma Mr. K. Harishchandra Prasad Mrs. Shanti Sree Bolleni	<b>INDEPENDENT DIRECTORS</b> Mr. Lakshminarayana Bolisetty Mrs. Shanti Sree Bolleni

**REGISTRAR & SHARE TRANSFER AGENTS**

M/s. KFIN Technologies Limited,  
 Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
 Financial District, Nanakramguda, Hyderabad - 500 032.  
 Toll free No. 1800 309 4001

<b>LISTED STOCK EXCHANGES</b>	:	BSE Limited
<b>DEMAT ISIN NUMBER IN NSDL &amp; CDSL</b>	:	INE710D01010
<b>WEBSITE</b>	:	www.bnrsecurities.com
<b>INVESTOR E-MAIL ID</b>	:	investorgrievances@bnrsecurities.com
<b>CORPORATE IDENTITY NUMBER</b>	:	L65993TG1985PLC005838



## NOTICE

Notice is hereby given that the 38th Annual General Meeting of the members of B.N. Rathi Securities Limited will be held on Thursday 27th June, 2024 at 10.00A.M. at FTCCI Federation House, Federation Marg, Red Hills, Hyderabad – 500004, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2024, the Statement of Profit & Loss and Cash Flow Statement (Standalone and consolidated) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To declare dividend of 15% i.e., Rs. 1.50/- on equity shares of face value of Rs. 10/- for the financial year ended 31st March 2024.
3. To appoint a director in place of Mr. Chetan Rathi (DIN: 00536441) who retires by rotation and being eligible, offers himself for re-appointment.
4. Appointment of M/s. M Anandam & Co., Chartered Accountants as the Statutory Auditors of the company for period of 3 years.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 read with The Companies [Audit and Auditors] Rules, 2014 and other applicable provisions [including any modification or re-enactment thereof] if any, of the Companies Act, 2013 and provisions of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and pursuant to recommendations and approvals of the Audit Committee and Board of Directors, M/s. M Anandam & Co., Chartered Accountants (Firm Registration No. 000125S), be and is hereby appointed as the Statutory Auditors of the Company to hold the office for a term of three years beginning from the conclusion of the ensuing Annual General Meeting till the conclusion of the 41st Annual General Meeting of the Company to be held in the year 2027, at such remuneration and other terms as may mutually be decided by the Board of Directors on the recommendations of Audit Committee and Statutory Auditors of the Company”.

**“RESOLVED FURTHER THAT** Mr. Hari Narayan Rathi, Managing Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to the aforesaid Resolution and matters incidental thereto”

### SPECIAL BUSINESS:

5. **APPOINTMENT MR. B LAKSHMINARAYANA (DIN: 02766709) AS AN INDEPENDENT DIRECTOR OF THE COMPANY. (Brief Profile: Annexure A to this Notice)**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in



force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. B.Lakshminarayana (DIN: 02766709), who was appointed as an Additional Director of the Company, under the category of Independent Director with effect from April 01, 2024, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act read with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, read with the Rules made thereunder and the applicable provisions of Listing Regulations, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years i.e., from April 01, 2024 till March 31, 2029 and not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** Mr. Hari Narayan Rathi, Managing Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to the aforesaid Resolution and matters incidental thereto”

**6. APPOINTMENT MR. LAXMINIWAS SHARMA (DIN: 00010899) AS NON EXECUTIVE AND NON INDEPENDENT DIRECTOR OF THE COMPANY. (Brief Profile: Annexure A to this Notice)**

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules') including any statutory modification(s) or re-enactment thereof and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Laxmini was Sharma (DIN: 00010899) who was appointed by the Board of Directors as an Additional Director (category-Non-Executive and Non Independent) of the Company on the recommendation of Nomination and Remuneration Committee with effect from 01.04.2024 and who is eligible for appointment as a Director, be and is hereby appointed as a Director (category-Non-Executive and Non Independent) of the Company and who shall be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** Mr. Hari Narayan Rathi, Managing Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to the aforesaid Resolution and matters incidental thereto”

**7. APPOINTMENT MR. HARISHCHANDRA PRASAD KANURI (DIN: 00012564) AS NON EXECUTIVE AND NON INDEPENDENT DIRECTOR OF THE COMPANY. (Brief Profile: Annexure A to this Notice)**

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules') including any statutory modification(s) or reenactment thereof and SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, Mr. Harishchandra Prasad Kanuri (DIN: 00012564) who was appointed by the Board of Directors as an Additional Director (category-Non- Executive and Non Independent) of the Company on the recommendation of Nomination and Remuneration Committee with effect from 01.04.2024 and who is eligible for appointment as a Director, be and is hereby appointed as a Director (category-Non- Executive and Non Independent) of the Company and who shall be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** Mr. Hari Narayan Rathi, Managing Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to the aforesaid Resolution and matters incidental thereto”

**8. TO RE-APPOINT MR. CHETAN RATHI AS WHOLE- TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY. (Brief Profile: Annexure A to this Notice)**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, 178 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for the reappointment of Mr. Chetan Rathi as Whole- Time Director and Chief Executive Officer of the Company for a further term of 5 years w.e.f. 01.04.2024 on the remuneration as mentioned in the explanatory statement.”

**“RESOLVED FURTHER THAT** in the event of losses or inadequacy of profits in any financial year during her tenure, the Company shall pay to Mr. Chetan Rathi, the same remuneration by way of salary, perquisites and allowances, as minimum remuneration for a period not exceeding 3 years and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government of India from time to time.”

**“RESOLVED FURTHER THAT** Mr. Hari Narayan Rathi, Managing Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to the aforesaid Resolution and matters incidental thereto”

**9. TO REAPPOINT MR. HARI NARAYAN RATHI AS MANAGING DIRECTOR OF THE COMPANY. (Brief Profile: Annexure A to this Notice)**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, 178 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the consent of the members of the Company be and



is hereby accorded for the reappointment of Mr. Hari Narayan Rathi as Managing Director of the Company for a further term of 3 years w.e.f. 01.10.2024 on the remuneration as mentioned in the explanatory statement.”

**“RESOLVED FURTHER THAT** in the event of losses or inadequacy of profits in any financial year during her tenure, the Company shall pay to Mr. Hari Narayan Rathi, the same remuneration by way of salary, perquisites and allowances, as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government of India from time to time.”

**“RESOLVED FURTHER THAT** Mr. Chetan Rathi, Whole time Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to the aforesaid Resolution and matters incidental thereto”

**10. ALTERATION OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.**

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

**“RESOLVED THAT** pursuant to the provisions of sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force) and the rules framed thereunder, and other applicable regulations, rules and guidelines issued, if any, and subject to approval of Ministry of Corporate Affairs, and any other appropriate regulatory / statutory authorities and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authority, the consent of the members of the Company be and is hereby accorded to alter the objects clauses of Memorandum of Association, by deleting the existing 1st clause and merging the existing 2 to 7 clauses into 1 to 4 clauses as 3 a) 1 to 4 ( reading as follows) and adding the new 5th Clause as mentioned below:

**III A) The objects to be pursued by the company are:**

1. “To invest in and acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stocks, bonds obligations and securities, issued or guaranteed by any Government, state, dominion, sovereign ruler, commissioner, public body or authority, supreme, municipal, local or otherwise whether in India or elsewhere and to guarantee the subscription thereof and exercise and enforce all rights and powers conferred by or incidental to the ownership thereof. To advance, deposit or lend money, on securities and properties to or with any company body corporate, firm person or association so as to enable them to commence or expand any industrial or commercial activity or for their business purposes, with or without security and on such terms as may be determined from time to time and to discount, buy, sell or deal in bills, notes warrants, coupons and others negotiable or transferable securities or documents and to guarantee the performance of any contract of any such person. However the Company shall not carry on the business of Banking within the meaning of the Banking Regulation Act 1949”.



2. “To setup incorporate and manage, provide and / or participate in providing venture capital, technology funds, underwriting fund or any other funds for seed capital, risk capital foundation, including giving guarantees or such other financial assistance as may be conducive for development of existing and new technology, to identify projects, project ideas, to prepare project profiles, project reports, market research, feasibility studies and reports, pre investment studies and investigation of industries in micro and macro level, to undertake appropriate service to identify scopes or potential for economic and industrial development in any particular geographical area or location in India or abroad, to act as lead managers in respect of project assignment by undertaking follow up supervision and co- ordination work at the instance, behest or on behalf of banks, financial institutions, companies, bodies corporate and to monitor the same to the participants, to act as an professions systems and by introducing modern methods and techniques and systems and render all assistance as may be necessary including acting as agents for recruitment of personnel, technical, skilled, un-skilled, supervisory, managerial and otherwise and to act as an advisor in the selection of technical process, economic size source of plant and machinery and other utilities for business entrepreneurs”.
3. “To act administrators or managers of nay investment trusts of funds including any growth funds income or capital funds, taxable or tax exemption funds, provident funds, pension funds, gratuity funds, superannuation funds, charitable funds and unit trusts or consortium to act as trustees for bond holders, debenture holders and other purposes herein mentioned and to manage investment pools, mutual funds, issue of shares, securities, bonds and other negotiable instruments and securities and to carry on the business of finance, trust, legal trust and to finance industrial organization and to promote companies engaged in industrial and trading business. To carry on business as underwriters and brokers of stock shares, debentures stock, Government Bonds, Units of Unit Trust, National Savings Certificates, capitalists and financiers and to undertake depository participants activities and for that purpose to obtain the membership of the Depositories under the Depositories act, 1996 by registering with the Central Depository Services (India) Limited and/or National Securities Depository Limited or such other entity as may be recognized in this behalf and provide services such as demat account opening and maintenance, dematerialization and rematerialization of shares and other applicable securities, provision of transaction statements, transaction execution, creation and cancellation of pledge of securities, facilitating settlement of trades through market transactions, off-market transfers and inter-depository transfers, distribution of non-cash corporate sections, nomination / transmission and other demat related services”.
4. “To carry on the business of merchant banking in all aspects, to act as manages to issues and offers, whether by way of public offer or otherwise, of shares, debentures, bonds, units, participation certificates, deposit certificates, notes, bills warrants or any other, instrument whether or not transferable or negotiable, commercial or other paper or scrips (hereinafter collectively referred to as the “Securities”) to act as agents of and / or dealers in the securities in the course of merchant banking business, to act as financial consultants, join managers, lead managers, co-managers, advisors stand by or procurement arrangement, to issue guarantees or it give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to provide financial and investment assistance for the purpose herein, to act as issue house, registrars to issue, transfer agents, to manage and administer computer centers and clearing house for securities to form syndicates or consortia of managers, agents and purchasers for or any of the securities, to acquire and hold one or more

membership in stock / securities exchange, trade association, commodity exchanges, clearing houses or associations or otherwise in India or any part of the world to act as brokers, dealers and agents in connections with the securities, bullions and precious metals or others, to syndicate any financial arrangements whether in domestic market or in international market and whether by way of loans or guarantees or export and yard credit, and to acquire and hold membership in any association of bankers, security dealers or commodity dealers or commodity dealers or any other associations, membership of which will is likely in any way to facilitate the conduct of the companies business, to undertake the work of factoring of bills and other commercial papers, and to arrange and / or co-ordinate documentation and negotiation in this regard”.

**Addition of New Clause:**

5. "To conduct research and analysis of securities or related financial instruments. Provide recommendations or advice on buying, selling, or holding securities. Publishing research reports or analyses for dissemination to clients or the public. To make a public appearance towards research reviews and recommendations. To register as intermediary as Research analyst with regulator and engaging in activities related to securities research as permitted by SEBI regulations and guidelines. To raise funds from investors through the issuance of units of the AIF and to invest in accordance with the SEBI regulations and guidelines in different categories. To invest the funds raised from investors in accordance with the investment objectives, strategy, and restrictions specified in the placement memorandum of the AIF. To manage the investments of the AIF and to take all necessary actions for the benefit of the investors of the AIF. To carry out any other activity that is incidental or ancillary to the above activities and is necessary or expedient for the conduct of the business of the AIF and to deal with all types of sectorial funds of different categories. To act as a distributor for AIF products.”

**“RESOLVED FURTHER THAT** Mr. Hari Narayan Rathi, Managing Director be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary in relation to the above including the matters incidental thereto including but not limited to signing and filing all the e-forms and other documents with the statutory authorities along with the Ministry of Corporate Affairs and to execute all such documents, instruments and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Ministry of Corporate Affairs or such other Authority arising from or incidental to the said amendment and to delegate all or any of the powers conferred herein as they may deem fit.”

**For and on behalf of the Board  
B.N. Rathi Securities Limited**

**Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899**

**Place: Hyderabad  
Date: 14.05.2024**



**EXPLANATORY STATEMENT**

[Pursuant to Section 102 of the Companies Act, 2013]

**ITEM NO.4: APPOINTMENT OF M/s. M ANANDAM & CO., CHARTERED ACCOUNTANTS STATUTORY AUDITORS FOR A PERIOD OF 3 YEARS.**

M/s. M Anandam & Co., Chartered Accountants are proposed to be appointed as statutory auditors of the company for a term of three consecutive years commencing from the conclusion of 38th AGM till the conclusion of the 41st AGM to be held in the year 2027.

M/s. M Anandam & Co., Chartered Accountants have confirmed that their appointment for a term of three (3) years, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

In terms of requirements of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended effective April 1, 2019, details of proposed remuneration and credentials of the Statutory Auditors are provided below:

- a) Remuneration will be as mutually agreed between the Company/ Board of Directors and the said Statutory Auditors.
- b) M/s. M Anandam & Co., Chartered Accountants is a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm registration Number 000125S. The Firm provides range of services which include Audit & Assurance, Taxation, Accounting and Risk Advisory. The audit firm practice has significant experience in auditing listed and large Companies.

The Board recommends the Ordinary Resolution at Item no. 4 of this Notice for the approval of the members.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**ITEM NO. 5: APPOINTMENT MR. B LAKSHMINARAYANA (DIN: 02766709) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.**

Mr. B. Lakshminarayana was appointed as an Additional Director of the Company on 01.04.2024 in terms of Section 161 (1) of the Companies Act, 2013 and provisions of SEBI (LODR) Regulations, 2015 in the category of 'Non-Executive Independent', who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and are eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Mr. B. Lakshminarayana for the office of Director in Independent category.

Pursuant to reg. 17(1)(C) of SEBI (LODR) Regulations, 2015, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, in order to ensure compliance with the provisions of SEBI

(LODR) Regulations, 2015 and Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. B. Lakshminarayana as 'Independent Director' for a term up to 5 consecutive years commencing from the date of his appointment as an Additional Director i.e. w.e.f., 01.04.2024 to 31.03.2029.

Accordingly, the Board of Directors recommends the passing of the above resolution as Special Resolution set out in the item no. 5 of the notice for appointment of Mr. B. Lakshminarayana as an independent director.

Save and except Mr. B. Lakshminarayana, Independent Director, being the appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in their respective Resolutions set out in the notice.

**ITEM NO.6: APPOINTMENT MR. LAXMINIWAS SHARMA (DIN: 00010899) AS NON EXECUTIVE AND NON INDEPENDENT DIRECTOR OF THE COMPANY**

The Board of Directors in the meeting held on 28.03.2024, appointed Mr. Laxmini was Sharma as an Additional Director (Category: Non-Executive and Non Independent) of the Company with effect from 01.04.2024 who holds office up to the date of ensuing Annual General Meeting or the last date on which the annual general meeting should have been held, whichever is earlier pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company.

Pursuant to Regulation 17(1C) of SEBI LODR Regulations, the listed entity shall ensure that approval of shareholders for appointment or re-appointment of a person on the Board of Directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Accordingly, the Board of Directors recommends the passing of the above resolution as a Special Resolution set out in the item no. 6 of the notice for appointment of Mr. Laxminiwas Sharma as Non-Executive and Non-Independent Director of the Company.

Save and except Mr. Laxminiwas Sharma, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, directly or indirectly, in the Resolution set out in the notice.

**ITEM NO.7: APPOINTMENT MR. HARISHCHANDRA PRASAD KANURI (DIN: 00012564) AS NON EXECUTIVE AND NON INDEPENDENT DIRECTOR OF THE COMPANY.**

The Board of Directors in the meeting held on 28.03.2024, appointed Mr. Harishchandra Prasad Kanuri as an Additional Director (Category: Non-Executive and Non Independent) of the Company with effect from 01.04.2024 who holds office upto the date of ensuing Annual General Meeting or the last date on which the annual general meeting should have been held, whichever is earlier pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company.

Pursuant to Regulation 17(1C) of SEBI LODR Regulations, the listed entity shall ensure that approval of shareholders for appointment or re-appointment of a person on the Board of Directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.



Accordingly, the Board of Directors recommends the passing of the above resolution as a Special Resolution set out in the item no. 7 of the notice for appointment of Mr. Harishchandra Prasad Kanuri as Non-Executive and Non-Independent Director of the Company.

Save and except Mr. Harishchandra Prasad Kanuri, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, directly or indirectly, in the Resolution set out in the notice.

**ITEM NO. 8: TO RE-APPOINT MR. CHETAN RATHI AS WHOLE- TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY.**

Pursuant to the provisions of Sections 196, 197, 203 and 178 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, the applicable provisions of the SEBI (LODR) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Chetan Rathi was appointed earlier as Whole-Time Director of the Company w.e.f., 01.04.2021 at the 35th Annual General Meeting for a period of 3 (Three) consecutive years which ends on 31st March 2024.

Pursuant to the recommendation of the Nomination and Remuneration Committee, evolution of performance made by the Board earlier and approval of the Board of Directors in their respective meetings held on 28.03.2024 and pursuant to the provisions of Sections 196, 197, 203 and 178 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent and approval of the Members of the Company by way special resolution is sought for re-appointment of Mr. Chetan Rathi as Whole- Time Director and Chief Financial Officer of the Company for a further term of 5 (five) consecutive years w.e.f. 01st April 2024 to 31st March, 2029 at the remuneration along with other prerequisites and allowances as mentioned below.

**Details of remuneration are:**

1. Period of Appointment: Five Years with effect from 01.04.2024.
2. Remuneration: In terms of Schedule V of the Companies Act, 2013 read together with Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Whole Time Director shall be paid the following remuneration:
  - a) Remuneration: with an initial salary of Rs. 6,50,000 p.m. with an annual increment of Rs. 50,000/- on and for every completed year of service for a period of 3 years with the following additional prerequisites and allowances.
  - b) Free use of the Company's car with driver.
  - c) Free telephone facility at residence.
  - d) Encashment of Leave as per the rules of the Company
  - e) Club fee subject to maximum of two clubs. This will not include admission and life Membership fee.

- f) Provident fund, superannuation benefits and gratuity as per the rules of the Company subject to the ceilings as per the guidelines for managerial remuneration in force from time to time.
- g) Reimbursement of medical expenses incurred for self and family subject to a ceiling of one month's salary in a year.
- h) Leave Travel Concession for self & family once in a year as per the rules of the company.

Except Mr. Chetan Rathi, Whole- Time Director & CEO and Mr. Hari Narayan Rathi, Managing Director being related to the Whole- Time Director and CEO, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, directly or indirectly, financially or otherwise, in the resolution as set out at Item No. 8.

The Board of Directors recommends the passing of the above resolution as a Special Resolution as set out in the item no. 8 of the Notice.

Information in accordance with Schedule V of Companies Act, 2013

#### I. GENERAL INFORMATION

1	Nature of Industry: Securities Trading			
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 15.09.1994			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications			
	Particulars	2021-22 (Rs. in Lakhs)	2022-23 (Rs. in Lakhs)	2023-24 (Rs. in Lakhs)
	Turnover	4237.28	4646.06	5630.77
	Net profit after Tax	471.39	754.02	999.14
	Net Profit under Sec 198 of the Companies Act, 2013	471.39	754.02	999.14
5	Foreign investments or collaborations, if any: Not Applicable			

**II. INFORMATION ABOUT THE APPOINTEE**
**I) Mr. Chetan Rathi:**

1.	<p><b>Background Details:</b> Shri ChetanRathi is Whole-time Director Cum CFO of B.N.Rathi Securities Ltd . He is a MBA - Finance graduate. He joined the Board of Directors of B.N. Rathi Securities Ltd in the year 2010.</p> <p>Since the year 2010 in BNRSL, he is playing a pivotal role for the growth of the company with his expertise in Marketing and Risk Management. His potentiality in business development and administration led to the constant growth of the company.</p> <p>From 2007 to 2010 worked with BNRSL at various levels from Accounts, KYC, Backoffice, RMS, Dealing and marketing as Business Head towards the development.</p> <p>In previous years 1999 – 2007 worked with BNR Udyog Ltd and was instrumental in setting up and growing the business of Medical Transcription. The set up was 2nd biggest in Hyderabad and had more than 150 employees working there.</p> <p>Started his career with Piramal Group of companies for one year ( 1998-1999) at Mumbai He played an active role for the automation of Securities Payin &amp; Payout processes and systems of the Company.</p>
2.	<p><b>Past Remuneration:</b> Rs. 5,00,000 P.M. in capacity of Whole- Time Director and CEO</p>
3.	<p><b>Recognition or awards:</b> Not Applicable</p>
4.	<p><b>Job Profile and his suitability:</b> Decades of experience in securities, insurance, and mutual fund and other financial instruments</p> <ul style="list-style-type: none"> <li>• Proficiency with financial planning and business strategies.</li> <li>• Expertise in risk management</li> <li>• Use metrics and data visualization effectively to report business performance and support decision-making at organizational level</li> </ul>
5.	<p><b>Remuneration proposed:</b> As set out in the explanatory statement, the remuneration to Mr. Chetan Rathi, Whole-Time Director and CFO has the approval of the Nomination and Remuneration Committee and Board of Directors.</p>
6.	<p><b>Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):</b> Taking into consideration of the size of the Company, the profile of Mr. Chetan Rathi and the responsibilities shouldered by him, the aforesaid remuneration package is comparable to the remuneration package paid to managerial personal prevailing in other companies.</p>
7.	<p><b>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:</b> Besides the remuneration, he is holding 9,14,890 Equity Shares of Rs.10/- each of the Company (8.93% of the paid-up equity share capital).</p>

**III. OTHER INFORMATION:**

1.	<b>Reasons for inadequate Profits:</b> Not applicable
2.	<p><b>Steps taken or proposed to be taken for improvement:</b> Necessary efforts are being made to increase the turnover in securities market by adding more clients and also entering into the new areas of business activities such as</p> <ul style="list-style-type: none"> <li>• AIF: Applied with SEBI</li> <li>• Market Maker: Already in process of business</li> <li>• Merchant Banking: Under process for registration.</li> </ul> <p>which in turn will add to the growth of the business as well as the profitability.</p>
3.	<p><b>Expected increase in productivity and profit in measurable terms:</b> The Company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the Company will improve considerably in the coming years.</p>

**ITEM NO. 9: TO REAPPOINT MR. HARI NARAYAN RATHI AS MANAGING DIRECTOR OF THE COMPANY.**

Pursuant to the provisions of Sections 196, 197, 203 and 178 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, the applicable provisions of the SEBI (LODR) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Hari Narayan Rathi was appointed earlier as Managing Director of the Company w.e.f., 01.10.2021 at the 35th Annual General Meeting or a period of 3 (Three) consecutive years which will ends on 30th September 2024.

Pursuant to the recommendation of the Nomination and Remuneration Committee, evolution of performance made by the Board earlier and approval of the Board of Directors in their respective meetings held on 28.03.2024 and pursuant to the provisions of Sections 196, 197, 203 and 178 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent and approval of the Members of the Company by way special resolution is sought for re-appointment of Mr. Hari Narayan Rathi as Managing Director of the Company for a further term of 3 (Three) consecutive years w.e.f. 01st October 2024 to 30th September, 2027 at the remuneration along with other perquisites and allowances as mentioned below.

**Details of remuneration are:**
**Terms & Conditions:**

1. Period of Appointment: Three Years with effect from 01.10.2024.
2. Remuneration: In terms of Schedule V of the Companies Act, 2013 read together with Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Managing Director shall be paid the following remuneration:



- a) Salary: in the scale of Rs. 7,00,000 – 7,50,000 - 8,00,000 P.M. for 1st, 2nd and 3rd year respectively
- b) Free use of the Company’s car with driver.
- c) Free telephone facility at residence.
- d) Encashment of Leave as per the rules of the Company
- e) Club fee subject to maximum of two clubs.
- g) Reimbursement of medical expenses incurred for self and family subject to a ceiling of one month’s salary in a year.
- h) Leave Travel Concession for self & family once in a year as per the rules of the company.

Except Mr. Hari Narayan Rathi, Managing Director and Mr. Chetan Rathi, Whole- Time Director & CEO being related to the Managing Director, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, directly or indirectly, financially or otherwise, in the resolution as set out at Item No. 9.

The Board of Directors recommends the passing of the above resolution as a Special Resolution as set out in the item no. 9 of the Notice.

### Information in accordance with Schedule V of Companies Act, 2013

#### I. GENERAL INFORMATION

1	Nature of Industry: Securities Trading			
2	Date or expected date of commencement of commercial: The Company started its commercial operations in the year 15.09.1994			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications			
	Particulars	2021-22 (Rs. in Lakhs)	2022-23 (Rs. in Lakhs)	2023-24 (Rs. in Lakhs)
	Turnover	4237.28	4646.06	5630.77
	Net profit after Tax	471.39	754.02	999.14
	Net Profit under Sec 198 of the Companies Act, 2013	471.39	754.02	999.14
5	Foreign investments or collaborations, if any: Not Applicable			

**II. INFORMATION ABOUT THE APPOINTEE**
**I) Mr. Hari Narayan Rathi:**

1.	<p>Background Details:Sri Hari Narayan Rathi is the Managing Director of M/s B.N.Rathi Securities Ltd. He is a graduate in Science and was twice unanimously elected as President of Hyderabad Stock Exchange (HSE). He has vast experience in securities Market.</p> <p>He is also Director in Mahesh Vidya Bhavan Limited.</p> <p>With vast experience in Securities Market, has taken a charge as Managing Director M/s B.N.Rathi Securities Ltd. With his great knowledge and experience, company is fetching good profits.</p>
2.	<p><b>Past Remuneration:</b> Rs. 6,00,000 P.M. in capacity of Managing Director</p>
3.	<p><b>Recognition or awards:</b> Not Applicable</p>
4.	<ul style="list-style-type: none"> <li>• <b>Job Profile and his suitability:</b> He has more than 3 decades of experience in securities Market and interacting with HNI clients and financial institutions for empanelment.</li> <li>• Expertise in financial markets.</li> </ul>
5.	<p><b>Remuneration proposed:</b> As set out in the explanatory statement, the remuneration to Mr. Hari Narayan Rathi, Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors.</p>
6.	<p><b>Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):</b> Taking into consideration of the size of the Company, the profile of Mr. Hari Narayan Rathi and the responsibilities shouldered by him, the aforesaid remuneration package is comparable to the remuneration package paid to managerial personal prevailing in other companies.</p>
7.	<p><b>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:</b> Besides the remuneration, he is holding 29,24,955 Equity Shares of Rs.10/- each of the Company (28.54 % of the paid-up equity share capital).</p>

**III. OTHER INFORMATION:**

1.	<b>Reasons for inadequate Profits:</b> Not applicable
2.	<b>Steps taken or proposed to be taken for improvement:</b> Necessary efforts are being made to increase the turnover in securities market by adding more clients and also entering into the new areas of business activities such as <ul style="list-style-type: none"> <li>• AIF: Applied with SEBI</li> <li>• Market Maker: Already in process of business</li> <li>• Merchant Banking: Under process for registration.</li> </ul> which in turn will add to the growth of the business as well as the profitability.
3.	<b>Expected increase in productivity and profit in measurable terms:</b> The Company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the Company will improve considerably in the coming years.

**ITEM NO. 10: ALTERATION OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.**

It is proposed to amend the Main Objects under the Objects Clause of the Memorandum of Association of the Company by alteration of the object clause III A ) in order to expand the Company's present scope of operations and to avail the opportunity to manage the investments of the AIF. It is therefore proposed to delete the 1st clause under the main objects and consolidating and re numbering existing 2nd clause to 7th clause into 1 to 4 clauses and adding a new clause as 5th clause under IIIA) of the MOA for carrying on the business of Research analysis and Alternative Investment Fund Activities of the Company as mentioned in the Special Resolution annexed to the Notice. The above amendment would be subject to the approval of the Ministry of Corporate Affairs and/or any other Statutory or Regulatory Authority, as may be necessary.

The existing clause III a) of MOA relating to objects clause reads as follows:

III

A) The main objects to be pursued by the company on its incorporation are :

1. To carry on and undertake the business of finance, investment, hire purchase, leasing and to finance lease operations of all kinds, purchasing and selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may thin ft and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transactions and to finance or assist in subsidizing or financing the sale and maintenance of any goods, articles or commodities of all and very kind and description and to purchase or otherwise deal in all forms of immovable and movable property including lands and buildings, plant and machinery equipment, ship, aircrafts, automobiles, computes and all consumer, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased and leased be new and or used.





2. To invest in and acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stocks, bonds obligations and securities, issued or guaranteed by any Government, state, dominion, sovereign ruler, commissioner, public body or authority, supreme, municipal, local or otherwise whether in India or elsewhere and to guarantee the subscription thereof and exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
3. To advance, deposit or lend money, on securities and properties to or with any company body corporate, firm person or association so as to enable them to commence or expand any industrial or commercial activity or for their business purposes, with or without security and on such terms as may be determined from time to time and to discount, buy, sell or deal in bills, notes warrants, coupons and others negotiable or transferable securities or documents and to guarantee the performance of any contract of any such person. However the Company shall not carry on the business of Banking within the meaning of the Banking Regulation Act 1949.
4. To setup incorporate and manage, provide and / or participate in providing venture capital, technology funds, underwriting fund or any other funds for seed capital, risk capital foundation, including giving guarantees or such other financial assistance as may be conducive for development of existing and new technology, to identify projects, project ideas, to prepare project profiles, project reports, market research, feasibility studies and reports, pre investment studies and investigation of industries in micro and macro level, to undertake appropriate service to identify scopes or potential for economic and industrial development in any particular geographical area or location in India or abroad, to act as lead managers in respect of project assignment by undertaking follow up supervision and coordination work at the instance, behest or on behalf of banks, financial institutions, companies, bodies corporate and to monitor the same to the participants, to act as an professions systems and by introducing modern methods and techniques and systems and render all assistance as may be necessary including acting as agents for recruitment of personnel, technical, skilled, un-skilled, supervisory, managerial and otherwise and to act as an advisor in the selection of technical process, economic size source of plant and machinery and other utilities for business entrepreneurs.
5. To act administrators or managers of nay investment trusts of funds including any growth funds income or capital funds, taxable or tax exemption funds, provident funds, pension funds, gratuity funds, superannuation funds, charitable funds and unit trusts or consortium to act as trustees for bond holders, debenture holders and other purposes herein mentioned and to manage investment pools, mutual funds, issue of shares, securities, bonds and other negotiable instruments and securities and to carry on the business of finance, trust, legal trust and to finance industrial organization and to promote companies engaged in industrial and trading business.
6. To carry on the business of merchant banking in all aspects, to act as manages to issues and offers, whether by way of public offer or otherwise, of shares, debentures, bonds, units, participation certificates, deposit certificates, notes, bills warrants or any other, instrument whether or not transferable or negotiable, commercial or other paper or scrips (hereinafter collectively referred to as the "Securities") to act as agents of and / or dealers in the securities in the course of merchant banking business, to act as financial consultants, join manages, lead managers, co-managers, advisors stand by or procurement arrangement,





to issue guarantees or it give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to provide financial and investment assistance for the purpose herein, to act as issue house, registrars to issue, transfer agents, to manage and administer computer centres and clearing house for securities to form syndicates or consortia of managers, agents and purchasers for or any of the securities, to acquire and hold one or more membership in stock / securities exchange, trade association, commodity exchanges, clearing houses or associations or otherwise in India or any part of the world to act as brokers, dealers and agents in connections with the securities, bullions and precious metals or others, to syndicate any financial arrangements whether in domestic market or in international market and whether by way of loans or guarantees or export and yard credit, and to acquire and hold membership in any association of bankers, security dealers or commodity dealers or commodity dealers or any other associations, membership of which will is likely in any way to facilitate the conduct of the companies business, to undertake the work of factoring of bills and other commercial papers, and to arrange and / or co-ordinate documentation and negotiation in this regard.

7. To carry on business as underwriters and brokers of stock shares, debentures stock, Government Bonds, Units of Unit Trust, National Savings Certificates, capitalists and financiers and to undertake depository participants activities and for that purpose to obtain the membership of the Depositories under the Depositories act, 1996 by registering with the Central Depository Se3rvices (India) Limited and/or National Securities Depository Limited or such other entity as may be recognized in this behalf and provide services such as demat account opening and maintenance, dematerialization and rematerialization of shares and other applicable securities, provision of transaction statements, transaction execution, creation and cancellation of pledge of securities, facilitating settlement of trades through market transactions, off-market transfers and inter-depository transfers, distribution of non-cash corporate sections, nomination / transmission and other demat related services.

**The proposed objects clause after alteration reads as follows:**

1. "To invest in and acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stocks, bonds obligations and securities, issued or guaranteed by any Government, state, dominion, sovereign ruler, commissioner, public body or authority, supreme, municipal, local or otherwise whether in India or elsewhere and to guarantee the subscription thereof and exercise and enforce all rights and powers conferred by or incidental to the ownership thereof. To advance, deposit or lend money, on securities and properties to or with any company body corporate, firm person or association so as to enable them to commence or expand any industrial or commercial activity or for their business purposes, with or without security and on such terms as may be determined from time to time and to discount, buy, sell or deal in bills, notes warrants, coupons and others negotiable or transferable securities or documents and to guarantee the performance of any contract of any such person. However the Company shall not carry on the business of Banking within the meaning of the Banking Regulation Act 1949".



2. “To setup incorporate and manage, provide and / or participate in providing venture capital, technology funds, underwriting fund or any other funds for seed capital, risk capital foundation, including giving guarantees or such other financial assistance as may be conducive for development of existing and new technology, to identify projects, project ideas, to prepare project profiles, project reports, market research, feasibility studies and reports, pre investment studies and investigation of industries in micro and macro level, to undertake appropriate service to identify scopes or potential for economic and industrial development in any particular geographical area or location in India or abroad, to act as lead managers in respect of project assignment by undertaking follow up supervision and co- ordination work at the instance, behest or on behalf of banks, financial institutions, companies, bodies corporate and to monitor the same to the participants, to act as an professions systems and by introducing modern methods and techniques and systems and render all assistance as may be necessary including acting as agents for recruitment of personnel, technical, skilled, un-skilled, supervisory, managerial and otherwise and to act as an advisor in the selection of technical process, economic size source of plant and machinery and other utilities for business entrepreneurs”.
3. “To act administrators or managers of nay investment trusts of funds including any growth funds income or capital funds, taxable or tax exemption funds, provident funds, pension funds, gratuity funds, superannuation funds, charitable funds and unit trusts or consortium to act as trustees for bond holders, debenture holders and other purposes herein mentioned and to manage investment pools, mutual funds, issue of shares, securities, bonds and other negotiable instruments and securities and to carry on the business of finance, trust, legal trust and to finance industrial organization and to promote companies engaged in industrial and trading business.To carry on business as underwriters and brokers of stock shares, debentures stock, Government Bonds, Units of Unit Trust, National Savings Certificates, capitalists and financiers and to undertake depository participants activities and for that purpose to obtain the membership of the Depositories under the Depositories act, 1996 by registering with the Central Depository Services (India) Limited and/or National Securities Depository Limited or such other entity as may be recognized in this behalf and provide services such as demat account opening and maintenance, dematerialization and rematerialization of shares and other applicable securities, provision of transaction statements, transaction execution, creation and cancellation of pledge of securities, facilitating settlement of trades through market transactions, off-market transfers and inter-depository transfers, distribution of non-cash corporate sections, nomination / transmission and other demat related services”.
4. “To carry on the business of merchant banking in all aspects, to act as managers to issues and offers, whether by way of public offer or otherwise, of shares, debentures, bonds, units, participation certificates, deposit certificates, notes, bills warrants or any other, instrument whether or not transferable or negotiable, commercial or other paper or scrips(hereinafter collectively referred to as the “Securities”)to act as agents of and or dealers in the securities in the course of merchant banking business, to act as financial consultants, join managers, lead managers, co-managers, advisors stand by or procurement arrangement, to issue guarantees or it give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to provide financial and investment assistance for the purpose herein, to act as issue house, registrars to issue, transfer agents, to manage and administer computer centers and clearing house for securities to form syndicates or consortia of managers,

agents and purchasers for or any of the securities, to acquire and hold one or more membership in stock/securities exchange, trade association, commodity exchanges, clearing houses or associations or otherwise in India or any part of the world to act as brokers,dealers and agents in connections with the securities, bullions and precious metals or others, to syndicate any financial arrangements whether in domestic market or in international market and whether by way of loans or guarantees or export and yard credit, and to acquire and hold membership in any association of bankers, security dealers or commodity dealers or any other associations, membership of which will is likely in any way to facilitate the conduct of the companies business, to undertake the work of factoring of bills and other commercial papers, and to arrange and co-ordinate documentation and negotiation in this regard”.

**Addition of New Clause:**

5. "To conduct research and analysis of securities or related financial instruments. Provide recommendations or advice on buying, selling, or holding securities. Publishing research reports or analyses for dissemination to clients or the public. To make a public appearance towards research reviews and recommendations. To register as intermediary as Research analyst with regulator and engaging in activities related to securities research as permitted by SEBI regulations and guidelines. To raise funds from investors through the issuance of units of the AIF and to invest in accordance with the SEBI regulations and guidelines in different categories. To invest the funds raised from investors in accordance with the investment objectives, strategy, and restrictions specified in the placement memorandum of the AIF. To manage the investments of the AIF and to take all necessary actions for the benefit of the investors of the AIF. To carry out any other activity that is incidental or ancillary to the above activities and is necessary or expedient for the conduct of the business of the AIF and to deal with all types of sectorial funds of different categories. To act as a distributor for AIF products.”

A copy of the Memorandum of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days (Except Saturday and Sunday).

As per Section 13 of the Companies Act, 2013, any alteration to the Object Clause of the Memorandum of Association of the Company requires approval of the Members by passing Special Resolution.

None of the Directors or the Key Managerial Persons of the Company or their respective relatives are concerned or interested, financially or otherwise in the resolution as set out at the accompanying Notice except to the extent of their shareholding. The Board recommends passing of the resolution set out at Item No. 10 as a Special Resolution.

**ANNEXURE-A: ITEM. 5,6,7 OF THE NOTICE.**

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

<b>Name of the Director</b>	<b>Mr. B Lakshminarayana</b>	<b>Mr. Laxminiwas Sharma</b>	<b>Mr. Harishchandra Prasad Kanuri</b>
<b>DIN</b>	02766709	00010899	00012564
<b>Date of Birth</b>	06-06-1952	17.02.1947	15.09.1952
<b>Date of first appointment</b>	01.04.2024	29.01.1990	06.06.1994
<b>Board Meetings attended during the year</b>	0	7	7
<b>Brief Resume, Qualification and Experience</b>	<p>Shri B Lakshminarayana started career with corporation Bank as officer in the year 1977, worked in different branches and Head of two important zones of the Bank.</p> <p>Head of two important zones of the bank (Greater Mumbai and Hyderabad Zones), Head of inspection &amp; audit, chief compliance officer, Head of integrated treasury of the bank, Head of planning &amp; development, Head of Branch expansion, General Bank administration.</p> <p>CEO &amp; CFO of Meliora Asset Reconstruction Company Ltd which deals with stressed Assets of banks. It was one of the 28 ARCs in the country.</p> <p>Qualification: MB A</p>	<p>He is a founding partner of LnCo and the senior partner of Laxminiwas &amp; Jain, Chartered Accountants. He has an illustrious career spanning over 5 decades from 1973.</p> <p>He was also elected to be the Central Council Member of ICAI during 1985-1995 and was a past president of the FTAPCCI and AP Tax Bar Association. The prestigious Coffee Table Book – “Jewels of Rajasthan” has covered him amongst the 102 influential people from Rajasthan. He has graciously accepted to be the Principal advisor and benefit the team of LnCo with his expertise and experience.</p> <p>Qualification: FCA</p>	<p>He is the Managing Director of Lakshmi Finance &amp; Industrial Corporation Limited. He is also a Director in several other public companies.</p> <p>Qualification: MBA</p>

<b>Expertise in specific functional area</b>	20 years of Experience in Banking Sector and CEO and CFO of Meliora Asset Reconstruction Company Ltd	He has an illustrious career spanning over 5 decades from 1973	Managing Director of Lakshmi Finance & Industrial Corporation Limited.
<b>Terms and conditions of appointment</b>	Not Applicable	Not Applicable	Not Applicable
<b>Remuneration drawn, if any</b>	Not Applicable	Not Applicable	Not Applicable
<b>Relationships between Directors inter se</b>	Not Applicable	Not Applicable	Not Applicable
<b>Name of the Listed entities in which the person also holds the directorship and the membership of the committees of the Board along with the Listed entities from which the person has resigned in the past three years*</b>	<ul style="list-style-type: none"> <li>1. Richirichin ventures limited</li> <li>2. Sampurn vyapaar private limited</li> <li>3. Mahathi infra services private limited</li> </ul>	<ul style="list-style-type: none"> <li>1. Chavala Ventures Private Limited</li> <li>2. NSL Textiles Limited</li> </ul>	<ul style="list-style-type: none"> <li>1.Green Park Hotels Resorts Ltd</li> <li>2.Andhra Printers Ltd</li> <li>3.K L N Holding Pvt Ltd</li> <li>4.Lakshmi Fin &amp; Ind Corp Ltd MD</li> <li>5.Keerthi Ind Ltd</li> <li>6.Kapil Motors Private Ltd</li> <li>7.FTCCI FOUNDATION</li> </ul>

<b>Other Directorships/ Membership/ Chairmanship of Committees of other boards</b>	NIL	NIL	<p>Mr. Harishchandra Prasad Kanuri is a member of Audit Committee and Nomination and Remuneration committee in Suryalatha Spining Mills Ltd. Also member of Audit committee and chairman of Stake holder relationship committee and Nomination Remuneration committee in Keerthi Industries limited.</p> <p>Managing Director, Audit committee member and member of Stake holder relationship committee in Lakshmi Finance &amp; Industrial Corporation Limited</p>
<b>Number of shares held in the Company</b>	NIL	NIL	2500 shares

**ANNEXURE-A: ITEM. 8,9 OF THE NOTICE.**

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

<b>Name of the Director</b>	<b>Mr. Chetan Rathi</b>	<b>Mr. Hari Narayan Rathi</b>
<b>DIN</b>	00536441	00010968
<b>Date of Birth</b>	08.03.1976	22.11.1953
<b>Date of first appointment</b>	01.04.2010	16.11.1991
<b>Board meetings attended during the year</b>	7	7
<b>Brief Resume, Qualification and Experience</b>	<p>Shri ChetanRathi is Whole-time Director Cum CFO of B.N.Rathi Securities Ltd . He is a MBA - Finance graduate. He joined the Board of Directors of B.N. Rathi Securities Ltd in the year 2010.</p> <p>Since the year 2010 in BNRSL, he is playing a pivotal role for the growth of the company with his expertise in Marketing and Risk Management. His potentiality in business development and administration led to the constant growth of the company.</p> <p>From 2007 to 2010 worked with BNRSL at various levels from Accounts, KYC, Backoffice, RMS, Dealing and marketing as Business Head towards the development.</p> <p>In previous years 1999 – 2007 worked with BNR Udyog Ltd and was instrumental in setting up and growing the business of Medical Transcription. The set up was 2nd biggest in Hyderabad and had more than 150 employees working there.</p> <p>Started his career with Piramal Group of companies for one year ( 1998-1999) at Mumbai He played an active role for the automation of Securities Payin &amp; Payout processes and systems of the Company.</p>	<p>Sri Hari Narayan Rathi is the Managing Director of M/s B.N.Rathi Securities Ltd. He is a graduate in Science and was twice unanimously elected as President of Hyderabad Stock Exchange (HSE). He has vast experience in securities Market.</p> <p>He is also Director in Mahesh VidyaBhavan Limited.</p> <p>With vast experience in Securities Market, has taken a charge as Managing Director M/s B.N.Rathi Securities Ltd. With his great knowledge and experience, company is fetching good profits.</p>

<b>Expertise in specific functional area</b>	<p>Decades of experience in securities, insurance, and mutual fund and other financial instruments</p> <ul style="list-style-type: none"> <li>• Proficiency with financial planning and business strategies.</li> <li>• Expertise in risk management</li> </ul> <p>Use metrics and data visualization effectively to report business performance and support decision-making at organizational level.</p>	<p>He has more than 3 decades of experience in securities Market and interacting with HNI clients and financial institutions for empanelment.</p> <p>Expertise in financial markets.</p>
<b>Terms and conditions of appointment</b>	<p>Period of Appointment: Five Years with effect from 01.04.2024.</p>	<p>Period of Appointment: Three Years with effect from 01.10.2024.</p>
<b>Remuneration drawn, if any</b>	<p>Remuneration: In terms of Schedule V of the Companies Act, 2013 read together with Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Whole Time Director shall be paid the following remuneration:</p> <p>a) Remuneration: with an initial salary of Rs. 6,50,000 p.m. with an annual increment of Rs. 50,000/- on and for every completed year of service for a period of 3 years with the following additional prerequisites and allowances.</p>	<p>Remuneration: In terms of Schedule V of the Companies Act, 2013 read together with Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Managing Director shall be paid the following remuneration:</p> <p>a) Salary: in the scale of Rs. 7,00,000 – 7,50,000 - 8,00,000 P.M. for 1st, 2nd and 3rd year respectively</p>
<b>Relationships between Directors inter se</b>	<p>Shri Chetan Rathi, Executive Director is son of --Shri Hari Narayan Rathi, Managing Director</p>	<p>Shri Chetan Rathi, Executive Director is son of --Shri Hari Narayan Rathi, Managing Director</p>



<b>Name of the Listed entities in which the person also holds the directorship and the membership of the committees of the Board along with the Listed entities from which the person has resigned in the past three years*</b>	NIL	NIL
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	NIL	NIL
<b>Number of shares held in the Company</b>	9,14,890 shares of the Company	29,24,955 shares of the Company

**For and on behalf of the Board  
B.N. Rathi Securities Limited**

**Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899**

**Place: Hyderabad  
Date: 14.05.2024**



**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy**

in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
3. Corporate Members are requested to send to the Company's Registrar & Share Transfer Agent (RTA), a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 21st June, 2024 to 27th June, 2024 (both days inclusive).
5. Shareholders holding shares in physical form may write to the company/company's RTA for any change in their address and bank mandates; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
6. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote
7. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Kfin Technologies Ltd).
8. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
9. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. Kfin Technologies Limited., RTA of the Company for doing the needful.



10. SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from 1 April 2019. The shareholders who continue to hold shares in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.
11. For ease of conduct, Members who would like to ask questions/express their views on the items of the businesses to be transacted at the AGM can send their questions / comments in advance to email id [compliance@bnrsecurities.com](mailto:compliance@bnrsecurities.com). The queries should be precise and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting..
12. In respect to shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transmission / transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility
13. Electronic copy of the Annual Report for 2023-2024 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2022-2023 is being sent in the permitted mode.
14. Members may also note that the Notice of the 38th Annual General Meeting and the Annual Report for 2023-2024 will also be available on the Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investorgrievances@bnrsecurities.com](mailto:investorgrievances@bnrsecurities.com).
15. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
16. Members may note that the Board of Directors, in its meeting held on May 14, 2023 has recommended a final dividend of 1.50/- per share for fiscal year 2023-24. The record date for the purpose of final dividend will be **20th, June, 2023**. The final dividend, once approved by the members in the ensuing AGM will be paid within 30 days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the pay-out date.



17. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates. A separate email will be sent at the registered email ID of the members describing about the detailed process to submit the documents/ declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents/ declarations by the members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company [www.bnrsecurities.com](http://www.bnrsecurities.com). Shareholders holding shares in physical form may write to the company/ company's R&T agents for any change in their address and bank mandates; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.

18. In compliance with the MCA Circulars and SEBI Circular dated January 05, 2023 as aforesaid, Notice of the AGM along with the Annual Report (viz. Financial Statement) for Financial Year 2023-2024 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories/R&T Agent. Members may note that the Notice and Annual Report for Financial Year 2023-2024 will also be available on the Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively and on the website of R&T Agent of the Company viz. KFin at <https://kfintech.com>.

Alternatively, Member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy, DP ID (in case of electronic mode shares), folio No (in case of physical mode shares) via e-mail at the Email Id – [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for obtaining the Annual Report and Notice of e-AGM of the Company electronically.

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

20. To avoid fraudulent transaction(s), the identity / signature of the Members holding shares in electronic /demat form is verified with the specimen signatures furnished by NSDL/ CDSL and members holding shares in physical form is verified as per the records of the R&T Agent of the Company. Members are requested to keep the same updated.

21. Corporate/institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG format) of the relevant Board Resolution/Authority Letter / Power of Attorney etc. together with attested specimen signature of the duly authorised signatory(ies) who is /are authorised to vote, to the Scrutinizer through e-mail at [compliance@bnrsecurities.com](mailto:compliance@bnrsecurities.com) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BN Rathi\_EVENT No.'

22. Members are requested to notify change in their address, if any, immediately to the R&T Agent of the Company.

23. To receive faster communication by Company including Annual Reports and Notices, the Members are requested to register / update their e-mail address, Telephone



Number/Mobile Number with their respective Depository Participants (DPs) where they hold their shares in electronic form. However if their shares are held in physical form, Members are advised to register their e-mail address with R&T Agent of the Company by clicking on the link <https://karisma.kfintech.com> reg and following instructions thereof. Members are requested to support the green initiative efforts of the Company.

24. The Company has been maintaining, inter alia, the following statutory registers at its Registered Office - Hyderabad:
- i. Register of contracts or arrangements in which directors are interested under Section 189 of the Act.
  - ii. Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act.

In accordance with the MCA circulars, the said registers shall be made accessible during the AGM for inspection.

The Members approved the appointment of M/s. Seshachalam & Co. Chartered Accountants (FRN104767W) as Statutory Auditors of the Company, in their Annual General Meeting held on 10.08.2019, to hold office from conclusion of 33rd Annual General Meeting of the Company to the conclusion of its 38th Annual General Meeting to be held in calendar year 2024.

25. Pursuant to the requirement of Regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and respective provisions of Secretarial Standard-2, the brief profile/particulars of the Directors of the Company seeking their appointment or re-appointment at the Annual General Meeting (AGM) is annexed hereto.
26. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their share holdings into dematerialized form. Members can contact the Company or its R&T Agent M/s Kfin Technologies Limited for assistance in this regard.
27. In terms of circulars/regulations issued by SEBI, it is now mandatory to furnish a copy of PAN Card to the Company or its R&T Agent in case of transactions related to transfer of shares, deletion of name, transmission of shares and transposition of shares, hence members are requested to furnish copy of their PAN Card while proceeding for such transactions.
28. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folios and send the relevant Share Certificates to the R&T Agent of the Company for enabling them to consolidate the shares with due process.
29. Register of Members and Share Transfer Books of the Company will remain closed from 21st June, 2024 to 27th June, 2024 (both days inclusive), for the purpose of AGM and for determining the name of members eligible for dividend on equity shares, if declared at



AGM. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 which can be downloaded from the Company website [www.bnrsecurities.com](http://www.bnrsecurities.com). Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to the Company's R&T Agent M/s KFin Technologies Ltd. in case the shares are held in physical form by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

30. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or after 15.07.2024 as under:
  - i. to all the Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the Depositories viz. National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as at the close of business hours on 20th, June, 2024 (viz. the "Record Date");
  - ii. to all the Members in respect of shares held in physical form after giving effect to their valid transfer or transmission or transposition requests lodged with the Company, if any, as at the close of business hours on 20th June, 2024.
31. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates as applicable to various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments made thereto from time to time. Some of the major features of the latest tax provisions on dividend distribution are stated as hereunder for a quick reference.

For Resident Shareholders, tax shall be deducted at source under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2023-24 provided PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

However, no TDS shall be deducted on the dividend payable to a resident Individual if the total dividend to be received by them during Financial Year 2023-2024 does not exceed R 5,000/-. Please note that this includes the previous dividend(s) paid, if any, and future dividend(s) which may be paid, during the Financial Year 2024-2025, if declared.

In cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no tax at source shall be deducted. Apart from the above, since the TDS/ Withholding rates are different for resident and non-resident shareholders, members are requested to confirm their residential status as per the provisions of the Income Tax Act 1961, by sending an email at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) with cc to [sabita@bnrsecurities.com](mailto:sabita@bnrsecurities.com) Company shall arrange to email the soft copy of TDS certificate of the Members at their registered email ID in due course, post payment of the dividend amount and in remaining cases where no email ID is registered, TDS certificates shall be posted to the Members when the postal services function normally.



In view of above provisions, the shareholders are requested to update their PAN with the Company/R&T Agent (in case shares held in physical mode) and with the depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN but not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H in the aforesaid manner, to avail the benefit of non-deduction of tax at source, by sending email to [sabita@bnrsecurities.com](mailto:sabita@bnrsecurities.com) upto 5.00 p.m. (IST) on 26.06.2024.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F or any other document which may be required to avail the tax treaty benefits under the provisions of Income Tax Act, 1961 by sending an email to [sabita@bnrsecurities.com](mailto:sabita@bnrsecurities.com) upto 5.00 p.m. (IST) on 26.06.2024.

32. Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2016-2017 and/or any subsequent financial years, are requested to submit their claim to the R&T Agent of the Company immediately to avoid transferring of their unpaid dividend amount to IEPF A/c.

Members are further requested to note that pursuant to the provisions of Section 124 and 125 of Companies Act, 2013, the dividends if not en-cashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) and the shares in respect of which dividends remain unclaimed for seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority and no claim with the Company shall lie in respect thereof. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends /shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). With respect to procedure for making claim from IEPF, please refer to Corporate Governance Report separately annexed and forming part of the Annual Report.

The Company has uploaded the information in respect of unclaimed dividends on the website of the Company [www.bnrsecurities.com](http://www.bnrsecurities.com) for ready reference of the members.

### **33. Information and Instructions for e-voting are as follows:**

1. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide to its Members, facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means. The Members may cast their votes using electronic voting system from any place (viz. 'remote e-voting'). The Company has engaged the services of Kfin Technologies Limited ("Kfin") as the Agency to provide e-voting facility to members.
2. The Board of Directors of the Company has appointed M/s. S .S Reddy & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.



3. Voting right of the Members shall be reckoned in proportion to their shares held in the paid-up equity share capital of the Company as on 20th June, 2024, (the "Cut- off date"). Person who is not a member as on the cut-off date should treat the Notice for information purpose only.
4. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories (viz. CDSL/NSDL) as on the cut-off date i.e. 20th, June, 2024 only shall be entitled to avail the facility of remote e-voting for the resolutions placed in the AGM. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
5. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

6. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting : From 9.00 a.m. (IST) on 24th June, 2024.

End of remote e-voting : At 5.00 p.m. (IST) on 26th June, 2024.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled/blocked thereafter by the e-voting service providers. Once the vote on a resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.

The remote E-Voting process, in relation to the resolutions proposed at 38th AGM of the company has been segregated into 3 parts which is mentioned as hereunder:

- (i) E-Voting in case of Physical Shareholders & Non Individual Shareholders (Physical / Demat)
- (ii) E-Voting in case of Individual Shareholders having shares in electronic / demat mode
- (iii) E-Voting in case of attending AGM and voting thereat.

#### **INSTRUCTION FOR REMOTE E-VOTING**

- (i) In case of Physical Shareholders & Non Individual Shareholders (Physical/Demat) :
  - a) Initial password is provided in the body of the e-mail.
  - b) Launch internet browser and type the URL: [https:// evoting.kfintech.com](https://evoting.kfintech.com) in the address bar.
  - c) Enter the log in credentials i.e. User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.





- d) After entering the details appropriately, click on LOGIN.
- e) You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f) You need to login again with the new credentials.
- g) On successful login, the system will prompt you to select the EVENT. Select B N Rathi Securities limited
- h) On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- i) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio / demat account.
- j) Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can log in multiple times till you are confirmed that you have voted on the resolution.
- k) In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFIN Technologies Ltd. on 1800 309 4001 (toll free).
- l) Any person who becomes a Member of the Company after sending the Notice of the meeting but on or before the cut-off date viz. 20th June, 2024 may obtain the USER ID and Password for e-voting in the following manner or may write an email on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for obtaining support in this regard.
- a. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS : MYEPWD E-Voting Event number+ Folio No. (in case of physical shareholders) or DP ID Client ID (in case of Dematted shareholders) to 9212993399.

1. Example for NSDL:	MYEPWD <SPACE> IN12345612345678
2. Example for CDSL:	MYEPWD <SPACE> 1402345612345678
3. Example for Physical:	MYEPWD <SPACE> XXXX1234567890

- b. If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click “forgot password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call KFin toll free number 1-800- 3094-001 for all e-voting related matters.
- d. Member may send an e-mail request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for support related to e-voting matter.

**(ii) IN CASE OF INDIVIDUAL SHAREHOLDERS HAVING SHARES IN ELECTRONIC/DEMAT MODE:**

Such shareholder(s) may refer the e-voting process mandated for them vide SEBI circular dated 9th December, 2020 and should follow following process for remote e-voting:

Login method for e-Voting:

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The remote e-voting process of the Depositories viz NSDL and CDSL are different which are stated below to facilitate the members.

NSDL	CDSL
<p>1. User already registered for IDeAS facility: **</p> <p>I. URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></p> <p>II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</p> <p>III. On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-Voting”</p> <p>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p> <p>2. User not registered for IDeAS e-Services I. To register click on link : <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> (Select “Register Online for IDeAS”)</p> <p>or</p>	<p>1. Existing user who have opted for Easi/Easiest **</p> <p>I. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Click on New System Myeasi</p> <p>III. Login with user id and password.</p> <p>IV. Option will be made available to reach e-Voting page without any further authentication.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at : <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>II. Proceed with completing the required fields.</p>

<p><a href="https://eservices.nsdl.com/SecureWeb/Idea sDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/Idea sDirectReg.jsp</a></p> <p>II. Proceed with completing the required fields. ** (Post registration is completed, follow the process as stated in point no. 1 above)</p> <p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <p>I. URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/ Member’ section.</p> <p>III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>	<p>** (Post registration is completed, follow the process as stated in point no. 1 above)</p> <p>3. First time users can visit the e-Voting website directly and follow the process below:</p> <p>I. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Provide demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the dematAccount.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.’</p> <p>V. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
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Individual Shareholders (holding securities in demat/electronic mode) can also login through their Depository Participants (DPs) as per following process.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned website

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.</p>

**General Information:**

- i. The Scrutiniser shall, immediately after the conclusion of the AGM, first count the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting and make a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, and submit the report to the Chairperson of the Company or any person authorized in that respect within 2 working days of the conclusion of the AGM, who shall countersign the same and thereafter results of the voting will be declared. The results declared along with the scrutiniser's report shall be placed on the Company's website at [www.bnrsecurities.com](http://www.bnrsecurities.com) and on the website of R&T Agent KFin viz. <https://evoting.kfintech.com> and shall also be communicated to the stock exchanges viz BSE Limited. where the shares of the Company are listed. The resolutions shall be deemed to have been passed at the AGM of the Company subject to obtaining requisite votes thereto.
- ii. Process for registration of email id for obtaining Annual Report or other communications from company and process for updation of bank account mandate for receipt of dividend are stated as hereunder:

<b>Physical Holding</b>	<p>Submit a request to KFin at <a href="https://karisma.kfintech.com/email">https://karisma.kfintech.com/email</a> reg providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address, on or before 22.06.2024 in relation to 38th AGM. Alternatively Annual Report, consisted of AGM notice, can also be downloaded from Company website <a href="http://www.bnrsecurities.com">www.bnrsecurities.com</a>.</p> <p>For updation of dividend mandate, please send following details to <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> on or before 24.06.2024.</p> <ol style="list-style-type: none"> <li>a) Name and Branch of the Bank in which you wish to receive the dividend,</li> <li>b) the BankAccount type,</li> <li>c) BankAccount Number allotted by their banks after implementation of Core Banking Solutions,</li> <li>d) 9 digit MICR Code Number,</li> <li>e) 11 digit IFSC Code and</li> </ol>
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	f) a scanned copy of the cancelled cheque bearing the name of the first shareholder
<b>Demat Holding</b>	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

34. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Subsidiaries Companies whose Annual Accounts have been consolidated with the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.
35. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

**For and on behalf of the Board  
B.N. Rathi Securities Limited**

**Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899**

**Place: Hyderabad  
Date: 14.05.2024**

**BOARD'S REPORT**

To the Members,

The Directors have pleasure in presenting the 38th Boards' Report of the Company together with the Audited Statements of Accounts (Standalone and Consolidated) for the year ended 31st March, 2024.

**1. FINANCIAL SUMMARY/HIGHLIGHTS:**

The performance during the period ended 31st March, 2024 has been as under:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	4681.99	4030.80	4780.63	4052.74
Other income	948.78	615.26	966.08	627.08
Profit/loss before Depreciation, Finance Costs,	1505.64	1267.53	1559.53	1286.63
Exceptional items and Tax Expense	-	-	-	-
Less: Depreciation/ Amortisation/ Impairment	39.57	35.67	39.75	36.34
Profit /loss before Finance Costs, Exceptional items and Tax Expense	1466.07	1231.86	1519.78	1250.29
Less: Finance Costs	104.36	187.18	104.70	187.19
Profit /loss before Exceptional items and Tax Expense	1361.71	1044.68	1415.08	1063.10
Add/(less): Exceptional items	-	25.00	-	25.00
Profit /loss before Tax Expense	1361.71	1019.68	1415.08	1038.10
Less: Tax Expense (Current & Deferred)	347.05	272.75	361.66	280.17
Profit /loss for the year (1)	1014.66	746.93	1053.42	757.93
Total Comprehensive Income/loss (2)	-15.52	7.09	-15.52	7.09
<b>Total (1+2)</b>	<b>999.14</b>	<b>754.02</b>	<b>1037.90</b>	<b>765.02</b>

## **2. REVIEW OF OPERATIONS:**

On consolidated basis, the total revenue of the Company for the financial year 2023-24 was Rs. 5746.70 Lakhs as against Rs. 4689.92 lakhs for the previous financial year. The Company recorded a net profit of Rs. 1053.42 Lakhs for the financial year 2023-24 as against the net profit after tax of Rs. 757.93 lakhs for the previous year.

On Standalone basis, the total revenue of the Company for the financial year 2023-24 was Rs. 5630.77 lakhs as against Rs. 4646.06 Lakhs for the previous financial year. The Company recorded a net profit of Rs. 1014.66 Lakhs for the financial year 2023-24 as against the net profit after tax of Rs. 746.93 lakhs for the previous year.

During the period under review and the date of Board's Report there was no change in the nature of Business.

## **3. DIVIDEND**

The Directors are pleased to recommend a Dividend of 15% i.e., Rs. 1.50 per equity share on the Paid-up Equity Share Capital of the Company for the financial year 2023-24. The total outgo on account of dividend, stands at Rs. 1,53,75,000/- for which necessary provision has been made in the accounts.

Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their KYC requirements with the Company/ KFin Technologies Limited (incase of shares held in physical mode) and Depositories (in case of shares held in demat mode).

Incase the Dividend payable to any shareholder exceeds Rs. 5000/- a tax of 10% will be deducted at source from the gross dividend. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to [sabita@bnrsecurities.com](mailto:sabita@bnrsecurities.com) by 11:59 p.m. IST on 27.06.2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [sabita@bnrsecurities.com](mailto:sabita@bnrsecurities.com). The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on 27.06.2024.

## **4. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:**

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.



**5. RESERVES:**

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

The Closing balance of reserves, including retained earnings, of the Company as at March 31st 2024 is Rs. 4828.46 Lakhs.

**6. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the period under review and upto the date of Board's Report there was no change in the nature of Business.

**7. MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments affecting financial position of the Company between 31st March 2024 and the date of Board's Report. (i.e., 14.05.2024)

**8. REVISION OF FINANCIAL STATEMENTS**

There was no revision of the financial statements for the year under review.

**9. AUTHORISED AND PAID-UP CAPITAL OF THE COMPANY:**

The Authorized Share Capital of your Company stands at Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of the face value of Rs. 10/- (Rupees Ten Only) each.

The Paid- Up Capital of your Company stands at Rs. 10,25,00,000/- (Rupees Ten Crores Twenty Five Lakhs only) divided into 1,02,50,000 (One Crore two lakhs fifty Thousand only) equity shares of the face value of Rs. 10/- (Rupees Ten Only) each.

**10. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government. Accordingly, the Members are hereby informed that the 7 years period for payment of the dividend pertaining to financial year 2016-17 will expire on 04.08.2024 and thereafter the amount standing to the credit in the said account will be transferred to the "Investor Education and Protection Fund" of the Central Government.

The details of Dividend of earlier years remain unclaimed by the shareholders as on 31.03.2024 are as given below:

The details of Dividend of earlier years remain unclaimed by the shareholders as on 31.03.2024 are as given below:

Amt in Rs.

During Financial Year	Date of Declaration of Dividend	Last date of claiming dividend	Unclaimed amount as on 31.03.2024	Due date for transfer to Investor Education and Protection Fund (IEPF)
2017-18	05.08.2017	04.08.2024	2,68,397.00	04.09.2024
2018-19	09.08.2018	08.08.2025	1,48,932.00	08.09.2025
2019-20	10.08.2019	09.08.2026	1,41,535.00	09.09.2026
2020-21	13.02.2020	12.02.2027	1,57,205.00	12.03.2027
2021-22	11.08.2021	10.08.2028	1,54,175.00	10.09.2028
2022-23	22.06.2022	21.06.2029	1,24,994.00	21.07.2029
2023-24	30.06.2023	29.06.2030	1,84,003.00	29.07.2030

Pursuant to provisions of Section 124 of Companies Act, 2013, the unclaimed dividend before the last date above mentioned for the respective years, will be transferred to Investor Education and Protection Fund (IEPF) established by Government of India pursuant to Section 125 of the Companies Act, 2013.

The shareholders whose dividend is not yet claimed are requested to write to the Company/ RTA at the earliest for payment of the same.

#### **11. TRANSFER OF SHARES AND UNPAID/UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

Pursuant to provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, an amount of Rs.1,93,930/- pertaining to unclaimed dividend for the financial year 2015-16 has been transferred to IEPF during the year under report. Further, 11950 shares in respect of which dividend has not been paid or claimed for seven consecutive years have also been transferred to IEPF.

Before effecting transfer of shares to IEPF, Company has informed all such members, whose shares were liable to be transferred to IEPF during financial year 2022-23 through letters and newspaper publication.

The details of dividend and shares transferred to IEPF, unclaimed amounts and procedure for claiming the dividend and shares from IEPF Authority are available on the website of the Company at the link: [www.bnrsecurities.com](http://www.bnrsecurities.com) and also on the website of Investor Education and Protection Fund Authority i.e., [www.iepf.gov.in](http://www.iepf.gov.in).

The last date for claiming dividend declared during financial year 2017-18 is 04.09.2024. Members may please forward their claims for unclaimed dividend to the Company's RTA before they are due to be transferred to IEPF. No claim shall lie against the Company in respect of the dividend/shares so transferred to IEPF.

## **12. DETAILS OF THE NODAL OFFICER**

The Company has designated Ms.Sabitha Reddy as a Nodal Officer for the purpose of IEPF.

## **13. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS /CEO/ CFO AND KEY MANAGERIAL PERSONNEL**

As on date of this report, the Company has 6 Directors, out of which Two are Independent including one women director and Two are executive and two non-executive Directors.

### **a) Appointment/Re-appointment/Resignation of Directors/KMP of the Company**

- Retirement of Mr. Laxminiwas Sharma as Independent Director of the Company with effect from 31st March, 2024.
- Retirement of Mr. Harishchandra Prasad Kanurias Independent Director of the Company with effect from 31st March, 2024.
- Appointment of Mr. Lakshminarayana Bolisetty as Independent Director of the Company with effect from 01st April, 2024.
- Appointment of Mr. Laxminiwas Sharma as Non- Executive and Non Independent Director of the Company with effect from 01st April, 2024.
- Appointment of Mr. Harishchandra Prasad Kanuri as Non- Executive and Non Independent Director of the Company with effect from 01st April, 2024.
- Reappointment of Mr. Chetan Rathi as Executive Director of the Company with effect from 01st April, 2024.

### **b) Key Managerial Personnel:**

Key Managerial Personnel for the financial year 2023-24

- Mr. Hari Narayan Rathi, Managing Director of the company.
- Mr. Chetan Rathi, Executive Director and CFO of the company.
- Mrs. Gadila Sabitha Reddy as Company Secretary and Compliance Officer of the company.

### **c) Information u/r 36(3) of SEBI (LODR), Regulations, 2015:**

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointments are given as **Annexure A** to the notice of the AGM forming part of this Annual Report.

**14. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Company has received declarations from Mr. Lakshminarayana Bolisetty and Mrs. Shanti Sree Bolleni, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and under regulation 16(1)(b) read with regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Independent Directors have also confirmed that they have complied Company's Code of Conduct. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

**15. BOARD MEETINGS:**

The Board of Directors duly met Seven(7) times on 15.05.2023, 11.08.2023, 27.09.2023, 03.11.2023, 10.11.2023, 09.02.2024 and 28.03.2024 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

**16. BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors was conducted on 09.02.2024 to evaluate the performance of non-independent directors, the board as a whole and the Chairman of the Company, taking into account the views of executive directors and nonexecutive directors.

The Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like

preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

**17. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure-1** to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as **Annexure 2**

During the year, NONE of the employees (excluding Executive Directors) is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs. 8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**18. RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014, the ratio of remuneration to median employees is as mentioned in **Annexure- 1**

**19. DIRECTOR'S RESPONSIBILITY 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 had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.



- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**20. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment.

The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

**21. NO FRAUDS REPORTED BY STATUTORY AUDITORS**

During the Financial Year 2023-24, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

**22. CEO/CFO CERTIFICATION:**

The Managing Director and Chief Financial Officer Certification on the financial statements under Regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the year 2023-2024 is given as **Annexure-3** in this Annual Report.

**23. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

M/s. B N Rathi Comtrade Private Limited, a wholly owned subsidiary of the Company have made an income of Rs. 115.93 lakhs with a profit before tax of Rs. 53.37lakhs.

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary companies is prepared in Form AOC-1 and is attached as **Annexure -4** and forms part of this report.

**24. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.**

During the year under review no Company has become or ceased to be its subsidiaries, joint ventures or associate Company.

**25. CONSOLIDATED FINANCIAL STATEMENTS**

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and Section 129 of the Companies Act, 2013, the Consolidated Financial Statements which have been prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS) forms part of this Annual Report.

**26. DETAILS RELATING TO DEPOSITS:**

The Company has not accepted any public deposits during the Financial Year ended March 31, 2024 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**27. DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THE ACT:**

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2024, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company complied with this requirement within the prescribed timelines.

**28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given loans, Guarantees or made any investments during the year under review.

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from banks. Personal Guarantees were given by Mr. Hari Narayan Rathi, Managing Director and Mr. Chetan Rathi, Executive Director without any consideration for obtaining Bank Guarantees.

**29. RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2023-24, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature

The summary statement of transactions entered into with the related parties pursuant to the omnibus approval so granted are reviewed and approved by the Audit Committee and the Board of Directors on a quarterly basis. The summary statements are supported by an independent audit report certifying that the transactions are at an arm's length basis and in the ordinary course of business

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-5** to this report.





**30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

- A. Conservation of Energy:** Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.
- B. Technology Absorption:** All the Factors mentioned in Rule 8 (3)(b) Technology absorption are not applicable to the Company.
- C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

**31. COMMITTEES:**

- (I). AUDIT COMMITTEE:** The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations with the Stock Exchange(s) read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.
- (II). NOMINATION AND REMUNERATION COMMITTEE:** The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations with the Stock Exchange(s) read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.
- (III). STAKEHOLDERS RELATIONSHIP COMMITTEE:** The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations with the Stock Exchange(s) read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**32. CORPORATE SOCIAL RESPONSIBILITY (CSR, COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY)**

The company has attracted the provisions of Corporate Social Responsibility u/s 135 of Companies Act, and Since the CSR obligation is not exceed fifty lakh rupees, the requirement under section 135(1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company. CSR policy may be accessed on the Company's website at: <http://www.bnrrsecurities.com> The Corporate Social Responsibility Report is enclosed as **Annexure 6**.

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended (“CSR Rules”) and in accordance with the CSR Policy, during the financial year 2023-24, your Company has spent total obligation of Rs.14,55,000/- (representing 2 % of the average net profit for the past the three financial years, being FY 20-21, FY 2021-22 and) FY 2022-23. Areas of CSR Activities undertaken by the Company are Health Care and Children Education .

### **33. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company [www.bnrsecurities.com](http://www.bnrsecurities.com).

### **34. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

### **35. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT:**

The existing Statutory Auditors M/s Seshachalam & Co., chartered accountants, Hyderabad will retire at the ensuing Annual General Meeting. Accordingly, pursuant to the provisions of sections 139 of the companies Act, 2013 read with rules made there under, and based on the recommendation of the Audit Committee, the Board in its meeting held on 14.05.2024 has appointed M/s M Anandam & Co., Chartered Accountants, Hyderabad as the statutory auditors of the company, from the conclusion of 38th Annual General Meeting for a period of three Years till the conclusion of this 41st Annual General Meeting subject to the approval of members in ensuing Annual General Meeting.

The Auditors' Report for fiscal 2024 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for both Standalone and Consolidated audited financial results of the Company for the Financial Year ended March 31, 2024 from the statutory auditors of the Company.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

**36. SECRETARIAL AUDIT REPORT:**

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s. S.S. Reddy & Associates, Practicing Company Secretaries (CP No. 7478) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2024.

The Secretarial Audit was carried out by M/s. S.S. Reddy & Associates, Company Secretaries (CP No. 7478) for the financial year ended March 31, 2024. The Report given by the Secretarial Auditor is annexed herewith as **Annexure-7** and forms integral part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**37. ANNUAL SECRETARIAL COMPLIANCE REPORT:**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. Further, Secretarial Compliance Report dated May 11, 2024, given by M/s. S.S. Reddy & Associates, Practicing Company Secretary, submitted or shall be submitted to Stock Exchange(s) within 60 days of the end of the financial year.

**38. INTERNAL AUDITORS:**

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditor of the Company on quarterly basis by M/s Penmetsa & Associates., the Internal Auditor of the Company.

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditor.

The Board has re-appointed by M/s Penmetsa & Associates, Chartered Accountants, Hyderabad as Internal Auditors for the Financial Year 2024-25.

**39. SECRETARIAL STANDARDS**

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

**40. DECLARATION BY THE COMPANY**

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Act, as on March 31, 2024.

**41. ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is uploaded on website of the Company [www.bnrsecurities.com](http://www.bnrsecurities.com).

**42. DISCLOSURE ABOUT COST AUDIT:**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

**43. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as **Annexure-8** to this report.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, for the purpose of attending meetings of the Board of Directors and Committee(s).

**44. FAMILIARISATION PROGRAMMES:**

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com).

**45. INSURANCE:**

The properties and assets of your Company are adequately insured.

**46. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Regulation 34 read with schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance duly audited is appended as **Annexure-9** for information of the Members. A requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

**47. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES**

None of the Independent / Non-Executive Directors has any pecuniary relationship or

transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**48. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015. In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached as part of Corporate Governance Report. We affirm that the remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

**49. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable Securities laws. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website ([www.bnrsecurities.com](http://www.bnrsecurities.com)).

**50. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace.

This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at [www.bnrathtisecurities.com](http://www.bnrathtisecurities.com)

As per the requirement of the POSH Act and Rules made thereunder, the Company has constituted an Internal Committee at all its locations known as the Prevention of Sexual Harassment (POSH) Committees, to inquire and redress complaints received regarding sexual harassment. During the year under review, there were no Complaints pertaining to sexual harassment.

The Committee reconstituted on 14.02.2022 with the following members:

<b>Name</b>	<b>Designation</b>
Deepika Mathur	Presiding Officer
Sabitha Reddy G	Member
Dasaripallajoji	External Member

All employees are covered under this policy. During the year 2023-24, there were no complaints received by the Committee.

**51. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

**52. FAILURE TO IMPLEMENT CORPORATE ACTIONS:**

During the year under review, no corporate actions were done by the Company which were failed to be implemented.

**53. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016.

**54. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:**

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

**55. EMPLOYEE STOCK OPTION SCHEME:**

The Company introduced an Employee Stock Option (ESOP) scheme, "BNRSL- ESOP Scheme 2022" which helps the Company to attract and retain right talent. The Nomination and Remuneration Committee (NRC) administers the Company's ESOP scheme. Further the Company has received in-principle approval from BSE Limited for issue and allotment of 15,00,000 Equity shares of Rs. 10/- each to be allotted by the Company, upon exercise of stock options in terms of Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and there were no changes in the ESOP scheme during the financial year under review. The scheme is in compliance with the Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021.

Following are the details of the ESOPs as on 31st March 2024:

<b>Sl. No.</b>	<b>Details Related to ESOPS</b>	<b>BNRSL- ESOP Scheme 2022</b>
1.	Description of each ESOP that existed at any times during the year, including the general terms and conditions of each ESOPs including:	
	a. Date of Shareholders Approval	22.07.2022
	b. Total no. of options approved under ESOPs	15,00,000
	c. Vesting Requirements	From completion of 1st year from the date of grant of options, unless otherwise specified by the NRC. The vesting period shall not be less than 1 year and not more than 5 years from the date of grant of options.
	d. Exercise price or Pricing Formula	As decided by NRC
	e. Maximum term of options granted	5 years
	f. Source of shares (primary, secondary or combination)	Primary
	g. Variation in terms of options	NA
2.	Method used to account for ESOPs	NA
3.	Option movement during the year:	
	Number of options outstanding at the beginning of the period	NIL
	Adjustment on account of bonus issue (if any)	NA
	No. of options granted during the year	5,00,000
	No. of options forfeited/lapsed during the year	NA
	No. of options vested during the year	NA
	No. of options exercised during the year	NA
	No. of shares arising as a result of exercise of options	NA
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	NA



	Loan repaid by the trust during the year from exercise price received	NA
	No. of option outstanding at the end of the year	5,00,000
	No. of options exercisable at the end of the year	NA
4.	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	NA

Disclosure in compliance with the Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the company website of the company at website URL: <https://www.bnrsecurities.com/>.

Further, a certificate from Mr. S. Sarveswar Reddy, Secretarial Auditor of the Company certifying that the ("BNRSL- ESOP Scheme 2022") has been implemented in accordance with these regulations and in accordance with the resolution of the company in the general meeting is enclosed as **Annexure-10**.

#### **56. POLICIES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website. [www.bnrsecurities.com](http://www.bnrsecurities.com).

#### **57. EVENT BASED DISCLOSURES**

During the year under review, the Company has not taken up any of the following activities:

- i. Issue of sweat equity share: NA
- ii. Issue of shares with differential rights: NA
- iii. Issue of shares (including sweat equity shares) to employees of the Company: NA.
- iv. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
- v. Buy back shares: NA
- vi. Disclosure about revision: NA
- vii. Preferential Allotment of Shares: 18,50,000 equity shares allotted under preferential issue.
- viii. Issue of equity shares with differential rights as to dividend, voting: NA

**58. ACKNOWLEDGEMENTS:**

Your directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your directors also thank the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company, SEBI, BSE, NSE, MCX, NSDL, CDSL, ICICI Bank, HDFC Bank etc. for their continued support for the growth of the Company.

**For and on behalf of the Board  
B.N. Rathi Securities Limited**

**Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899**

**Place: Hyderabad  
Date: 14.05.2024**

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## **CORPORATE GOVERNANCE REPORT**

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

Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and Employees of the Company for enhancement of shareholder value while keeping in view the interest of other stakeholders as well.

Company believes that good corporate governance is the foundation for being a truly sustainable Company.

Set procedures, guidelines and practices have been evolved to ensure timely disclosures of information regarding the financials, performance, significant events and governance etc. of the Company. The Company has adopted a code of conduct for its Board, Key Managerial Personnel (KMPs) and Senior Management Employees which has been communicated to them and they have affirmed the compliances of the same through their annual disclosures to the Company.

The Company lays emphasis on transparency across the entire spectrum of its business as well as in discharging its Corporate Social Responsibility activities in a meaningful manner. The Company, as a conscientious corporate citizen, is fully committed to the principles of integrity, transparency and compliance with applicable regulations while dealing with the Government, Customers, Suppliers, Employees and other Stakeholders. Directors fully endorse and support the Corporate Governance practices in accordance with the provisions of Listing Regulations of SEBI.

#### **DATE OF REPORT**

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2024. The Report is updated as on the date of the report wherever applicable.

#### **BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website.

### **2. BOARD OF DIRECTORS**

#### **A. COMPOSITION OF THE BOARD**

The composition of the Board of Directors of the company is an appropriate combination of executive and non-executive Directors with right element of independence. As on March 31, 2024, the Company's Board comprises of Five Directors. There are Two(2) Executive Directors, and 3 (Three) Independent Directors including woman Director. In terms of clause 17(1) (b) of SEBI (LODR) Regulations, 2015, the Company is required to have one

third of total Directors as Independent Directors. The non-executive Directors are appointed or re-appointed based on the recommendation of the Nomination & Remuneration Committee which considers their overall experience, expertise and industry knowledge. One third of the Directors other than Independent Directors, are liable to retire by rotation every year and are eligible for reappointment, subject to approval by the shareholders.

## B. ATTENDANCE AND DIRECTORSHIPS HELD:

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten Board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time directors in any listed company, then they do not serve as independent director in more than three listed companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in Table 1.

## C. NO. OF MEETINGS OF THE BOARD OF DIRECTORS HELD AND DATES ON WHICH HELD:

Date of the Board Meetings: The Board of Directors duly met Seven (7) times on 15.05.2023, 11.08.2023, 27.09.2023, 03.11.2023, 10.11.2023, 09.02.2024 and 28.03.2024

Name	Category	Attendance at the AGM held on 30.06.2023	Attendance in Board Meetings		No. of Directorships in other companies	No. of committee positions held in other public companies	
			Held	Attended		Chairman	Director
*Mr. Laxminiwas Sharma	Chairman & Non Executive Independent Director	Yes	7	7	2	NIL	NIL
Mr. Hari Narayan Rathi	Promoter and Managing Director	Yes	7	7	1	NIL	NIL
Mr. Chetan Rathi	Promoter and Whole-time Director	Yes	7	7	1	NIL	NIL
*Mr. K Harishchandra Prasad	Non - Executive & Independent Director	Yes	7	7	7	2	4

Mrs. Shanti Sree Bolleni	Non - Executive & Independent Director	Yes	7	7	5	5	1
*Mr. Laxminiwas Sharma	Chairman and Non - Executive & Non Independent Director	NA	0	0	2	NIL	NIL
**Mr. K Harishchandra Prasad	Non Executive & Non Independent Director	NA	0	0	7	2	4
**Lakshmi narayana bolisetty	Non - Executive & Independent Director	NA	0	0	3	NIL	NIL

\*Retired with w.e.f. 31.03.2024

\*\* Appointed w.e.f. 01.04.2024

**The Name of other listed entities where directors of the company are directors and the category of directorship**

Name of the Director	Other Listed Entities in which concern Director is Director	Category of Directorship
Mr. Laxminiwas Sharma	NIL	--
Mr. Chetan Rathi	NIL	--
Mr. K Harishchandra Prasad	1. Keerthi Industries Limited 2. Suryalata Spinning Mills Limited 3. Lakshmi Finance and Industrial Corporation Limited	Independent Director Independent Director Managing Director
Mrs. Shanti Sree Bolleni	1. Nava Limited 2. Rain Industries Limited	Independent Director Independent Director
Mr. Hari Narayan Rathi	NIL	--
Mr. Lakshminarayanabolisetty	Kisaan Parivar Industries Limited	Independent Director

**D. A CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:**

<b>Sl. No</b>	<b>Skills / Expertise / Competence of the Board of Directors are required in the context of business of the Company</b>	<b>Names of the Directors who have such skills / expertise / competence</b>
1.	Trading	Mr. Hari Narayan Rathi Mr. Chetan Rathi
2.	Technology	Mr. Chetan Rathi
3.	Marketing	Mr. Chetan Rathi
4.	Regulatory	Mr. Hari Narayan Rathi Mr. ChetanRathi
5.	Finance & Accounting	Mr. Laxminiwas Sharma Mr. Harishchandra Prasad Kanuri Mrs. Shanti SreeBolleni Mr. Hari Narayan Rathi Mr. ChetanRathi
6.		Mr. Lakshminarayanabolisetty
7.	Research & Development	Mr. Chetan Rathi
	Legal and General Management	Mr. Hari Narayan Rathi Mr. ChetanRathi Mr. Lakshminarayana Bolisetty

**E. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE**

Mr. Hari Narayan Rathi, and Mr. Chetan Rathi, Promoters & Directors of the Company are related to each other by virtue of their relationship as father and son respectively. Other Directors do not have any inter se relation with each other.

**F. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:**

None of the Non-executive Directors hold equity shares of the Company, except Mr. K Harishchandra Prasad who holds 2500 Equity Shares of the Company.

**G. INDEPENDENT DIRECTORS**

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (LODR), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013.

The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013. It is also confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

During the year under review, none of the Independent Directors have resigned from the Board of Directors of the Company.

**INDEPENDENT DIRECTORS' MEETING:** As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 09.02.2024, and discussed the following:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company eligible to attend were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

#### **H. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2023-24 are disclosed on the Company's website i.e., <https://www.bnrsecurities.com/>.

#### **I. INFORMATION SUPPLIED TO THE BOARD:**

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan



- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring
- Fatal or serious accidents, injuries or any material environmental problems, if any.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any.
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **J. DECLARATION BY BOARD**

The Board has confirmed that in its opinion, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

#### **K. DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR**

There is no resignation of Independent Directors during the financial year 2023-24.

#### **COMMITTEES OF THE BOARD:**

The Company has Three Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided in this report below:

### **3. AUDIT COMMITTEE:**

(Audit Committee constituted in terms of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015)

#### **A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, inter alia, includes:

- i. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
  - v. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - vi. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a



- [public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;
- vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - viii. approval or any subsequent modification of transactions of the listed entity with related parties;
  - ix. scrutiny of inter-corporate loans and investments;
  - x. valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - xi. evaluation of internal financial controls and risk management systems;
  - xii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - xiv. discussion with internal auditors of any significant findings and follow up there on;
  - xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - xviii. to review the functioning of the whistle blower mechanism;
  - xix. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  - xxi. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  - xxii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
  - xxiii. Carrying out any other function as may be referred to the Committee by the Board.

xxiv. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

**B. THE AUDIT COMMITTEE SHALL MANDATORILY REVIEW THE FOLLOWING INFORMATION:**

- i. management discussion and analysis of financial condition and results of operations;
- ii. management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. internal audit reports relating to internal control weaknesses; and
- iv. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- v. statement of deviations:
- vi. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- vii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**C. COMPOSITION, MEETINGS & ATTENDANCE**

There were Six(6) Audit Committee Meetings held during the year on 15.05.2023, 11.08.2023, 27.09.2023, 10.11.2023, 11.02.2024, 09.02.2024

Name	Designation	Category	No. of Meetings held	Number of meetings during the year 2023-24
Mr. Laxminiwas Sharma *	Chairman	Independent and Non Executive	7	7
Mr. Harishchandra Prasad *	Member	Independent and Non Executive	7	7
Mrs. Shanti SreeBolleni **	Chairman	Independent and Non Executive	7	7
Mr. Hari Narayan Rathi ^	Member	Executive Director	7	7
Mr. Laxminiwas Sharma #	Member	Non Independent and Non Executive	NA	NA
Mr. Lakshminarayana #	Member	Independent and Non Executive	NA	NA

\*Retired w.e.f. 31.03.2024

\*\* Appointed as Chairperson w.e.f. 01.04.2024

^ Resigned w.e.f. 01.04.2024

# Appointed w.e.f. 01.04.2024



- D. Previous Annual General Meeting of the Company was held on 30th June 2023 and Mr. Laxminiwas Sharma, Chairman of the Audit Committee for that period, attended previous AGM.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

(Nomination and Remuneration Committee constituted in terms of Section 178 of Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulations, 2015)

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE**

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. devising a policy on diversity of board of directors;
- v. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- vi. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vii. recommend to the board, all remuneration, in whatever form, payable to senior management.

**B. COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE, MEETINGS & ATTENDANCE**

There was two (2) Nomination and Remuneration Committee Meeting held during the financial year on 11.08.2023 and 28.03.2024

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. K Harishchandra Prasad *	Chairman	Independent, Non-Executive	2	2
Mr. Laxminiwas Sharma*	Member	Independent, Non-Executive	2	2
Mr. Shanti SreeBolleni **	Chairperson	Independent, Non-Executive	2	2
Mr. Lakshminarayana #	Member	Independent, Non-Executive	NA	NA
Mr. K Harishchandra Prasad #	Member	Non-Executive and Non Independent	NA	NA

\*Retired w.e.f from 31.03.2024

\*\*Appointed as Chairperson w.e.f from 01.04.2024

# Appointed as member w.e.f from 01.04.2024

**C. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

The performance evaluation criteria for Independent Directors are already mentioned under the head “Board Evaluation” in Directors’ Report.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Stakeholders Relationship Committee constituted in terms of Section 178(5) of Companies Act, 2013 read with Regulation 20 of SEBI (LODR) Regulations, 2015)

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE: The Committee’s role includes:**

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matter as may be specified by the Board from time to time.

- vi. Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the Listing Regulations.

During the Financial Year April 2023 to March 2024, three (3) Stakeholders Relationship Committee Meeting were held.

The date on which the said meetings were held are 15.05.2023, 10.11.2023 and 09.02.2024.

**B. COMPOSITION AND ATTENDANCE FOR MEETINGS:**

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mrs. Shanti SreeBolleni	Chairperson	Independent, Non-Executive	3	3
Mr. Laxminiwas Sharma	Member	Independent, Non-Executive	3	3
Mr. K.Harishchandra Prasad	Member	Independent, Non-Executive	3	3
Mr. ChetanRathi	Member	Executive	3	3

**C. NAME AND DESIGNATION OF COMPLIANCE OFFICER**

Ms. GadilaSabitha Reddy, Company Secretary of the Company is the Compliance Officer of the Company.

**E. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2023-24.**

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2024
Pending at the beginning of the year	0
Received during the year	16
Disposed of during the year	16
Remaining unresolved at the end of the year	0

**A. Risk Management Committee: -**

The Risk Management Committee was dissolved in the Board meeting held on 28.03.2024, since the Company is not required to constitute Risk Management Committee as per the SEBI (LODR) Regulations, 2015.



**5 B. PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR:**

<b>S. No</b>	<b>Name</b>	<b>Designation</b>
1.	Mr. Hari Narayan Rathi	Managing Director and CEO
2.	Mr. Chetan Rathi	Whole Time Director and CFO

**6. REMUNERATION OF DIRECTORS:**
**a. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY:**

Mr. K Harishchandra Prasad, Non-executive director is holding 2500 Equity shares in the Company.

**b. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**
**Policy:**

Remuneration to Executive Director and key managerial personnel

- 1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Directors of the company in terms of approval of the General Body.
- 1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.
- 1.3 The remuneration structure to the Executive Directors and key managerial personnel shall include the following components:
  - (i) Basic pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options
  - (iv) Commission
- (i) Retirement benefits
- 1.4 The Annual plan and Objectives for Executive Directors shall be reviewed by the NR committee and Annual Performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

**2. Remuneration to Non – Executive Directors**

- 2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.

2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

### 3. Remuneration to other employees

3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

### c. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2023-2024 AND OTHER DISCLOSURES:

Name of the Director	Salary (Rs)	Sitting Fees (Rs)	Number of Equity shares held as on 31.03.2024	Service Contracts	Fixed Component	Performance Based Incentive
Mr. Hari Narayan Rathi	6900000	-	2924955	0	0	0
Mr. ChetanRathi	6000000	-	914890	0	0	0
Mr. Laxminiwassharma	-	180000	-	0	0	0
Mr. Harishchandra Prasad Kanuri	-	180000	-	0	0	0
Mrs. Shanti Sree Bolleni	-	180000	--	--	--	--

Except for the remuneration details mentioned above, there are is no other pecuniary relationship or transactions of the non-executive director's vis-à-vis the listed entity in terms of salary, benefits, bonuses, stock options, pension, fixed component and performance linked incentives.

### INDEPENDENT DIRECTORS' MEETING:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 09.02.2024, to discuss:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;

2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. The details of the familiarization program is given at company's website ([https://www.bnrsecurities.com/.](https://www.bnrsecurities.com/))

## 7. GENERAL BODY MEETINGS

### A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THEREAT AS UNDER:

Financial Year	Date	Time	Venue	Special Resolution Passed
2020-21	11.08.2021	10.00 a.m.	Through video conference	YES
2021-22	22.07.2022	10.00 a.m.	Through video conference	YES
2022-23	30.06.2023	10.00 a.m.	FTCCI Surana Hall, The Federation of Telangana Chambers of Commerce and Industry, (FTCCI) Federation House, Federation Marg, Red Hills, Hyderabad-500004, Telangana	NO

### B. PASSING OF RESOLUTIONS BY POSTAL BALLOT

There were no resolutions passed by the Company through Postal Ballot during the Financial Year 2023-24.

## 8. MEANS OF COMMUNICATION

- a) The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Regulation 33 of SEBI (LODR), Regulations, 2015 within forty-five days/sixty days of the close of the respective period.
- b) The approved financial results are forthwith sent to the Stock Exchanges and are published in the newspapers namely, The Financial Express and Nava Telangana within forty-eight hours of approval thereof.

- c) As the Company's quarterly/half yearly and yearly financial results are uploaded on Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com).

## **9. GENERAL SHAREHOLDER INFORMATION:**

### **A. ANNUAL GENERAL MEETING:**

The 38th (Thirty Eight) Annual General Meeting of the Company will be held as per the following schedule:

<b>Date</b>	27.06.2024
<b>Time</b>	10.00 am (IST)
<b>Venue</b>	FTCCI Surana Hall, FTCCI, Red Hills, Hyderabad - 500004

### **B. FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2024-25 (TENTATIVE SCHEDULE)**

The financial calendar (tentative) shall be as under:

<b>Financial Year</b>	<b>2024-25</b>
First Quarterly Results	On or before 14.08.2024
Second Quarterly Results	On or before 14.11.2024
Third Quarterly Results	On or before 14.02.2025
Fourth Quarterly Results	On or before 30.05.2025
Annual General Meeting for year ending 31st March, 2025	On or before 30.09.2025

### **C. DIVIDEND PAYMENT DATE:**

The Company has declared dividend of 15% i.e., Rs 1.50/- on equity shares of face value of Rs. 10/- for the financial year ended 31st March 2024. Dividend will be paid on or before 20.07.2024

### **D. NAME AND ADDRESS OF STOCK EXCHANGE WHERE THE COMPANY'S SECURITIES ARE LISTED:**

BSE Limited, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400001.

### **E. LISTING ON STOCK EXCHANGES:**

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees for the year 2024-2025 to BSE Limited.

**F. STOCK MARKET PRICE DATA: B.N. Rathi Securities Limited (BSE LIMITED)**

Month	Open Price	High Price	Low Price	Close Price	No. of Share Traded
Apr 23	34.89	38.70	33.36	35.71	1,01,684
May-23	35.90	43.40	34.75	38.94	3,20,705
Jun-23	38.90	42.89	35.00	39.62	5,64,824
Jul-23	39.95	47.39	37.50	43.69	3,85,542
Aug-23	44.00	51.80	41.10	49.43	7,82,728
Sep 23	50.35	63.50	46.10	63.01	9,97,544
Oct 23	64.00	89.16	64.00	75.96	7,89,931
Nov 23	77.47	104.98	77.47	97.85	1,81,048
Dec 23	95.90	99.50	86.28	90.96	1,82,107
Jan 24	90.96	116.00	90.50	111.03	4,46,007
Feb 24	110.90	126.00	89.90	118.65	5,18,030
Mar 24	119.25	124.00	86.65	101.95	1,30,527

**G. PERFORMANCE IN COMPARISON TO BOARD BASED INDICES:**


Day Chart Period from April 2023 to March 2024

The price movement of the securities of the Company, by and large, is in tandem with the movement of board-based index such as BSE Sensex.

**H. IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASON THEREOF: Not Applicable**

**I. REGISTRAR AND SHARE TRANSFER AGENTS:**

M/s. KFin Technologies Limited  
 Karvy Selenium Tower B, Plot 31-32,  
 Gachibowli, Financial District,  
 Nanakramguda, Hyderabad – 500032  
 Phone Number: 040-67162222,67161526,  
 Website: www.kfintech.com  
 Email- einward.ris@kfintech.com

**J. SHARE TRANSFER SYSTEM:**

The requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository and the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt.

**K. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2024:**

SI No	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1-5000	5671	98.56	1202714	11.73
2	5001- 10000	30	0.52	222414	2.17
3	10001- 20000	21	0.36	280312	2.73
4	20001- 30000	10	0.17	263296	2.57
5	30001- 40000	3	0.05	103551	1.01
6	40001- 50000	4	0.07	196244	1.91
7	50001- 100000	4	0.07	292630	2.85
8	100001 & Above	11	0.19	7688839	75.01
	<b>Total</b>	<b>5754</b>	<b>100.00</b>	<b>10250000</b>	<b>100.00</b>

**L. DEMATERIALISATION & LIQUIDITY OF SHARES:**

Trading in Company's shares is permitted only in dematerialized form for all investors. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Shares held in demat and Physical mode as on March 31, 2024 is as follows:

<b>Particulars</b>	<b>No. of Shares</b>	<b>% Share Capital</b>
NSDL	13,61,338	13.28
CDSL	87,51,042	85.38
Physical	1,37,620	1.34
<b>TOTAL</b>	<b>1,02,50,000</b>	<b>100.00</b>

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with respective depository participants.

**M. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:**

The Company has not issued these types of securities.

**N. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:**

The Company is into financial markets, commodity price risk is minimal. There is no foreign exchange and hedging business activities.

**O. LOCATIONS & ADDRESS FOR CORRESPONDENCE:**

6-3-652, IV Floor, KautilyaAmrutha Estates, Somajiguda, Hyderabad – 500082.

Ph. 04040527777, Website: [www.bnrsecurities.com](http://www.bnrsecurities.com)

Branch Offices: Chennai, Coimbatore, Mumbai and Dhruvatarra (Hyderabad)

**P. LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE LISTED ENTITY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD**

Since the Company has not issued any Debt Instruments or Fixed Deposit Programme, therefore company has not obtained any Credit Ratings during the Financial Year.



**Q. BOOK CLOSURE DATE:**

The date of Book Closure for the purpose of 38th Annual General Meeting shall be from 21.06.2024 to 27.06.2024 (both days inclusive).

**R. ELECTRONIC CONNECTIVITY:**

Demat ISIN Number: INE710D01010

**S. NATIONAL SECURITIES DEPOSITORY LIMITED**

Trade World, Kamala Mills Compound

SenapatiBapat Marg, Lower Parel

Mumbai – 400 013.

**T. CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED**

PhirozeJeejeebhoy Towers, 28th Floor

Dalal Street, Mumbai – 400 023.

**U. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2024:**

S. No.	CATEGORY OF SHAREHOLDER	No. of shares held	Percentage of shareholding
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>		
(1)	Indian:		
(a)	Individual	4880298	47.61
(b)	Others	0	0
	<b>Sub-Total A(1) :</b>	<b>4880298</b>	<b>47.61</b>
(2)	Foreign:		
(a)	Individuals	0	0
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>
	<b>Total A=A(1)+A(2)</b>	<b>4880298</b>	<b>47.61</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>		
(1)	INSTITUTIONS:		
(a)	Financial Institutions /Banks	0	0
(b)	Foreign Institutional Investors	0	0
	<b>Sub-Total B(1) :</b>	<b>0</b>	<b>0</b>
(2)	NON-INSTITUTIONS:		
(a)	Bodies Corporate	187808	1.83
(b)	Individuals	3901506	38.07
(c)	Central Government /State Government	0	0
	<b>Sub-Total B(2) :</b>	<b>4089314</b>	<b>39.90</b>

<b>(C)</b>	<b>OTHERS:</b>		
(1)	HUF	994980	9.71
(2)	Employees	0	0
(3)	Clearing Members	0	0
(4)	Foreign Bodies	0	0
(5)	Foreign Nationals	0	0
(6)	Corporate Body - Others	0	0
(7)	NBFC	0	0
(8)	Non-Resident Indians	94106	0.92
(9)	Trusts	0	0
10	IEPF	191302	1.87
	<b>Sub-Total C:</b>	<b>1280388</b>	<b>12.5</b>
	<b>GRAND TOTAL (A+B+C) :</b>	<b>10250000</b>	<b>100.00</b>

## 10. OTHER DISCLOSURES

### A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

The policy on related party transactions is available on the Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com).

### B. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS

There were no instances of non-compliance or imposing penalty, no structures were issued against the company by Stock Exchanges or SEBI or any other statutory/regulatory authority for any matter related to capital markets, during last three years.

### C. WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI (LODR) Regulations 2015 and in terms of Section 177 of the Companies Act, 2013.

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.



**D. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 and is in the process of implementation of non- mandatory requirements.

**E. WEB LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.**

<https://www.bnrsecurities.com/static/announcements-notice.aspx>

**F. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS.**

<https://www.bnrsecurities.com/static/pdf/Related-party-policy.pdf>

**G. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES**

The Company is into stock Broking activities, member of stock exchanges (NSE, BSE and MCX) Hence the Company is not materially exposed to commodity price risks nor does the company do any commodity hedging.

**H. DETAILS OF UTILIZATION OF FUNDS RAISED THORUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT.**

During the year under review, the Company has issued 18,50,000 equity shares on preferential basis to non- promoters at price of Rs.54/- per share aggregating to Rs.9,99,00,000/- and funds were fully utilized for incremental working capital.

**I. CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

The Company has obtained certificate from Practicing Company Secretary that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority. And the Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

**J. RECOMMENDATIONS OF COMMITTEES**

The Board has accepted and acted upon all the recommendations by the Audit & Nomination and Remuneration Committees.

**K. TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR.**

The fees paid by the Company to its statutory Auditors is Rs. 12,00,000/-

**L. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received during the financial year: Nil
- No. of complaints disposed off during the financial year: Nil

- No. of complaints pending at the end of the financial year: Nil

**M. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF ‘LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT**

Not Applicable

**11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT.**

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

**12. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015.**

The company has adopted discretionary requirements to the extent of Internal Auditors reporting to the Audit Committee.

**13. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:**

Regulation	Particulars	Compliance Status
17	Board of Directors	yes
18	Audit Committee	yes
19	Nomination and Remuneration Committee	yes
20	Stakeholders Relationship Committee	yes
21	Risk Management Committee	yes
22	Vigil Mechanism	yes
23	Related Party Transactions	yes
24	Corporate Governance requirements with respect to subsidiary of Listed company	NA
25	Obligations with respect to Independent Directors	yes
26	Obligations with respect to Directors and Senior Management	yes
27	Other Corporate Governance Requirements	yes
46 (2) (b) to (i)	Website	yes

**14. CODE OF CONDUCT**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

**15. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2023-24.**

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on March 31, 2024 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

**16. MD / CFO CERTIFICATION**

The Managing Director and CEO/ CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Financial Year 2023-2024 is provided elsewhere in this Annual Report

**17. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE SHALL BE ANNEXED WITH THE DIRECTORS' REPORT.**

The Company has obtained certificate from Practicing Company Secretary that compliance of conditions of corporate governance and the Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

**18. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the	No. of shareholders who approached the company for transfer of shares from suspense account during the	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
179352	NIL	NIL	191302

**\*\* Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.**

**19. DISCLOSURE OF PENDING CASES / INSTANCES OF NON-COMPLIANCE:**

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years except one penalty due to the delay in intimation for declaration of dividend. The penalty was paid and the management assured the Board that due care would be taken in order to avoid any further non-compliances.

**20. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS:**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **Audit qualifications:** Company's financial statements have no qualifications.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2) (a) of the Listing Regulations.

**21. DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 133 of the Companies Act, 2013.

**GREEN INITIATIVE IN THE COPORATE GOVERNANCE**

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, Dividend intimations etc., by email are sent only to those shareholders whose email addresses are not registered with the Company and for bounced mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic form or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

**For and on behalf of the Board  
B.N. Rathi Securities Limited**

**Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899**

**Place: Hyderabad  
Date: 14.05.2024**

**Annexure-1**
**STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**
**B.N. Rathi Securities Limited**

- 1 The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.

Director	Total Remuneration	Ratio to median remuneration
Mr. Hari Narayan Rathi	69,00,000	12:1
Mr. ChetanRathi	60,00,000	10:1

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Name	Designation	Remuneration		Increase/ (Decrease) %
		FY 2023-24	FY 2022-23	
Laxminiwas Sharma	Director	-	-	NIL
Hari Narayan Rathi	Managing Director	69,00,000	63,00,000	9.52%
Harishchandra Prasad Kanuri	Director	-	-	NIL
Chetan Rathi	Wholetime Director/CFO	60,00,000	54,00,000	11.11%
LakshminarayanaBolisetty	Director	-	-	NIL
Shanti Sree Bolleni	Director	-	-	NIL
Gadila Sabitha Reddy	Company Secretary	10,76,400	10,04,000	7.21%

3. The percentage increase in the median remuneration of employees in the financial year

Particulars	Remuneration		Increase/ (Decrease) %
	FY 2023-24	FY 2022-23	
Median Remuneration of all the employees per annum*	5,92,650	5,33,700	11%

\* Employees who have served for whole of the respective financial years have been considered.



4.

<b>Particulars</b>	<b>Number</b>
The number of employees on the rolls of the company as on March 31, 2024	85

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

<b>Particulars</b>	<b>Increase/ (Decrease) %</b>
<b>Average percentage increase in the remuneration of all Employees*</b> (Other than Key Managerial Personnel)	<b>25.16%</b>
<b>Average Percentage increase in the Remuneration of Key Managerial Personnel</b>	
Mr. Hari Narayan Rathi (Managing Director)	<b>9.52%</b>
Mr. Chetan Rathi (Wholetime Director/CFO)	<b>11.11%</b>
Mrs. Gadila Sabitha Reddy (Company Secretary)	<b>7.21%</b>

\* Employees who have served for whole of the respective financial years have been considered.

**6. Affirmation that the remuneration is as per the remuneration policy of the company.**

The Company is in compliance with its remuneration policy.

**Annexure – 2**

**Statement showing the names of the Top Ten Employees in terms of Remuneration drawn as per Rule 5(3) of the Companies (Appointment and Remuneration of Management personnel) Rules 2014:**

Sl.No	Name of the Employee	Designation of the Employee	Gross Remuneration	Nature of Employment whether Contractual or otherwise	Qualification & Experience (years)	Date of Commencement of Employment	Age (years)	Previous Employment	% of holding in the Company
1	MANISH SHARMA	Senior Vice President	3267000	Permanent	MBA & 22 years	07 MAR 2015	44	CD EquiSearch Private Limited	0
2	B G ANIRUDH SHARMA	Senior Vice President	2955400	Permanent	B.Tech & 20 years	16 APR 2015	41	CD EquiSearch Private Limited	0
3	HARI KRISHNA C	Vice President	2456320	Permanent	B.com (CA) & 21 years	07 MAR 2015	44	CD EquiSearch Private Limited	0
4	PRANEETH SHARMA CH	Asst Vice President	1930600	Permanent	B.Tech & 18 years	01 APR 2015	40	CD EquiSearch Private Limited	0
5	CHOPPALA RAJKUMAR	Manager	1690700	Permanent	B.com & 21 years	06 OCT 2015	46	CD EquiSearch Private Limited	0
6	P RAMAKRISHNA	Asst Vice President	1666000	Permanent	B.com & 16 years	07 MAR 2015	38	CD EquiSearch Private Limited	0
7	CHUNDU NARASIMHA RAO	Vice President	1650000	Permanent	MBA & 22 years	01 SEP 2022	45	CD EquiSearch Private Limited	0
8	PEEDI SUDHAKAR	Asst Manager-Sales	1377400	Permanent	MBA & 14 years	07 MAR 2015	45	CD EquiSearch Private Limited	0
9	DAYANAND RAJU A	Sales Manager	1296350	Permanent	MBA & 15 years	01 APR 2015	39	CD EquiSearch Private Limited	0
10	SABITHA REDDY G	Company Secretary	1234200	Permanent	CS & 10 years	01 APR 2015	40		0

**Annexure – 3****CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY**

To

The Board of Directors

B N Rathi Securities Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 24 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, We have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board of  
B N Rathi Securities Limited

Place: Hyderabad  
Date: 14.05.2024

Sd/-  
Hari Narayan Rathi  
Managing Director  
(DIN:00010968)

Sd/-  
Chetan Rathi  
CFO  
(DIN: 00536441)

**Annexure - 4**
**Form AOC – 1**

Statement containing salient features of the financial statements of Subsidiaries (Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

1. Name of the Subsidiaries: B.N.Rathi Comtrade Private Limited
2. Reporting Period: 01.04.2023 to 31.03.2024
3. Reporting Currency: Indian Rupee

S. No.	Particulars	B.N.Rathi Comtrade Private Limited
		Amount in lakhs
1.	Share Capital:	100.00
2.	Reserves and surplus for the year ending	445.70
3.	Total Assets	545.70
4.	Total Liabilities	545.70
5.	Investments	397.39
6.	Turnover (Income)	115.93
7.	Profit / loss before Taxation	53.37
8.	Provision for Taxation	14.61
9.	Profit / loss after Taxation	38.76
10.	Proposed Dividend	-
11.	% of Shareholding	100

1. Names of Subsidiaries which are yet to commence operation : NA
2. Names of subsidiaries which have been liquidated or sold during the year : NIL

For and on behalf of the Board of  
B N Rathi Securities Limited

Place: Hyderabad  
Date: 14.05.2024

Sd/-  
Hari Narayan Rathi  
Managing Director  
(DIN:00010968)

Sd/-  
Chetan Rathi  
CFO  
(DIN: 00536441)

**Annexure - 5**
**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)

This form pertains to the disclosure of particulars of contracts/arrangements entered into between the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis : Not Applicable as all the Related Party Transactions have been entered into at an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions:	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year:
<b>Rent Amt in Rs.</b>					
1	Chanda Devi rathi	Office Premises on Rent	01/04/2023 to 31/03/2024	Rs. 12,60,000/-	11.02.2023
<b>Remuneration Paid:</b>					
2	Hari Narayan Rathi	Remuneration Paid	01/04/2023 to 31/03/2024	Remuneration Rs. 69,00,000/- per annum	11.02.2023
	ChetanRathi	Remuneration Paid	01/04/2023 to 31/03/2024	Rs. 60,00,000/- per annum	11.02.2023
	NishaRathi	Remuneration Paid Executive Director of B N RathiComtradePrivate Limited	01/04/2023 to 31/03/2024	Rs. 12,00,000/- per annum	11.02.2023

All related party transactions that were entered during the financial year were on arms-length basis and are according to the policy of related party transactions adopted by the Company.

For and on behalf of the Board of  
B N Rathi Securities Limited

Place: Hyderabad  
Date: 14.05.2024

Sd/-  
Hari Narayan Rathi  
Managing Director  
(DIN:00010968)

Sd/-  
Chetan Rathi  
CFO  
(DIN: 00536441)

**REPORT ON CSR ACTIVITIES**

[Pursuant to section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

**1. A brief Outline of Company's CSR Policy, including overview of projects or programs undertaken/ proposed to be undertaken:**

The CSR Policy adopted by the Board consists of activities as specified in Schedule VII of Companies Act, 2013.

- i. **Composition of CSR Committee:** Since the CSR obligation is not exceed fifty lakh rupees, the requirement under section 135(1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company
  - ii. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** [www.bnrsecurities.com](http://www.bnrsecurities.com).
  - iii. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable since the Company's average CSR obligation is less than Rupees Ten Crores in the three immediately preceding financial years.
- 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
<b>Not Applicable</b>			

**6. Average net profits of the company for last three financial years as per section 135(5)**

The average net profit of the Company for the last three financial years as per Section 135 of the Companies Act, 2013 was Rs. 7,27,47,153/-.

7.

Sl. No.	Particulars	Amount (INR in Rs.)
(a)	Two percent of average net profit of the company as per section 135(5)	14,54,943
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	--
(c)	Amount required to be set off for the financial year, if any	--
(d)	Total CSR obligation for the financial year (7a+7b-7c).	14,54,943

8(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount. (Rs.)	Date of transfer.
14,55,000	NIL	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-



**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Sahara Voluntry Organisation	Children Education	yes	Hyderabad	Telanagan	10,00,000	Yes		
2	MNJ Institute of Oncology, to procure mobile xray machine	Health Care	yes	Hyderabad,	Telangana	2,00,000	Yes		
3	Sri SaraswathiVidyaPeetham	Education	yes	Hyderabad,	Telangana	2,55,000	Yes		
	<b>Total</b>					14,55,000			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 14,55,000

(g) Excess amount for set off, if any: NA

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

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	NA	0	0	0	0	0	0
	Total	0	0	0	0	0	0

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1	Not Applicable							
	Total							

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year**
**(ASSET-WISE DETAILS)**

S. No.	Particulars	Details
(a)	Date of creation or acquisition of the capital asset(s).	NA
(b)	Amount of CSR spent for creation or acquisition of capital asset.	NA
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NA
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NA

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

For and on behalf of the Board of  
B N Rathi Securities Limited

Sd/-

Hari Narayan Rathi  
Managing Director  
(DIN:00010968)

Place: Hyderabad  
Date: 14.05.2024

**FORM MR-3****SECRETARIAL AUDIT REPORT**

{Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014}

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

To

The Members of

B. N. Rathi Securities Limited  
Hyderabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. B. N. Rathi Securities Limited (hereinafter called “the Company”). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. B.N. Rathi Securities Limited (“The Company”) for the financial year ended on 31st March, 2024 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guideline prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2023-24: -
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event-based disclosures, wherever applicable.**



- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e., [www.bnrscurities.com](http://www.bnrscurities.com)**
- iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Complied with event-based disclosures, wherever applicable**
- iv. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**
- vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the company has KFIN Technologies Limited as its Share Transfer Agent.**
- vii. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- ix. Other applicable laws include the following:
  - The Payment of Gratuity Act, 1972
  - Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - Employees State Insurance Act, 1948
  - Income Tax Act, 1961
  - Indian Stamp Act, 1899
  - Minimum Wages Act, 1948
  - Payment of Bonus Act, 1965
  - Payment of Wages Act, 1936
  - Shops and Establishments Act, 1948

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

During the period under review the Company has complied with the provisions of the Companies Act, 2013, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a) During the year the Company has conducted 7 meetings of the Board of Directors, 5 meetings of the Audit committee, 3 Meetings of Stakeholder Relationship Committee, 2 meeting of Nomination, Remuneration Committee and 1 meeting of Independent Directors.
- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- (i) The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
  - External Commercial Borrowings were not attracted to the Company under the financial year under review;
  - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
  - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
- (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

**We further report that:**

- i. The Company that Mr. Chetan Rathi is the Chief Financial Officer and Mrs. G. Sabitha Reddy is the Company Secretary and Compliance Officer of the Company.
- ii. The Company has internal auditors namely M/s. Penmetsa & Associates, Chartered Accountants, Hyderabad.
- iii. The website of the company contains applicable policies as specified by SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and the provisions of Companies Act, 2013.
- iv. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- v. Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance or on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- vi. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- vii. We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

- viii. We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- ix. The Company is a registered member of NSE and BSE apart from having DP connectivity with CDSL. From time to time there were inspection of books, accounts, records of the company by the above said authorities and the observations given there on have also been complied with by the Company.
- x. The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

**For S.S. Reddy & Associates  
Practicing Company Secretary**

**Sd/-**

**S. Sarveswara Reddy  
Practicing Company Secretary**

**M.NO. 12619; C.P. No: 7478**

**UDIN:F012619F000351419**

**Peer Review Cer. No.: 1450/2021**

**Place: Hyderabad**

**Date: 11.05.2024**

**ANNEXURE A**

To

The Members of

M/s. B.N. Rathi Securities Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For S.S. Reddy & Associates  
Practicing Company Secretary**

**Sd/-**

**S. Sarveswara Reddy  
Practicing Company Secretary**

**M.NO. 12619; C.P. No: 7478**

**UDIN:F012619F000351419**

**Peer Review Cer. No.: 1450/2021**

**Place: Hyderabad**

**Date: 11.05.2024**

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **Introduction**

In the financial year 2024, B.N. Rathi Securities Limited continued to strengthen its market position despite a volatile economic environment. Our commitment to leveraging technology and enhancing client experiences has been central to our strategy, resulting in robust financial and operational performance.

During the year the company raised its capital through preferential issue for the incremental working capital.

### **Economic Environment**

The global economy faced significant headwinds, including geopolitical tensions and inflationary pressures. Domestically, the economic recovery post-pandemic provided opportunities for growth in the stockbroking sector. Regulatory changes aimed at enhancing market transparency also influenced our operating environment.

### **Industry Overview**

The stockbroking industry witnessed increased participation from retail investors, driven by heightened market awareness and digital access. Competition intensified with the entry of discount brokers offering low-cost trading solutions. Technological innovation, particularly in fintech, reshaped client expectations and service delivery models. We being corporate member of the National Stock Exchange of India Limited (NSE) in the Capital Market, Future & Option and Currency Derivative Segments, the Bombay Stock Exchange (BSE) in the Capital Market and Future & Option Segment, Multi Commodity Exchange (MCX) and DP services with CDSL, we stand first in bringing new compliance implementations to make ourselves complied in all areas.

### **Financial Performance**

Our revenue grew year-on-year, primarily driven by increased trading volumes and higher client acquisition.

### **Risk Management**

We identified market volatility, regulatory changes, and cybersecurity threats as key risks. Our robust risk management framework includes real-time monitoring of trading activities, regular compliance audits, and comprehensive cybersecurity protocols to mitigate these risks. We have been fashioning our own responses to these challenges and we believe that we can turn them into opportunities, which can unlock growth for us in the future.

### **Opportunities**

1. Growing Financial Services industry's share of wallet for disposable income.
2. Regulatory reforms would aid greater participation by all the class of investors.



3. everage in technology and digital transformation to enable best practices and process.

### Threats

1. Slowdown in global liquidity flows
2. Intense competition from local and global players.
3. Geo-global tensions

### Strategic Initiatives

During the year, we invested in upgrading our trading platform, enhancing its speed and reliability. We also launched an Algo service, catering to the growing demand for automated investment solutions.

### Corporate Governance

Our commitment to strong corporate governance is reflected in our board's composition, which includes a diverse mix of experienced professionals. Regular board meetings, a strong internal audit function, and adherence to regulatory requirements are pillars of our governance framework.

### Future Outlook

Looking ahead, we anticipate continued growth in retail investor participation. Our focus will be on expanding our market share through innovative products, strategic partnerships, and sustained investments in technology. While challenges such as market volatility remain, we are confident in our ability to navigate them and deliver value to our stakeholders.

### Details of significant changes

Particulars	Formulae	As at March 31, 2024	As at March 31, 2023	% Change	Reason for Variance
(i) Current Ratio	Current assets / current liabilities	1.37	1.30	5.30%	-
(ii) Debt Equity Ratio	Total Debt / Share holder's Equity	2.42	2.82	(13.99%)	-
(iii) Interest Coverage Ratio	EBIT / Interest Expense	17.84	7.32	143.80%	Improved due to debt reduction and significant decrease in interest expense
(iv) Return on equity(%)	Net profit after tax/Share holder's Equity	17.33%	18.76%	(7.60%)	-

(v) Debtors Turnover Ratio	Credit Sales / Average Account Receivables	4.88	4.39	11.01%	-
(vi) Net Working Capital turnover ratio	Credit Sales / Working Capital	0.89	1.19	(25.13%)	Declined due to increase in current assets
(vii) Net Profit Ratio(%)	Net profit after tax/ Total Sales	21.67%	18.53%	16.95%	-
(viii) Return on Capital employed(%)	Operating Profit / Capital Employed [OP=EBIT]	24.64%	30.39%	(18.91%)	-

### Conclusion

In conclusion, our Company is well-positioned to capitalize on emerging opportunities in the stockbroking industry. Our strong financial foundation, strategic initiatives, and commitment to excellence ensure a promising future for the company and its stakeholders.

### Cautionary Statement

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company.

**CERTIFICATE ON CORPORATE GOVERNANCE**

To The Members of

B.N. Rathi Securities Limited

We have examined the compliance of the conditions of Corporate Governance by B.N. Rathi Securities Limited ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

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

**For S.S. Reddy & Associates  
Practicing Company Secretary**

**Sd/-**

**S. Sarveswara Reddy  
Practicing Company Secretary**

**M.NO. 12619; C.P. No: 7478**

**UDIN:F012619F000351419**

**Peer Review Cer. No.: 1450/2021**

**Place: Hyderabad**

**Date: 11.05.2024**

**Annexure–10****COMPLIANCE CERTIFICATE**

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,  
The Members,  
B. N. Rathi Securities Limited  
Hyderabad, Telangana, India

We, S. S. Reddy Associates, Practicing Company Secretaries, have been appointed as the Secretarial Auditor by the Board of Directors of B. N. Rathi Securities Limited (hereinafter referred to as 'the Company'), having CIN: L65993TG1985PLC005838 and having its registered office at 6-3-652, IV Floor, KautilyaAmrutha Estates, Somajiguda, Hyderabad-500082, Telangana. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations"), for the year ended 31.03.2024.

**Management Responsibility:**

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Verification:**

The Company has implemented "BNRSL- ESOP Scheme 2022" viz Employee Stock Option Scheme in accordance with the Regulations and the Special Resolution(s) passed by the members at the General Meeting of the Company held on 22nd July, 2022.

For the purpose of verifying the compliance of the Regulations, we have examined the following:

1. Scheme(s) received from/furnished by the Company
2. Articles of Association of the Company
3. Resolutions passed at the meeting of the Board of Directors
4. Shareholders resolutions passed at the General Meeting(s)
5. Minutes of the meetings of the Nomination and Remuneration Committee
6. Relevant Accounting Standards
7. Detailed terms and conditions of the scheme as approved by Nomination and Remuneration Committee
8. Exercise Price / Pricing formula
9. Disclosure by the Board of Directors

10. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder  
As sought and made available to us and the explanations provided by the Company.

**Certification:**

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the “BNRSL- ESOP Scheme 2022” in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

**Assumption & Limitation of Scope and Review:**

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon my examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

**For S.S. Reddy & Associates  
Practicing Company Secretary**

**Sd/-**

**S. Sarveswara Reddy  
Practicing Company Secretary  
M.NO. 12619; C.P. No: 7478  
UDIN:F012619F000351419  
Peer Review Cer. No.: 1450/2021**

**Place: Hyderabad  
Date: 11.05.2024**

**DECLARATION ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I, Hari Narayan Rathi, Managing Director of B.N. Rathi Securities Limited (“the Company”) hereby state and affirm Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management of the company during Financial Year 2023-2024

**For B N Rathi Securities Limited**

**Place: Hyderabad  
Date: 03.05.2024**

**Sd/-  
Hari Narayan Rathi  
Managing Director**

## **INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF B.N.RATHI SECURITIES LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

### **Opinion**

We have audited the accompanying standalone Ind AS financial statements of B.N.Rathi Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 standalone financial statements give the information required by the Companies Act 2013, as amended ("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 March 31, 2024, and profit, changes in equity 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 Act. 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 Act and the Rules 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 audit opinion on the financial statements.

### **Key Audit Matters**

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

### **Other Information**

The 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 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 such 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, 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 Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Responsibility 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 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 scepticism throughout the audit. We also:**

- a) 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.





- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.
- e) 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.

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

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

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

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

- 1. As required by 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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by section 143 (3) of the Act, we report that:
  - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- ii. 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;
- iii. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- iv. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued there under;
- v. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164 (2) of the Act;
- vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
- vii. In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- viii. 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 other than those disclosed.
  - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv)
    - a) The management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, 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 person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that were 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 (a) and (b) contain any material misstatement.
- v)
  - a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
  - b) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.
  - c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S

Sd/-  
T. Bharadwaj  
Partner

Membership No.:201042  
UDIN: 24201042BKJQYB2891

Place: Hyderabad,  
Date: 14.05.2024

**Annexure “1” to the Independent Auditors’ Report**

Re: B.N.Rathi Securities Limited (‘the Company’)

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

**Clause 1:**

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

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

- (b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) 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) are held in the name of the company.
- (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.
- (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.

**Clause 2:**

- (a) To the best of our knowledge and as explained, the Company is not in business of sale of goods. Therefore, in our opinion the provisions of clause 3(ii) (a) of the Order is not applicable to the Company and hence not commented upon.
- (b) Company has not obtained any working capital limits in excess of `5 crores in aggregate from banks during the year on the basis of security of current assets of the Company. Therefore, in our opinion the provisions of clause 3(ii) (b) of the Order is not applicable to the Company and hence not commented upon.

**Clause 3:**

- (a) During the year, the Company has not granted loans or advances in the nature of loans, stood guarantee or provided security to any of the parties. Therefore, in our opinion the provisions of clause 3(iii) of the Order is not applicable to the Company and hence not commented upon.
- (b) During the year the investments made, guarantees provided, and the terms and conditions of the grant of all loans provided are not prejudicial to the Company’s interest.

- (c) Company has not granted any loan to its subsidiary and therefore clause 3 (iii)(c) is not applicable.
- (d) There are no amounts of loans granted to subsidiary companies, which are overdue for more than ninety days.
- (e) The Company had not granted loans to subsidiary company which had fallen due during the year.
- (f) 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

**Clause 4:**

- (a) There are no loans, guarantees and security in respect of which provisions of sections 185 of the Act is applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Act are applicable, have been complied with by the Company.

**Clause 5:**

- (a) The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

**Clause 6:**

- (a) The Company is not in the business of sale of any goods or provision of such services as prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

**Clause 7:**

- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs and other statutory dues applicable to it. The provisions relating to sales tax, service tax, value added tax, duty of excise and cess are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, customs duty and other statutory dues which have not been deposited on account of any dispute.

**Clause 8:**

- (a) The Company has not surrendered or disclosed any transaction, previously unrecorded in

the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

**Clause 9:**

- (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on 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) The Company did not have any term loans outstanding during the year. Accordingly, the requirement to report on clause 3(ix) (c) of the Order is not applicable to the Company.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associate or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Accordingly, the requirement to report on clause 3(ix) (f) of the Order is not applicable to the Company.

**Clause 10:**

- (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the company.
- (b) The Company has raised money by way of preferential allotment of convertible warrants during the year under audit. All requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. The funds raised through such preferential allotment were entirely utilised during the year under audit.

**Clause 11:**

- (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

**Clause 12:**

- (a) The Company is not a Nidhi Company as per the provisions of the Act. Accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

**Clause 13:**

- (a) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards.

**Clause 14:**

- (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

**Clause 15:**

- (a) The Company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

**Clause 16:**

- (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934, are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (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.

**Clause 17:**

- (a) The Company has not incurred cash losses in the current year and preceding financial year.

**Clause 18:**

- (a) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

**Clause 19:**

- (a) On the basis of the financial ratios disclosed in Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**Clause 20:**

- (a) The company has incurred expenditure on CSR activities which is within the purview of Schedule VII of section 135 of the Companies Act ,2013. In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 44 to the standalone financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in Note 44 to the standalone financial statements.

For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S

Sd/-

T. Bharadwaj  
Partner

Place: Hyderabad,  
Date: 14.05.2024

Membership No.:201042  
UDIN: 24201042BKJQYB2891



**Annexure “2” to the Independent Auditor’s report of even date on the standalone Ind AS financial statements of B.N.Rathi Securities Limited**

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

**TO THE MEMBERS OF B.N. RATHI SECURITIES LIMITED**

We have audited the internal financial controls over financial reporting of B.N.Rathi Securities Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone Ind AS 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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the 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 as specified 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, 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 Ind AS financial statements, whether due to fraud or error.

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

**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 March 31, 2024, 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.

### **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone Ind AS financial statements of the Company, which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated , 14.05.2024 expressed an unqualified opinion.

For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S

Sd/-  
T. Bharadwaj  
Partner

Place: Hyderabad,  
Date: 14.05.2024

Membership No.:201042  
UDIN: 24201042BKJQYB2891

**1. Corporate Information:**

B.N.Rathi Securities Limited (“BNRSL” or “the Company”) is a listed public company domiciled in India and is incorporated under the Companies Act, 1956 (“the Act”) on September 30, 1985. The registered office of the company is located at 6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad, Telangana – 500082.

The Company is primarily engaged in the business of broking in securities. The Company also deals in depository operations and institutional equities. The Company is listed on Bombay Stock Exchange Limited (“BSE”).

**2. Significant Accounting Policies:**

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Basis of preparation:**

These separate financial statements are prepared in accordance with Ind AS under the historical cost convention on accrual basis except for certain financials instruments which are measured at fair value, the provisions of the Companies Act, 2013 (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.

Accounting policies have been consistently applied except where the change is required by an Ind AS or change results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or condition on the entity’s financial position, performance or cash flow.

**b) Use of estimates and judgements:**

The preparation of the financial statements in conformity with Ind AS required management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Difference between the actual results and estimates are recognized in the year in which results are known/materialized.

Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**c) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment net of taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Trading income is recognized when a legally binding contract is executed.

Brokerage income and transaction charges are recognized on the trade date of the transaction upon confirmation of the transaction by the exchanges.

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses.

Depository transaction charges are recognized on completion of respective transaction. Annual maintenance charges for depository accounts are accounted as and when the services are rendered.

Income from portfolio management fees are recognized on the basis of agreements entered into with the clients and when the right to receive income is established.

Dividends are recognized in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company and the amount of the dividend can be measured reliably.

**d) Fair value measurement:**

The Company measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial asset and liabilities.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company uses valuation techniques, which are appropriate in circumstances and for which sufficient data is available considering the expected loss/ profit in case of financial assets or liabilities.

**e) Property, plant and equipment:**

**i. Recognition and initial measurement:**

Property, plant and equipment are stated in the balance sheet at their carrying value being the cost of acquisition less accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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



**ii. Depreciation, estimated useful lives and residual value:**

Depreciation on property, plant and equipment is provided on written down value method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**iii. De-recognition:**

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

**iv. Transition to Ind AS:**

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2016 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

**f) Intangible Assets:**

**i. Recognition and initial measurement:**

Intangible assets (software) are stated in the balance sheet at their carrying value being the cost of acquisition less accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

**ii. Amortization and estimated useful lives:**

Amortization on intangible assets is provided on written down value method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

**iii. Transition to Ind AS:**

On transition to Ind AS, the company has elected to continue with the carrying value of all its intangible assets recognized as at April 01, 2016 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of intangible assets.

**g) Impairment of assets:**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

**h) Leases:**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**(i) Right-of-Use Assets**

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Section (g) Impairment of non-financial assets.

**(ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the

Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities have been presented under the head "Other Financial Liabilities". Lease liabilities have been presented under the head "Other Financial Liabilities".

### **(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### **i) Financial Instruments:**

##### **a. Financial Assets**

###### **Initial recognition and measurement**

The company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss, are added to the fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the statement of profit and loss. Regular way purchase and sale of financial assets are accounted for at trade date.

###### **Subsequent measurement**

- a. Debt instruments at amortized cost – A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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





- b. Equity investments – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.
- c. Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

### **Investments in subsidiaries, associates and joint ventures**

Investment in subsidiaries, associates and joint ventures is carried at cost in the separate financials statements.

### **De-recognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of a similar financial asset) is primarily de-recognized (i.e., removed from the company's separate balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset.

## **b. Financial Liabilities**

### **Initial recognition and measurement**

The company recognizes financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, that are not at fair value through profit or loss, are reduced from the fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities at fair value through profit and loss are expensed in the statement of profit and loss.

### **Subsequent measurement**

These liabilities include borrowings and deposits. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.



**De-recognition of financial liabilities**

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

**c. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**j) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying asset are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**k) Employee Benefits:****a. Short-term benefit plans**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized and measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**b. Defined contribution plans**

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions, if any, are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**c. Defined benefit plans**

The company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method [PUCM],

which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximately to the terms of related obligations. Actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

The company has subscribed to a group gratuity scheme of Life Insurance Corporation [LIC]. Under the said policy, the eligible employees are entitled for gratuity upon their resignation, retirement or in the event of death in lumpsum after deduction of necessary taxes upto a maximum limit of liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Company makes contributions to the Gratuity Fund.

**l) Income Taxes:**

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

**m) Provisions, contingent liabilities and contingent assets:**

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

**Contingent liability is disclosed for:**

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

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

**n) Cash and cash equivalents:**

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

**o) Cash flow statement:**

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

**p) Earnings per share:**

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

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

**Standalone Balance Sheet as at March 31, 2024**  
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	337.35	323.25
(b) Intangible assets	4	14.11	4.92
(c) Financial assets			
- Investments	5	100.00	100.00
- Loans	6	164.50	164.50
(d) Deferred tax assets (Net)	7	37.64	31.47
(e) Other non-current assets	8	29.23	26.20
<b>Total non-current assets [A]</b>		<b>682.84</b>	<b>650.34</b>
<b>2 Current assets</b>			
(a) Financial assets			
- Investments	9	7.00	7.00
- Securities for trade	10	614.49	-
- Trade receivables	11	1,140.43	778.86
- Cash and cash equivalents	12	5,097.14	2,906.05
- Bank balances other than above	13	8,384.04	9,128.21
- Other current financial assets	14	1,895.97	1,650.32
(b) Income taxes [Net]	15	16.89	12.01
(c) Other current assets	16	2,193.26	61.04
<b>Total current assets [B]</b>		<b>19,349.22</b>	<b>14,543.49</b>
<b>TOTAL ASSETS [A+B]</b>		<b>20,032.06</b>	<b>15,193.83</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	17	1,025.00	840.00
(b) Other Equity	18	4,828.46	3,141.32
<b>Total equity [A]</b>		<b>5,853.46</b>	<b>3,981.32</b>
<b>2 Non-current liabilities</b>			
(a) Provisions	19	76.49	51.08
<b>Total non-current liabilities [B]</b>		<b>76.49</b>	<b>51.08</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
- Trade payables	20	14,021.07	11,068.58
- Other current financial liabilities	21	17.89	-
(b) Provisions	22	10.33	7.69
(c) Other current liabilities	23	52.83	85.16
<b>Total current liabilities [C]</b>		<b>14,102.12</b>	<b>11,161.43</b>
<b>TOTAL EQUITY AND LIABILITIES [A+B+C]</b>		<b>20,032.06</b>	<b>15,193.83</b>
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	3 to 47		

As per our report on even date  
For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number: 003714S

Sd/-  
T. Bharadwaj  
Partner  
Membership No.: 201042

Place: Hyderabad  
Date: 14.05.2024

For and on behalf of the Board of Directors of  
B. N. RATHI SECURITIES LIMITED

Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899

Sd/-  
Chetan Rathi  
Executive Director-cum-CFO  
DIN: 00536441

Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968

Sd/-  
Sabitha Reddy  
Company Secretary

**Standalone Statement of Profit and Loss for the period ended March 31, 2024**

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	For the period ended March 31, 2024	For the year ended March 31, 2023
<b>I INCOME</b>			
Revenue from operations (Gross)	24	4,681.99	4,030.80
Other income	25	948.78	615.26
<b>TOTAL INCOME [I]</b>		<b>5,630.77</b>	<b>4,646.06</b>
<b>II EXPENSES</b>			
Employee benefit expenses	26	760.37	640.28
Finance costs	27	104.36	187.18
Depreciation and amortization expense	28	39.57	35.67
Other expenses	29	993.81	908.64
Share of brokerage		2,370.96	1,829.61
<b>TOTAL EXPENSES [II]</b>		<b>4,269.07</b>	<b>3,601.38</b>
<b>III Profit before exceptional items &amp; tax[II-I]</b>		<b>1,361.71</b>	<b>1,044.68</b>
<b>IV Exceptional item</b>		-	<b>25.00</b>
<b>V Profit before tax[III-IV]</b>		<b>1,361.71</b>	<b>1,019.68</b>
<b>VI Tax Expense:</b>			
- Current tax	30	353.22	272.14
- Adjustment of current tax relating to earlier years		-	-
- Deferred tax credit		(6.17)	0.61
<b>VII Profit for the period[V-VI]</b>		<b>1,014.66</b>	<b>746.93</b>
<b>VIII Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(15.51)	7.09
- Remeasurements of financial assets		(0.01)	0.00
- Recognition of borrowings using effective interest rate		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>999.14</b>	<b>754.02</b>
<b>IX Earnings per equity share Rs. 10/- each fully paid</b>	36		
- Basic (Rs.)		11.08	8.89
- Diluted (Rs.)		11.08	8.89
Corporate information	1		
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Accompanying notes forming an integral part of the financial statements	3 to 47		

 As per our report on even date  
 For Seshachalam & Co.  
 Chartered Accountants  
 Firm Registration Number: 003714S

 Sd/-  
 T. Bharadwaj  
 Partner  
 Membership No.: 201042

 Place: Hyderabad  
 Date: 14.05.2024

 For and on behalf of the Board of Directors of  
 B. N. RATHI SECURITIES LIMITED

 Sd/-  
 Laxminiwas Sharma  
 Chairman  
 DIN: 00010899

 Sd/-  
 Chetan Rathi  
 Executive Director-cum-CFO  
 DIN: 00536441

 Sd/-  
 Hari Narayan Rathi  
 Managing Director  
 DIN: 00010968

 Sd/-  
 Sabitha Reddy  
 Company Secretary

**Standalone Cash Flow Statement**

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit/(Loss) for the period</b>		<b>1,361.71</b>	<b>1,019.68</b>
<b>Adjustment to reconcile profit before tax to net cash flows:</b>			
Depreciation and amortisation on PPE		27.26	35.67
Interest expense other than lease liability		78.81	165.35
Interest expense on account of lease liability		1.01	0.00
Remeasurement of post employee benefits		(15.51)	7.09
Remeasurement of lease		-	(0.40)
Recognition of borrowings using effective interest rate		(0.01)	0.00
Fair Value loss on Remeasurement of Investments through FVTPL		23.29	-
Loss on sale of PPE		4.30	-
Dividend income		(1.52)	(0.51)
Interest income		(945.62)	(614.75)
<b>Cash generated before working capital changes</b>		<b>533.72</b>	<b>612.14</b>
<b>Movements in working capital:</b>			
Increase/(Decrease) in trade payables		2,952.49	312.54
Increase/(Decrease) in other current liabilities		(32.33)	7.42
Increase/(Decrease) in long term provisions		25.41	(1.30)
Increase/(Decrease) in short term provisions		2.63	0.55
(Increase)/Decrease in trade receivables		(361.57)	276.55
(Increase)/Decrease in non-current loans		-	7.39
(Increase)/Decrease in current loans		-	50.00
(Increase)/Decrease in other non-current assets		(3.03)	(0.99)
(Increase)/Decrease in other current financial assets		(245.66)	(1,486.83)
Increase/(Decrease) in other current financial liabilities		16.89	-
(Increase)/Decrease in other current assets		(2,132.21)	35.22
<b>Cash generated from operations</b>		<b>756.33</b>	<b>(187.30)</b>
Income taxes paid		(358.10)	(251.56)
<b>Net cash flow (used in)/from operating activities (A)</b>		<b>398.23</b>	<b>(438.86)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net (Purchase) of property, plant and equipment, including intangible assets		(54.85)	(19.06)
Net Sale/(Purchase) of current investments		(637.78)	50.00
Dividend received		1.52	0.51
Interest received		945.62	614.75
<b>Net cash flow (used in)/from investing activities [B]</b>		<b>254.51</b>	<b>646.20</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment of)/Proceeds from long term borrowings		-	(168.59)
(Repayment of)/Proceeds from issue of shares [including premium]		999.00	-
(Investment)/Redemption of bank deposits		744.17	659.93
Dividends paid on equity shares and tax on equity dividend paid		(126.00)	(84.00)
Interest paid		(78.81)	(165.35)
<b>Net cash flow (used in)/from financing activities [C]</b>		<b>1,538.36</b>	<b>241.99</b>
<b>D. Net increase/(decrease) in cash and cash equivalents [A+B+C]</b>		<b>2,191.10</b>	<b>449.33</b>
<b>E. Cash and cash equivalents</b>			
at the beginning of the year		2,906.05	2,456.72
at the end of the year		<b>5,097.14</b>	<b>2,906.05</b>
<b>Components of cash and cash equivalents</b>	12		
Balance with banks			
- In current accounts		102.66	228.35
- Deposits with original maturity of less than 3 months		4,994.25	2,677.25
Cash on hand		0.24	0.45
<b>Cash and cash equivalents at the end of the year</b>	2(n)	<b>5,097.14</b>	<b>2,906.05</b>
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 As per our report on even date  
 For Seshachalam & Co.  
 Chartered Accountants  
 Firm Registration Number: 003714S

 Sd/-  
 T. Bharadwaj  
 Partner  
 Membership No.: 201042

 Place: Hyderabad  
 Date: 14.05.2024

 For and on behalf of the Board of Directors of  
 B. N. RATHI SECURITIES LIMITED

 Sd/-  
 Laxminiwas Sharma  
 Chairman  
 DIN: 00010899

 Sd/-  
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 Executive Director-cum-CFO  
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 Sd/-  
 Hari Narayan Rathi  
 Managing Director  
 DIN: 00010968

 Sd/-  
 Sabitha Reddy  
 Company Secretary

**Standalone Statement of Changes in Equity for the year ended March 31, 2024**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

**A. Equity share capital**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid up</b>		
Balance at the beginning of the reporting year	84,000,000	84,000,000
Changes in equity share capital during the year	18,500,000	-
<b>Balance at the end of the reporting year</b>	<b>102,500,000</b>	<b>84,000,000</b>

**B. Other equity**

Particulars	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total other equity
Movement in other equity is as follows:					
<b>As at April 01, 2021</b>	<b>14.90</b>	<b>226.16</b>	<b>9.67</b>	<b>1,406.45</b>	<b>1,657.18</b>
Profit for the year	-	-	-	467.31	467.31
Premium on account of shares issued under right issue	-	<b>403.20</b>	-	-	403.20
Equity dividend	-	-	-	-60.48	-60.48
Other comprehensive income for the year	-	-	-	4.09	4.09
<b>As at March 31, 2022</b>	<b>14.90</b>	<b>629.36</b>	<b>9.67</b>	<b>1,817.36</b>	<b>2,471.30</b>
Profit for the year	-	-	-	746.93	746.93
Equity dividend	-	-	-	-84.00	-84.00
Other comprehensive income for the year	-	-	-	7.09	7.09
<b>As at March 31, 2023</b>	<b>14.90</b>	<b>629.36</b>	<b>9.67</b>	<b>2,487.38</b>	<b>3,141.32</b>
Profit for the year	-	-	-	1,014.66	1,014.66
Equity dividend	-	-	-	-126.00	-126.00
Other comprehensive income for the year	-	-	-	-15.52	-15.52
Premium on account of shares issue	-	<b>814.00</b>	-	-	814.00
<b>As at March 31, 2024</b>	<b>14.90</b>	<b>1,443.36</b>	<b>9.67</b>	<b>3,360.52</b>	<b>4,828.46</b>

**Notes to financial statements for the year ended March 31, 2024**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

**Note 3: Property, Plant and Equipment**

Particulars	As at March 31, 2024	As at March 31, 2023
Buildings	276.28	276.28
Furniture and Fittings	1.62	2.19
Motor Vehicles	34.27	19.08
Computers and Data Processing Units	8.70	11.92
Office Equipment	16.48	13.79
<b>Total</b>	<b>337.35</b>	<b>323.25</b>

**For the year 2023-24**

Description of Assets	Buildings	Furniture and Fittings	Motor Vehicles	Computers and Data Processing Units	Office Equipment	Total
<b>I. Gross Carrying Amount</b>						
As at April 01, 2023	276.28	10.73	93.46	61.97	49.49	491.93
Additions	-	-	25.02	6.92	10.63	42.57
Disposals	-	-	67.56	22.70	8.82	99.09
<b>Balance as at March 31, 2024</b>	<b>276.28</b>	<b>10.73</b>	<b>50.92</b>	<b>46.19</b>	<b>51.29</b>	<b>435.42</b>
<b>II. Accumulated Amortization</b>						
Upto April 01, 2023	-	8.55	74.38	50.05	35.70	168.68
Depreciation expense for the period	-	0.57	5.73	9.00	7.50	22.80
Eliminated on disposal of assets	-	-	63.46	21.56	8.38	93.41
<b>Upto March 31, 2024</b>	<b>-</b>	<b>9.11</b>	<b>16.65</b>	<b>37.49</b>	<b>34.82</b>	<b>98.06</b>
<b>III. Net Carrying Amount [I-II]</b>						
As at March 31, 2024	276.28	1.62	34.27	8.70	16.48	337.35
As at March 31, 2023	276.28	2.19	19.08	11.92	13.79	323.25



**Note 4: Intangible Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Computer Software	14.11	4.92
<b>Total</b>	<b>14.11</b>	<b>4.92</b>

**For the year 2023-24**

Description of assets	Computer Software
<b>I. Gross Carrying Amount</b>	
As at April 01, 2023	33.91
Additions	14.48
Disposals	16.43
<b>Balance as at March 31, 2024</b>	<b>31.96</b>
<b>II. Accumulated Amortization</b>	
Upto April 01, 2023	28.99
Amortization expense for the period	4.47
Eliminated on disposal of assets	15.61
<b>Upto March 31, 2024</b>	<b>17.84</b>
<b>III. Net Carrying Amount [I-II]</b>	
<b>As at March 31, 2024</b>	<b>14.11</b>
<b>As at March 31, 2023</b>	<b>4.92</b>

**Note 5: Non-current investments**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments in equity instruments (fully paid-up)</b>		
<b>(i) Unquoted investments</b>		
<b>(a) Subsidiaries: [Refer note 34(iii)]</b>		
B.N.Rathi Comtrade Private Limited [10,00,000 (31.03.2023: 10,00,000) equity shares of par value Rs. 10 each]"	100.00	100.00
	<b>100.00</b>	<b>100.00</b>

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	100.00	100.00
Aggregate amount of impairment in the value of investments	-	-
Investments carried at cost	100.00	100.00
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 6: Non-current loans**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits		
- Security deposits with Stock Exchanges/Clearing Houses	164.50	164.50
<b>Total</b>	<b>164.50</b>	<b>164.50</b>

**Note 7: Deferred tax asset (net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax assets</b>		
Depreciation	15.79	16.67
Employee benefits	21.85	14.79
<b>Total</b>	<b>37.64</b>	<b>31.47</b>

**Note 8: Other non-current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	14.75	14.75
Prepaid expenses	14.48	11.45
<b>Total</b>	<b>29.23</b>	<b>26.20</b>

**Note 9: Current investments**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments in equity instruments (fully paid-up)</b>		
<b>(i) Unquoted investments</b>		
<b>(a) Other investments [Refer Note 40(ii)]:</b>		
Mahesh Vidya Bhavan Limited [20,000 (31.03.2023: 20,000) equity shares of face value Rs. 10 each]"	2.00	2.00
Sevenhills Co-op Bank Limited [ 5,000 (31.03.2023: 5,000) equity shares of face value Rs. 10 each]	5.00	5.00
<b>Total</b>	<b>7.00</b>	<b>7.00</b>

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	7.00	7.00
Aggregate amount of impairment in the value of investments	-	-
Investments carried at cost	7.00	7.00
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 10: Securities for Trade [Refer note 40(ii)]**

Particulars	As at March 31, 2024	As at March 31, 2023
Quoted investments in shares and securities [valued at fair value through profit and loss account]		
Securities held for trade	614.49	-
<b>Total</b>	<b>614.49</b>	<b>-</b>

**Note 11: Trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good [Refer Note 37 & 11A]	1,140.43	778.86
<b>Total</b>	<b>1,140.43</b>	<b>778.86</b>

**Note 11A: Trade Receivables Ageing Schedule  
Trade Receivables Ageing Schedule as on 31 March 2024**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade receivables</b>						
- Considered Good	1,138.77	0.66	1.00	-	-	1,140.43
- Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

**Trade Receivables Ageing Schedule as on 31 March 2023**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade receivables</b>						
- Considered Good	777.57	1.28	-	-	-	778.86
- Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

**Note 12: Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with banks		
- In current accounts	102.66	228.35
- Deposits with original maturity of less than 3 months	4,994.25	2,677.25
Cash on hand	0.24	0.45
<b>Total</b>	<b>5,097.14</b>	<b>2,906.05</b>

**Note 13: Bank balances other than above**

Particulars	As at March 31, 2024	As at March 31, 2023
(i) In earmarked accounts		
- Unpaid dividend accounts	11.79	11.96
(ii) On deposit accounts		
- Remaining maturity for more than 12 months	65.50	81.25
- Remaining maturity for less than 12 months	8,306.75	9,035.00
<b>Total</b>	<b>8,384.04</b>	<b>9,128.21</b>

**Note 14: Other current financial assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	22.54	19.57
Additional Base Capital	1,534.06	1,455.00
Interest accrued but not due	308.76	163.00
Advance to suppliers	-	0.30
Advances to employees	13.23	12.45
Right to use	17.38	-
<b>Total</b>	<b>1,895.97</b>	<b>1,650.32</b>

**Note 15: Income Taxes [Net]**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax	370.11	284.15
Current tax liabilities	353.22	272.14
<b>Total</b>	<b>16.89</b>	<b>12.01</b>

**Note 16: Other current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	9.39	12.68
Balances with government authorities (other than income taxes)	-	0.69
Other current assets	2,183.87	47.68
<b>Total</b>	<b>2,193.26</b>	<b>61.04</b>

**Note 17: Share capital**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised:</b>				
Equity shares of Rs.10 each	12,000,000	1,200.00	12,000,000	1,200.00
<b>Issued, subscribed and fully paid:</b>				
Equity shares of Rs.10 each	10,250,000	1,025.00	8,400,000	840.00
<b>Total</b>	<b>10,250,000</b>	<b>1,025.00</b>	<b>8,400,000</b>	<b>840.00</b>

**(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:**

Particulars	Opening Balance	Issued during the year	Bought back during the year	Closing Balance
<b>Equity shares</b>				
<b>Period ended March 31, 2024</b>				
- Number of shares	8,400,000	1,850,000	-	10,250,000
- Amount	<b>84,000,000</b>	<b>18,500,000</b>	-	<b>102,500,000</b>
<b>Year ended March 31, 2023</b>				
- Number of shares	5,040,000	3,360,000	-	8,400,000
- Amount	<b>50,400,000</b>	<b>33,600,000</b>	-	<b>84,000,000</b>

**(b) Rights, preferences and restrictions attached to equity shares:**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. However, interim dividend can be declared by the Board of Directors subject to the provisions of the Companies Act 2013, relevant rules and regulations thereunder.

**(c) Issue of shares under right issue:**

The Company had, issued 33,60,000 equity shares of face value of ₹ 10/- each ('Rights Equity Shares') to the Eligible Equity Shareholders at an issue price of ₹ 22 per Rights Equity Share (including premium of ₹ 12 per Rights Equity Share). The rights were offered in ratio of 3:2.



**(d) Issue of shares under preferential allotment:**

The Company had, issued 9,25,000 convertible equity warrants of face value of ₹10/- each to Darshan P Desai HUF & Priyanka Darshan Desai amounting to a total allotment of 18,50,000 warrants at a price of ₹54/- (including premium of ₹44/- per convertible equity warrant)

**(e) Details of shares held by each shareholder holding more than 5% shares\***

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	Percentage of Holding	Number of Shares held	Percentage of Holding
<b>Equity shares of Rs.10/- each fully paid</b>				
Hari Narayan Rathi	2,924,955	28.54%	2,924,955	34.82%
Chetan Rathi	914,890	8.93%	914,890	10.89%
Chanda Devi Rathi	670,624	6.54%	670,624	10.89%
Priyanka Darshan Desai	925,000	9.02%	-	-
Darshan P Desai HUF	925,000	9.02%	-	-

\*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

**Note 18: Other equity**

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	14.90	14.90
Securities Premium	1,443.36	629.36
General Reserve	9.67	9.67
Retained Earnings	3,360.52	2,487.38
<b>Total</b>	<b>4,828.46</b>	<b>3,141.32</b>

For details of movement during the year refer '**Statement of Changes in Equity**'

Nature and purpose of other equity:

**(a) Capital Reserve**

This represents surplus amount on forfeiture of shares and premium on issue of shares

**(b) Securities Premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Act."

This represents appropriation of profit by the company.

**(d) Retained Earnings**

Retained earnings comprise of the company's accumulated undistributed earnings.

**Note 19: Non-current provisions [Refer Note 32]**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
- Gratuity	76.49	51.08
<b>Total</b>	<b>76.49</b>	<b>51.08</b>

**Note 20: Trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
Creditors - clients [Refer Note 37, 38 & 20A]	13,786.98	10,843.74
Sharing of brokerage payable	192.75	177.91
Outstanding liabilities	0.96	0.89
Other payables	40.38	46.03
<b>Total</b>	<b>14,021.07</b>	<b>11,068.58</b>

**Note 20A: Trade Payable Ageing Schedule**  
**Trade Payables Ageing Schedule as on 31 March 2024**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	13,778.53	8.45	-	-	<b>13,786.98</b>
<b>Disputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	-	-	-	-	-

**Trade Payables Ageing Schedule as on 31 March 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	10,843.74	-	-	-	<b>10,843.74</b>
<b>Disputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	-	-	-	-	-

**Note 21: Current financial liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities	17.89	-
<b>Total</b>	<b>17.89</b>	<b>-</b>

Note: The term loan is secured by way of hypothecation of property purchased.

**Note 22: Current provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits [Refer Note 32]		
- Gratuity	10.33	7.69
<b>Total</b>	<b>10.33</b>	<b>7.69</b>

**Note 23: Other current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend	11.79	11.96
Statutory remittances	28.10	41.58
Client margin deposits	8.07	29.54
Other deposits - Sub brokers	4.87	2.08
<b>Total</b>	<b>52.83</b>	<b>85.16</b>

**Note 24: Revenue from operations (Gross)**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Income from broking operations	3,745.92	3,199.04
Other operating revenue	936.07	831.76
<b>Total</b>	<b>4,681.99</b>	<b>4,030.80</b>

**Note 25: Other income**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Dividend income	1.52	0.51
Interest income on deposits	945.62	614.75
Interest on income tax refund	1.64	-
<b>Total</b>	<b>948.78</b>	<b>615.26</b>

**Note 26: Employee benefit expense**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Salaries, allowances and wages	713.73	597.89
Contribution to provident and other funds [Refer Note 32]	39.16	34.21
Staff welfare expenses	7.48	8.18
<b>Total</b>	<b>760.37</b>	<b>640.28</b>

**Note 27: Finance costs**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Interest expense on:		
- Secured loan	-	14.08
- Others	78.81	151.28
- Lease liability	1.01	0.00
- Delayed remittance of income tax	1.04	-
Other borrowing costs	23.50	21.82
<b>Total</b>	<b>104.36</b>	<b>187.18</b>

**Note 28: Depreciation and amortization expense**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Depreciation on Property, plant and Equipment [Refer Note: 3]	22.80	27.64
Amortisation of Intangible Assets [Refer Note: 4]	4.47	7.69
Depreciation on Right of Use Assets	12.30	0.35
<b>Total</b>	<b>39.57</b>	<b>35.67</b>

**Note 29: Other expenses**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>Operating expenses:</b>		
Transaction charges	536.86	503.60
Other operating expenses	89.49	106.90
<b>Others:</b>		
Power and fuel	17.29	17.74
Rent [Refer Note 35]	18.06	24.67
Repairs and maintenance	8.04	36.30
Insurance	4.01	4.52
Rates and taxes	54.88	50.52
Telephone	22.34	19.47
Travelling and conveyance	10.66	11.88
Printing and stationary	8.48	4.63
Business promotion	9.41	10.89
Loss on sale of PPE	4.30	-
Donations	25.87	6.48
Loss on sale of securities for trade	8.40	-
Fair value loss on remeasurement of securities for trade through FVTPL	23.29	-
Legal and professional	34.84	28.96
Auditor's remuneration:		
- Statutory audit	5.50	5.50
- Internal audit	2.00	2.00
- Tax audit	1.50	1.50
- Certification	3.00	3.00
General and other administration expenses	105.60	70.10
<b>Total</b>	<b>993.81</b>	<b>908.64</b>

**Note 30: Income tax expense**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>(a) Major components of income tax expense:</b>		
<b>(i) Current Income Tax</b>		
- Current income tax charge	353.22	272.14
- Adjustments in respect of current income tax of previous year	-	-
	<b>353.22</b>	272.14
<b>(ii) Deferred Tax</b>		
- Relating to origination/reversal of temporary differences	(6.17)	0.61
	(6.17)	0.61
<b>Income tax expense reported in the statement of profit or loss</b>	<b>347.05</b>	<b>272.75</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:</b>		
Profit/(Loss) before tax from continuing operations	1,361.71	1,044.68
Indian tax rate	25.17%	25.17%
<b>Tax at the Indian tax rate</b>	<b>342.71</b>	<b>262.92</b>
<b>Effect of:</b>		
Non-Deductible expenses for tax purposes	11.58	16.59
Donations	6.51	-
Deferred tax	(6.17)	0.61
Others	(7.59)	(7.38)
<b>Total Income Tax Expense</b>	<b>347.05</b>	<b>272.75</b>

**31. Contingent liabilities:**

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Guarantees	3,500.00	3,000.00

Bank Guarantees have been issued by ICICI Bank to NSE, MCX & NSE-F&O on pledge of Fixed Deposits of Rs. 1,750.00 lakhs.

**32. Employee Benefits**

The Company has a defined benefit gratuity plan. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet:

**Statement of Profit and Loss**
**Net employee benefit expenses recognized in the employee cost**

Particulars	March 31, 2024	March 31, 2023
Current service cost	8.80	7.39
Interest cost on benefit obligation	4.64	4.17
Expected return on plan assets	(3.36)	(2.53)
Net actuarial loss/(gain) recognized in the year	15.51	(7.09)
<b>Net benefit expense</b>	<b>25.58</b>	<b>1.94</b>

**Balance Sheet**
**Benefit liability**

Particulars	March 31, 2024	March 31, 2023
Present value of defined benefit obligation	86.81	58.77
Fair value of plan assets	(51.55)	(41.28)
<b>Plan liability</b>	<b>35.26</b>	<b>17.49</b>



**Changes in the present value of the defined benefit obligation are as follows:**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Opening defined benefit obligation	58.77	59.53
Current service cost	8.80	7.39
Interest cost	4.64	4.29
Benefits paid directly by the company	(0.89)	(3.36)
Benefits paid	-	(2.02)
Actuarial gain/(losses) on obligation	15.49	(7.06)
<b>Closing defined benefit obligation</b>	<b>86.81</b>	<b>58.77</b>

**Changes in the fair value of plan assets are as follows:**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Opening fair value of plan assets	41.28	33.66
Adjustment to opening balance	-	(0.09)
Expected return	3.36	2.53
Contributions by employer	7.81	7.04
Benefits paid	(0.89)	(5.38)
Actuarial (losses)/gains	(0.02)	3.52
<b>Closing fair value of plan assets</b>	<b>51.54</b>	<b>41.28</b>

**The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Discount rate (%)	7.23%	7.52%
Expected rate of return on assets (%)	7.23%	7.52%
Salary escalation (%)	4.00%	4.00%
Attrition rate (%)	5.00%	5.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

### 33. Segment information

The company is operating in financial service sector in India. Thus, there are no reportable segments as defined in Ind AS 108 “Operating Segments”. The company earns its entire “revenue from external customers” in India, being company’s country of domicile. All non-current assets other than financials instruments and deferred tax assets are located in India. There are no single major customers on whom the company’s revenue is dependent upon and revenue from none of the single customer is more than or equal to 10% of the company’s revenue.

### 34. Related Party Disclosures

#### a) Names of the related parties and nature of relationship (as per Ind AS 24):

Nature of Relationship	Name of Related Party
Subsidiaries:	B. N. Rathi Comtrade Private Limited B. N. Rathi Industries Private Limited*
Key Management Personnel (KMP):	Hari Narayan Rathi – Managing Director Chetan Rathi – Executive Director
Relatives of Key Management Personnel (KMP):	Chanda Devi Rathi - Wife of Mr. Hari Narayan Rathi Nisha Rathi – Wife of Ms. Chetan Rathi Anuradha Pasari – Daughter of Mr. Hari Narayan Rathi Govind Narayan Rathi – Brother of Mr. Hari Narayan Rathi

\*Ceased to be subsidiary w.e.f March 25, 2023.

**b) Transactions with related parties:**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>Rent Paid:</b>	9.00	8.25
- Chanda Devi Rathi	9.00	8.25
- Govind Narayan Rathi HUF		-
<b>Remuneration Paid:</b>	<b>129.00</b>	<b>117.00</b>
- Hari Narayan Rathi	69.00	63.00
- Chetan Rathi	60.00	54.00
<b>Dividend Paid:</b>	<b>73.20</b>	<b>48.80</b>
- Hari Narayan Rathi	43.87	29.25
- Chetan Rathi	13.72	9.15
- Chanda Devi Rathi	10.06	6.71
- Nisha Rathi	5.55	3.70
<b>Service Rendered – Brokerage Received:</b>	<b>0.42</b>	<b>0.16</b>
- Hari Narayan Rathi	0.00	0.00
- Chetan Rathi	0.04	0.02
- Chanda Devi Rathi	0.04	0.01
- Nisha Rathi	0.00	0.00
- Govind Narayan Rathi	0.29	0.02
- Hari Narayan Rathi HUF	0.01	0.00
- Anuradha Pasari	0.00	0.09
- Chetan Rathi HUF	0.03	0.01
<b>Loan taken:</b>	-	<b>590.00</b>
- Hari Narayan Rathi	-	-
- Chetan Rathi	-	590.00
<b>Loan repaid:</b>	-	<b>590.00</b>
- Hari Narayan Rathi	-	-
- Chetan Rathi	-	590.00
<b>Interest paid:</b>	-	<b>9.09</b>
- Hari Narayan Rathi	-	-
- Chetan Rathi	-	9.09
<b>Trade Payable:</b>	<b>72.79</b>	-
- B. N. Rathi Comtrade Private Limited	72.79	-

**c) Related party balances:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current investments:</b>	<b>100.00</b>	<b>100.00</b>
- B. N. Rathi Comtrade Private Limited	100.00	100.00
<b>Rent Deposit:</b>	<b>10.00</b>	<b>10.00</b>
- Chanda Devi Rathi	10.00	10.00
<b>Trade Payable:</b>	<b>72.79</b>	-
- B. N. Rathi Comtrade Private Limited	72.79	-

**35. Leases:**
**Operating Lease**
**Assets taken on cancellable operating lease**

The company is obligated under cancellable lease for office premises. Total lease rental expenses recognized in the statement of profit and loss for the year are as follows;

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating Lease – Cancellable	18.06	24.67
<b>Total</b>	<b>18.06</b>	<b>24.67</b>

**36. Earnings per Share (EPS):**
**i. Reconciliation of earnings used in calculating earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after taxation as per statement of profit and loss (for basic EPS)	1,014.66	746.93
<b>Less:</b> Effect of dilutive potential ordinary shares	-	-
<b>Net Profit for dilutive earnings per share</b>	<b>1,014.66</b>	<b>746.93</b>

**ii. Reconciliation of basic and diluted shares used in computing earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of weighted average equity shares considered for calculating of basic EPS	91,58,197	84,00,000
<b>Add:</b> Dilutive effect of potential ordinary shares	-	-
<b>Number of weighted average equity shares considered for calculating of diluted EPS</b>	<b>91,58,197</b>	<b>84,00,000</b>

**iii. Earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Basic (Rs.)	11.08	8.89
- Diluted (Rs.)	11.08	8.89

**37. Balance Confirmations**

Confirmations of receivables and payable balances have not been received by the Company; hence, reliance is placed on the balances as per books. In the opinion of the management, the amounts are realizable/payable in the ordinary course of business.

**38. Due to Micro and Small Enterprises**

The Company has no dues to Micro and Small Enterprises as at March 31, 2024 and March 31, 2023 in the financial statements based on information received and available with the company.

39. During FY 2012-13, company entered into an agreement for sale of land with Mrs. Hari Gayathri, wife of Mr. Venkata Appa Rao Yeleswarapu, client of the company. Mr. Venkata Appa is liable to pay Rs. 34.43 lakhs to the company as on January 31, 2013. In the process of recovery, the company entered into an agreement for sale of land on February 01, 2013 with his wife for a consideration of Rs. 14.74 lakhs. The consideration is to be treated as advance receivable by her from the company against the amount payable by her husband. The registration of land in favour of the company is pending. The company has decided to disclose the consideration under the head "Long term loans & advances" as 'Property pending for registration & possession.' The company has filed a suit for specific performance for the same. The status of the case is 'pending' and recovery of the same is doubtful.

**40. Fair Value Measurements**

## i. Fair value hierarchy

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

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**Financial assets and financial liabilities measured at fair value**

Particulars	March 31, 2024	March 31, 2023
Fair Value Hierarchy Level	1	1
<b><i>Financial Assets</i></b>		
Listed Equity Instruments	-	-
Fair Value Hierarchy Level	3	3
<b><i>Financial Assets</i></b>		
Other Financial Assets – Security Deposits (Rs. in lakhs)	22.54	19.57
<b><i>Financial Liabilities</i></b>		
Borrowings (Rs. in lakhs)	-	-

**ii. Financial Instruments by category**

For amortized cost instruments, carrying value represents the best estimate of fair value

Particulars	Mar-24			Mar-23		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Equity investments	-	-	-	-	-	-
Other investments	-	-	107.00	-	-	107.00
Securities for trade	614.49	-	-	-	-	-
Trade Receivables	-	-	1,140.43	-	-	778.86
Loans	-	-	164.50	-	-	164.50
Cash & Cash Equivalents	-	-	5,097.14	-	-	2,906.05
Other bank balances	-	-	8,384.04	-	-	9,128.21
Others	-	22.54	1,873.43	-	19.57	1,630.74
<b>Total</b>	<b>614.49</b>	<b>22.54</b>	<b>16,766.54</b>	<b>-</b>	<b>19.57</b>	<b>14,715.36</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	14,021.07	-	-	11,068.58
<b>Total</b>	<b>-</b>	<b>-</b>	<b>14,021.07</b>	<b>-</b>	<b>-</b>	<b>11,068.58</b>

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments and investment in its subsidiaries.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's board of directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The carrying amounts reported in the statement of financial position for cash and cash equivalents, trade and other receivables, trade and other payables and other liabilities approximate their respective fair values due to their short maturity.

**41. Financial Instruments Risk Management**
**i. Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**a. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has exposure only to financial instruments at fixed interest rates. Hence, the company is not exposed to significant interest rate risk.

**b. Price Risk**

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. The majority of the company's equity instruments are publicly traded.

**ii. Credit Risk**

Credit risk is the risk that a counter party fails to discharge an obligation to the Company, leading to a financial loss. The Company is mainly exposed to the risk of its balances with the bankers and trade and other receivables. Ageing of receivables is as follows:

Particulars	March 31, 2024	March 31, 2023
Past due not impaired:	-	-
0-30 Days	798.46	708.86
31-90 Days	317.28	68.20
91-180 Days	23.03	1.80
Greater than 180 Days	1.65	-
<b>Total</b>	<b>1140.42</b>	<b>778.86</b>

**iii. Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. The Company's principal sources of liquidity are the cash flows generated from operations. The Company has no long-term borrowings and believes that the working capital is sufficient for its current requirements. Accordingly, no liquidity risk is perceived.

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.



Particulars	Upto 1 year	From 1-3 years	More than 3 years	Total
<b>March 31, 2024</b>				
Borrowings	-	-	-	-
Trade Payables	14,012.62	8.45	-	<b>14,021.07</b>
<b>Total</b>	<b>14,012.62</b>	8.45	-	<b>14,021.07</b>
<b>March 31, 2023</b>				
Borrowings	-	-	-	-
Trade Payables	11,068.58	-	-	<b>11,068.58</b>
<b>Total</b>	<b>11,068.58</b>	-	-	<b>11,068.58</b>

#### 42. Capital Risk Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares. Total capital is the equity as shown in the statement of financial position. Currently, the Company primarily monitors its capital structure on the basis of gearing ratio. Management is continuously evolving strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Company.

The capital for the reporting year under review is summarized as follows:

Particulars	31-Mar-24	31-Mar-23
Non-Current borrowings	-	-
Current borrowings	-	-
<b>Total Debt</b>	-	-
As a percentage of total capital	0.00%	0.00%
<b>Equity</b>	<b>5,853.46</b>	<b>3981.32</b>
As a percentage of total capital	100.00%	100.00%
<b>Total Capital [Debt and Equity]</b>	<b>5,853.46</b>	<b>3981.32</b>

**43. Event occurred after the Balance Sheet Date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of May 14, 2024, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

**44. Corporate social responsibility policy**

As the net profit of the Company in the preceding FY 2022-23 is Rs. 746.93 lakhs which exceeds the threshold limit of Rs. 500 lakhs, section 135 of Companies Act, 2013 relating to Corporate Social Responsibility is applicable. During the year gross amount required to be spent by the company on CSR expenditure is Rs. 14.55 lakhs. Accordingly, an amount of Rs. 14.55 lakhs was spent on CSR activities during the current F.Y 2023-24.

Particulars	Construction/ acquisition of any asset	Other
In cash	-	14.55
(previous year)	-	-
Yet to be paid in cash	-	-
(previous year)	-	-
Total	-	14.55
(previous year)	-	-

**45. Key Financial Ratio (as applicable)**

Particulars	Formulae	As at March 31, 2024	As at March 31, 2023	% Change	Reason for Variance
(i) Current Ratio	Current assets / current liabilities	1.37	1.30	5.30%	-
(ii) Debt Equity Ratio	Total Debt / Share holder's Equity	2.42	2.82	(13.99%)	-
(iii) Interest Coverage Ratio	EBIT / Interest Expense	17.84	7.32	143.80%	Improved due to debt reduction and significant decrease in interest expense
(iv) Return on equity(%)	Net profit after tax/Share holder's Equity	17.33%	18.76%	(7.60%)	-
(v) Debtors Turnover Ratio	Credit Sales / Average Account Receivables	4.88	4.39	11.01%	-
(vi) Net Working Capital turnover ratio	Credit Sales / Working Capital	0.89	1.19	(25.13%)	Declined due to increase in current assets
(vii) Net Profit Ratio(%)	Net profit after tax/ Total Sales	21.67%	18.53%	16.95%	-
(viii) Return on Capital employed(%)	Operating Profit / Capital Employed [OP=EBIT]	24.64%	30.39%	(18.91%)	-

**46. Other Statutory Compliances**

- a) The company does not have any benami property, where any proceeding has been initiated, or pending against the company for holding any benami property.
- b) The company does not have any transactions with companies struck off.
- c) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The company has not traded or invested in crypto currency or virtual currency during the financial year.
- e) The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g) The company does not have any such transaction which is not recorded in the books of account 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).

**47. Previous year's figures have been regrouped/reclassified/recasted wherever necessary to confirm to the current year's presentation.**

As per our report on even date  
For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number: 003714S

Sd/-  
T. Bharadwaj  
Partner  
Membership No.: 201042

Place: Hyderabad  
Date: 14.05.2024

For and on behalf of the Board of Directors of  
B. N. RATHI SECURITIES LIMITED

Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899

Sd/-  
Chetan Rathi  
Executive Director-cum-CFO  
DIN: 00536441

Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968

Sd/-  
Sabitha Reddy  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**

TO THE MEMBERS OF B. N. RATHI SECURITIES LIMITED

Report on the Consolidated Ind AS Financial Statements

**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of B.N.Rathi Securities Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act 2013, as amended ("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 their consolidated state of affairs of the Company as at March 31, 2024, of consolidated profit/loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matters**

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

**Other Information**

The Parent 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 such 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, 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.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements.**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

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

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

### **Auditor's Responsibility for the Audit of 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:

- a) 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.
- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.
- e) 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.
- f) 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.

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.

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

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

1. As required by 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 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 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.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
  - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued there under;
  - e) On the basis of the written representations received from the directors of the Holding Company and subsidiary companies as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2024 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2", which is based on the auditors' reports of the Holding company and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary company's internal financial controls over financial reporting.





- g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Parent Company and its subsidiary company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V of the Act are not applicable to the other two subsidiaries incorporated in India for the year ended March 31, 2024;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. the Group does not have any pending litigations which would impact its financial position other than those disclosed.
- b. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
- c. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Group.
- d. (i) The respective managements of the Parent Company and its subsidiary which are companies incorporated in India, have represented to us that, to the best of its knowledge and belief, 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 Parent Company or its subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries 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 Parent Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The respective managements of the Parent Company and its subsidiary, which are companies incorporated in India, have represented to us 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 Parent Company or its subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or its subsidiary shall, whether, directly or indirectly, lend or invest in other person or entity 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
- (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- e. The final dividend paid by the Parent Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Parent Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

The Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

**For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S**

**Sd/-  
T. Bharadwaj  
Partner  
Membership No.:201042  
UDIN: 24201042BKJQYC3994**

**Place: Hyderabad  
Date: 14.05.2024**

**Annexure “1” to the Independent Auditors’ Report**

Re: B. N. Rathi Securities Limited (‘the Parent Company’)

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:

3(xxi) There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the Company and its subsidiary company included in the Consolidated Financial Statements.

**For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S**

**Sd/-  
T. Bharadwaj  
Partner  
Membership No.:201042  
UDIN: 24201042BKJQYC3994**

**Place: Hyderabad  
Date: 14.05.2024**

**ANNEXURE “2” TO THE INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

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

We have audited the internal financial controls with reference to Consolidated Financial Statements of the Parent Company and its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”), which are companies incorporated in India, as of March 31, 2024, in conjunction with our audit of the Consolidated Financial Statements of the parent company for the year ended on that date.

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

The respective Board of Directors of the Holding company and its subsidiary companies 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. 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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

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

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

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

### **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 and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company 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 March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies, as adopted by each 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 Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S**

**Sd/-  
T. Bharadwaj  
Partner  
Membership No.:201042  
UDIN: 24201042BKJQYC3994**

**Place: Hyderabad  
Date: 14.05.2024**

**1. Group Information:**

The consolidated financial statements of B.N. Rathi Securities Limited (“the Company”) together with its subsidiary (collectively referred as the ‘Group’ or the ‘consolidating entities’) are prepared with generally accepted accounting principles in India under the historical cost convention and on an accrual basis of accounting.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2. Significant Accounting Policies:**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Basis of preparation:**

These consolidated financial statements are prepared in accordance with Ind AS under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value, the provisions of the Companies Act, 2013 (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.

Accounting policies have been consistently applied except where the change is required by an Ind AS or change results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or condition on the entity’s financial position, performance or cash flow.

Investments in subsidiary, except where the investments are acquired exclusively with a view to its subsequent disposal in the near future, are accounted in accordance with accounting principles as defined in the Indian Accounting Standard (Ind AS) 110 ‘Consolidated Financial Statements’, as prescribed under the Rules.

The financial statements of the consolidating entities are added on a line-by-line basis and material inter-company balances and transactions including unrealized gain and loss from such transactions are eliminated upon consolidation. The following subsidiary has been considered for the purpose preparation of consolidated financial statements.

Name of the consolidating entities	Country of Incorporation	Percentage Holding/Interest (%)	
		As at March 31, 2024	As at March 31, 2023
B. N. Rathi Comtrade Private Limited	India	100.00	100.00

**b) Use of estimates and judgements:**

The preparation of the consolidated financial statements in conformity with Ind AS required management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Difference between the actual results and estimates are recognized in the year in which results are known/materialized.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**c) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment net of taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Trading income is recognized when a legally binding contract is executed.

Brokerage income and transaction charges are recognized on the trade date of the transaction upon confirmation of the transaction by the exchanges.

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses.

Depository transaction charges are recognized on completion of respective transaction. Annual maintenance charges for depository accounts are accounted as and when the services are rendered.

Income from portfolio management fees are recognized on the basis of agreements entered into with the clients and when the right to receive income is established.

Dividends are recognized in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group and the amount of the dividend can be measured reliably.

**d) Fair value measurement:**

The group measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial asset and liabilities.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The group uses valuation techniques, which are appropriate in circumstances and for which sufficient data is available considering the expected loss/ profit in case of financial assets or liabilities.

**e) Property, plant and equipment:**

**i. Recognition and initial measurement:**

Property, plant and equipment are stated in the balance sheet at their carrying value being the cost of acquisition less accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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

**ii. Depreciation, estimated useful lives and residual value:**

Depreciation on property, plant and equipment is provided on written down value method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**iii. De-recognition:**

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

**iv. Transition to Ind AS:**

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2016 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

**f) Intangible Assets:**

**i. Recognition and initial measurement:**

Intangible assets (software) are stated in the balance sheet at their carrying value being the cost of acquisition less accumulated depreciation. The cost comprises purchase price,





borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

**ii. Amortization and estimated useful lives:**

Amortization on intangible assets is provided on written down value method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

**iii. Transition to Ind AS:**

On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets recognized as at April 01, 2016 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of intangible assets.

**g) Impairment of assets:**

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

**h) Leases:**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing their right to use the underlying assets.

**(i) Right-of-Use Assets**

The Company recognises right-of-use assets ("ROU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted



for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Section (g) Impairment of non-financial assets.

**(ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities have been presented under the head "Other Financial Liabilities". Lease liabilities have been presented under the head "Other Financial Liabilities".

**(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**i) Financial Instruments:****a. Financial Assets****Initial recognition and measurement**

The Group recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition of financial

assets that are not at fair value through profit or loss, are added to the fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the statement of profit and loss. Regular way purchase and sale of financial assets are accounted for at trade date.

### **Subsequent measurement**

- a. Debt instruments at amortized cost – A ‘debt instrument’ is measured at the amortized cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

- b. Equity investments – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.
- c. Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

#### **De-recognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of a similar financial asset) is primarily de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset.

### **b. Financial Liabilities**

#### **Initial recognition and measurement**

The Group recognizes financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, that are not at fair value through profit or loss, are reduced from the fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities at fair value through profit and loss are expensed in the statement of profit and loss.

**Subsequent measurement**

These liabilities include borrowings and deposits. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**De-recognition of financial liabilities**

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

**c. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**j) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying asset are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**k) Employee Benefits:****a. Short-term benefit plans**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized and measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**b. Defined contribution plans**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions, if any, are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**c. Defined benefit plans**

The group's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method [PUCM], which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximately to the terms of related obligations. Actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

The group has subscribed to a group gratuity scheme of Life Insurance Corporation [LIC]. Under the said policy, the eligible employees are entitled for gratuity upon their resignation, retirement or in the event of death in lumpsum after deduction of necessary taxes upto a maximum limit of liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Group makes contributions to the Gratuity Fund.

**l) Income Taxes:**

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Un-recognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits

will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

**m) Provisions, contingent liabilities and contingent assets:**

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

Contingent liability is disclosed for:

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

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

**n) Cash and cash equivalents:**

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

**o) Cash flow statement:**

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

**p) Earnings per share:**

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

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

**Consolidated Balance Sheet as at March 31, 2024**  
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	337.87	324.38
(b) Intangible assets	4	14.11	4.92
(c) Financial assets			
- Investments	5	45.04	45.26
- Loans & Deposits	6	174.50	306.50
(d) Deferred tax assets (Net)	7	39.78	33.78
(e) Other non-current assets	8	29.23	26.20
<b>Total non-current assets [A]</b>		<b>640.54</b>	<b>741.04</b>
<b>2 Current assets</b>			
(a) Financial assets			
- Investments	9	7.00	7.00
- Loans & Deposits	10	5.00	5.00
- Securities for trade	11	1,011.89	306.30
- Trade receivables	12	1,213.21	778.86
- Cash and cash equivalents	13	5,101.63	2,912.80
- Bank balances other than above	14	8,384.04	9,128.21
- Other current financial assets	15	1,895.97	1,650.32
(b) Income taxes	16	23.42	12.01
(c) Other current assets	17	2,195.17	62.39
<b>Total current assets [B]</b>		<b>19,837.34</b>	<b>14,862.89</b>
<b>TOTAL ASSETS [A+B]</b>		<b>20,477.88</b>	<b>15,603.93</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	18	1,025.00	840.00
(b) Other Equity	19	5,274.16	3,548.26
<b>Total equity [A]</b>		<b>6,299.16</b>	<b>4,388.26</b>
<b>2 Non-current liabilities</b>			
(a) Provisions	20	76.49	51.08
<b>Total non-current liabilities [B]</b>		<b>76.49</b>	<b>51.08</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
- Trade payables	21	14,021.07	11,068.58
- Other current financial liabilities	22	17.89	-
(b) Provisions	23	10.33	7.69
(c) Income taxes	24	-	3.05
(d) Other current liabilities	25	52.95	85.27
<b>Total current liabilities [C]</b>		<b>14,102.23</b>	<b>11,164.60</b>
<b>TOTAL EQUITY AND LIABILITIES [A+B+C]</b>		<b>20,477.88</b>	<b>15,603.93</b>
Corporate information	1		
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Accompanying notes forming an integral part of the financial statements	3 to 48		

As per our report on even date  
For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number: 003714S

Sd/-  
T. Bharadwaj  
Partner  
Membership No.: 201042

Place: Hyderabad  
Date: 14.05.2024

For and on behalf of the Board of Directors of  
B. N. RATHI SECURITIES LIMITED

Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899

Sd/-  
Chetan Rathi  
Executive Director-cum-CFO  
DIN: 00536441

Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968

Sd/-  
Sabitha Reddy  
Company Secretary

**Consolidated Statement of Profit and Loss for the year ended March 31, 2024**  
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I INCOME</b>			
Revenue from Operations (Gross)	26	4,780.63	4,052.74
Other Income	27	966.08	637.18
<b>TOTAL INCOME [I]</b>		<b>5,746.70</b>	<b>4,689.92</b>
<b>II EXPENSES</b>			
Employee benefit expenses	28	780.62	649.91
Finance costs	29	104.70	187.19
Depreciation and amortization expense	3	39.75	36.34
Other expenses	30	1,035.59	923.78
Share of brokerage		2,370.96	1,829.61
<b>TOTAL EXPENSES [II]</b>		<b>4,331.62</b>	<b>3,626.83</b>
<b>III Profit before exceptional items &amp; tax[I-II]</b>		<b>1,415.08</b>	<b>1,063.09</b>
<b>IV Exceptional item</b>		-	25.00
<b>V Profit before tax[III-IV]</b>		<b>1,415.08</b>	<b>1,038.09</b>
<b>VI Tax Expense:</b>			
- Current tax	31	367.66	279.37
- Adjustment of current tax relating to earlier years		-	(0.00)
- Deferred tax credit		(6.00)	0.79
<b>VII Profit for the year</b>		<b>1,053.42</b>	<b>757.93</b>
<b>VIII Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(15.51)	7.09
- Remeasurements of financial assets		(0.01)	0.00
<b>Other comprehensive income for the year, net of tax</b>		<b>1,037.90</b>	<b>765.02</b>
<b>IX Earnings per equity share Rs. 10/- each fully paid</b>			
- Basic	37	11.50	7.39
- Diluted		11.50	7.39
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	3 to 48		

As per our report on even date  
For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number: 003714S

Sd/-  
T. Bharadwaj  
Partner  
Membership No.: 201042

Place: Hyderabad  
Date: 14.05.2024

For and on behalf of the Board of Directors of  
B. N. RATHI SECURITIES LIMITED

Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899

Sd/-  
Chetan Rathi  
Executive Director-cum-CFO  
DIN: 00536441

Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968

Sd/-  
Sabitha Reddy  
Company Secretary



**Consolidated Cash Flow Statement for the year ended March 31, 2024**  
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit/(Loss) for the period</b>		<b>1,415.08</b>	<b>1,038.09</b>
<b>Adjustment to reconcile profit before tax to net cash flows:</b>			
Depreciation and amortisation		27.45	36.34
Depreciation on account of ROU			
Interest expense other than lease liability		78.81	165.35
Interest expense on account of lease liability		1.01	0.00
Remeasurement of lease		-	(0.40)
Remeasurement of post employee benefits		(15.51)	7.09
Recognition of borrowings using effective interest rate		(0.01)	0.00
Fair Value loss on Remeasurement of Investments through FVTPL		34.72	10.09
Loss on sale of PPE		4.62	-
Dividend income		(10.92)	(0.74)
Interest income		(947.26)	(636.40)
<b>Cash generated before working capital changes</b>		<b>587.99</b>	<b>619.44</b>
<b>Movements in working capital:</b>			
Increase/(Decrease) in trade payables		2,952.49	312.54
Increase/(Decrease) in other current liabilities		(32.33)	7.54
Increase/(Decrease) in long term provisions		25.41	(1.30)
Increase/(Decrease) in short term provisions		2.63	0.55
(Increase)/Decrease in trade receivables		(434.35)	276.55
(Increase)/Decrease in non-current loans		132.00	(70.61)
(Increase)/Decrease in current loans		-	50.00
(Increase)/Decrease in other non-current assets		(3.03)	(0.99)
(Increase)/Decrease in other current financial assets		(245.66)	(1,486.83)
Increase/(Decrease) in other current financial liabilities		16.89	-
(Increase)/Decrease in other current assets		(2,132.78)	35.22
<b>Cash generated from operations</b>		<b>869.24</b>	<b>(257.88)</b>
Income taxes paid		(382.12)	(256.31)
<b>Net cash flow (used in)/from operating activities (A)</b>		<b>487.12</b>	<b>(514.19)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment, including intangible assets		(54.75)	(19.06)
Net (Purchase)/Sale of current investments		(740.30)	(142.45)
(Investment)/redemption in debentures		0.22	(5.01)
Dividend received		10.92	0.74
Interest received		947.26	636.40
<b>Net cash flow (used in)/from investing activities (B)</b>		<b>163.35</b>	<b>470.62</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment of)/Proceeds from issue of shares [including premium]		999.00	-
(Repayment of)/Proceeds from long term borrowings		-	(168.59)
(Investment)/Redemption of bank deposits		744.17	659.93
Dividends paid on equity shares and tax on equity dividend paid		(126.00)	(84.00)
Interest paid		(78.81)	(165.35)
<b>Net cash flow (used in)/from financing activities (C)</b>		<b>1,538.36</b>	<b>241.99</b>
<b>D. Net increase/(decrease) in cash and cash equivalents [A+B+C]</b>		<b>2,188.83</b>	<b>198.42</b>
<b>E. Cash and cash equivalents</b>			
at the beginning of the year	13	2,912.80	2,714.39
at the end of the year		<b>5,101.63</b>	<b>2,912.80</b>
<b>Components of cash and cash equivalents</b>			
Balance with banks			
- In current accounts		106.95	235.03
- Deposits with original maturity of less than 3 months		4,994.25	2,677.25
Cash on hand		0.43	0.53
<b>Cash and cash equivalents at end of the year from continued operations</b>		<b>5,101.63</b>	<b>2,912.80</b>
Cash and cash equivalents pertaining to subsidiary/sold		-	-
<b>Cash and cash equivalents at the end of the year</b>		<b>5,101.63</b>	<b>2,912.80</b>
Corporate information	1		
Summary of significant accounting policies	2		
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As per our report on even date  
For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number: 003714S

Sd/-  
T. Bharadwaj  
Partner  
Membership No.: 201042

Place: Hyderabad  
Date: 14.05.2024

For and on behalf of the Board of Directors of  
B. N. RATHI SECURITIES LIMITED

Sd/-  
Laxminiwas Sharma  
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DIN: 00010899

Sd/-  
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Executive Director-cum-CFO  
DIN: 00536441

Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968

Sd/-  
Sabitha Reddy  
Company Secretary

**Consolidated Statement of Changes in Equity for the year ended March 31, 2024**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

**A. Equity share capital**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid up</b>		
Balance at the beginning of the reporting year	840	840
Changes in equity share capital during the year	185	-
<b>Balance at the end of the reporting year</b>	<b>1,025</b>	<b>840</b>

**B. Other equity**

Particulars	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total other equity
Movement in other equity is as follows:					
<b>As at April 01, 2021</b>	14.90	226.16	11.47	1,726.07	1,978.60
Profit for the year	-	-	-	500.71	500.71
Premium on account of shares issued under right issue	-	403.20	-	-	403.20
Equity dividend	-	-	-	(60.48)	(60.48)
Other comprehensive income for the year	-	-	-	4.09	4.09
<b>As at March 31, 2022</b>	<b>14.90</b>	<b>629.36</b>	<b>11.47</b>	<b>2,170.38</b>	<b>2,826.12</b>
Profit for the year	-	-	-	757.93	757.93
Adjustment for derecognition of reserves due to loss of control on disposal of subsidiary	-	-	-	41.12	41.12
Equity dividend	-	-	-	(84.00)	(84.00)
Other comprehensive income for the year	-	-	-	7.09	7.09
<b>As at March 31, 2023</b>	<b>14.90</b>	<b>629.36</b>	<b>11.47</b>	<b>2,892.53</b>	<b>3,548.26</b>
Profit for the year	-	-	-	1,053.42	1,053.42
Equity dividend	-	-	-	(126.00)	(126.00)
Other comprehensive income for the year	-	-	-	(15.52)	(15.52)
Premium on account of shares issued under preferential allotment	-	814.00	-	-	814.00
<b>As at March 31, 2024</b>	<b>14.90</b>	<b>1,443.36</b>	<b>11.47</b>	<b>3,804.42</b>	<b>5,274.16</b>

**Note 3: Property, plant and equipment**

Particulars	As at March 31, 2024	As at March 31, 2023
Building	276.28	276.28
Furniture and Fittings	1.82	2.68
Motor Vehicles	34.31	19.13
Computers and Data Processing Units	8.70	11.97
Office Equipment	16.76	14.32
<b>Total</b>	<b>337.87</b>	<b>324.38</b>

**For the year 2023-24**

Description of Assets	Buildings	Furniture and Fittings	Motor Vehicles	Computers and Data Processing Units	Office Equipment	Total
<b>I. Gross Block</b>						
<b>As at April 01, 2023</b>	276.28	33.57	94.12	67.70	55.77	<b>527.45</b>
Additions	-	-	25.02	6.92	10.63	<b>42.57</b>
Disposals	-	21.99	67.56	28.43	13.66	<b>131.64</b>
<b>Balance as at March 31, 2024</b>	276.28	11.58	51.58	46.19	52.74	<b>438.38</b>
<b>II. Accumulated Amortization</b>						
Upto April 01, 2023	-	30.89	74.99	55.73	41.45	<b>203.07</b>
Depreciation expense for the year	-	0.64	5.74	9.00	7.60	<b>22.98</b>
Eliminated on disposal of assets	-	21.77	63.46	27.24	13.06	<b>125.54</b>
<b>Upto March 31, 2024</b>	-	9.76	17.27	37.49	35.99	<b>100.51</b>
<b>III. Net Carrying Amount [I-II]</b>						
<b>As at March 31, 2024</b>	276.28	1.82	34.31	8.70	16.76	<b>337.87</b>
<b>As at March 31, 2023</b>	276.28	2.68	19.13	11.97	14.32	<b>324.38</b>

**For the year 2022-23**

Description of Assets	Buildings	Furniture and Fittings	Motor Vehicles	Computers and Data Processing Units	Office Equipment	Total
<b>I. Gross Block</b>						
Opening Balance	276.28	33.57	92.81	55.09	50.63	<b>508.39</b>
Additions	-	-	1.31	12.61	5.14	<b>19.06</b>
Disposals	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>276.28</b>	<b>33.57</b>	<b>94.12</b>	<b>67.70</b>	<b>55.77</b>	<b>527.45</b>
<b>II. Accumulated Depreciation</b>						
Opening Balance	-	30.03	67.58	44.79	32.36	<b>174.76</b>
Depreciation expense for the year	-	0.86	7.41	10.94	9.10	<b>28.31</b>
Eliminated on disposal of assets	-	-	-	-	-	-
Upto March 31, 2023	-	30.89	74.99	55.73	41.45	<b>203.07</b>
<b>III. Net Carrying Amount [I-II]</b>						
<b>As at March 31, 2023</b>	<b>276.28</b>	<b>2.68</b>	<b>19.13</b>	<b>11.97</b>	<b>14.32</b>	<b>324.38</b>
<b>As at March 31, 2022</b>	<b>276.28</b>	<b>3.54</b>	<b>25.23</b>	<b>10.30</b>	<b>18.28</b>	<b>333.63</b>

**Note 4: Intangible Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Computer Software	14.11	4.92
<b>Total</b>	<b>14.11</b>	<b>4.92</b>

**For the year 2023-24**

Description of the assets	Computer Software
<b>I. Gross Block</b>	
<b>As at April 01, 2023</b>	33.91
Additions	14.48
Disposals	16.43
<b>Balance as at March 31, 2024</b>	<b>31.96</b>
<b>II. Accumulated Amortization</b>	
<b>Upto April 01, 2023</b>	28.99
Amortization expense for the year	4.47
Eliminated on disposal of assets	15.61
<b>Upto March 31, 2024</b>	<b>17.84</b>
<b>III. Net Carrying Amount [I-II]</b>	
<b>As at March 31, 2024</b>	<b>14.11</b>
<b>As at March 31, 2023</b>	<b>4.92</b>

**For the year 2022-23**

Description of the assets	Computer Software
<b>I. Gross Block</b>	
Opening Balance	33.91
Additions	-
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>33.91</b>
<b>II. Accumulated Amortization</b>	
Opening Balance	21.30
Amortization expense for the year	7.69
Eliminated on disposal of assets	-
<b>Upto March 31, 2023</b>	<b>28.99</b>
<b>III. Net Block [I-II]</b>	
<b>Carrying value as at March 31, 2023</b>	<b>4.92</b>
<b>Carrying value as at March 31, 2022</b>	<b>12.61</b>

**Note 5: Non-current investments**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Unquoted Investments</b>		
Propspace Square Private Limited [4 (31.03.2023: 4) debentures of par value Rs. 5,00,000 each]	20.00	20.00
Joule Consulting Private Limited - Callify [179 (31.03.2023: 179) 0.001% compulsory convertible preference shares of face value Rs. 10 each and issued at a premium of Rs. 2,788.5 each]	5.00	5.00
OWO Technologies Private Limited [2258 (31.03.2023: 2258) 0.001% compulsory convertible preference shares of face value Rs. 10 each and issued at a premium of Rs. 211.48 each]	5.00	5.00
Actionable Science Labs Private Limited [Nil (31.03.2023: 525) debentures of par value Rs. 1,000 each]	-	5.25
Bintix Waste Research Private Limited [347 (31.03.2023: 347) 0.01% compulsory convertible preference shares of face value of Rs. 10 each and issued at a premium of Rs. 1,430.92 each]"	5.00	5.00
Immersivevision Technology Private Limited [256 (31.03.2023: 167) equity shares of face value of Rs. 1 each and 89 shares issued at a premium of Rs. 5649, 167 shares issued at a premium of Rs. 2999 each]	10.04	5.01
<b>Total</b>	<b>45.04</b>	<b>45.26</b>

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	45.04	45.26
Aggregate amount of impairment in the value of investments	-	-
Aggregate amount of fair value changes in the value of investments	-	-
Investments carried at cost	45.04	45.26
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 6: Non-Current Loans & Deposits**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advance to related parties	-	132.00
Security Deposits		
- Security Deposits with Stock Exchanges/Clearing Houses	174.50	174.50
<b>Total</b>	<b>174.50</b>	<b>306.50</b>

**Note 7: Deferred Tax Asset (net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax assets</b>		
Depreciation	17.93	18.99
Employee benefits	21.85	14.79
<b>Total</b>	<b>39.78</b>	<b>33.78</b>

**Note 8: Other non-current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	14.75	14.75
Prepaid expenses	14.48	11.45
<b>Total</b>	<b>29.23</b>	<b>26.20</b>

**Note 9: Current Investments**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Unquoted Investments</b>		
<b>(a) Other Investments:</b>		
Mahesh Vidya Bhavan Limited [20,000 (31.03.2023: 20,000) equity shares of face value Rs. 10 each]"	2.00	2.00
Sevenhills Co-op Bank Limited [5,000 (31.03.2023: 5,000) equity shares of face value Rs. 10 each]"	5.00	5.00
<b>Total</b>	<b>7.00</b>	<b>7.00</b>

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	7.00	7.00
Aggregate amount of impairment in the value of investments	-	-
Investments carried at cost	7.00	7.00
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 10: Current Loans & Deposits**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security Deposits	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>



**Note 11: Securities for Trade**

Particulars	As at March 31, 2024	As at March 31, 2023
Quoted investments in shares and securities [valued at fair value through profit and loss account]		
Securities held for trade	1,011.89	306.30
<b>Total</b>	<b>1,011.89</b>	<b>306.30</b>

**Note 12: Trade Receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good[Refer Note 12A,38 & 42(ii)]	1,213.21	778.86
<b>Total</b>	<b>1,213.21</b>	<b>778.86</b>

**Note 12A: Trade Receivables Ageing Schedule**  
**Trade Receivables Ageing Schedule as on 31 March 2024**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade receivables</b>						
- Considered Good	1,211.56	0.66	1.00	-	-	1,213.21
- Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

**Trade Receivables Ageing Schedule as on 31 March 2023**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade receivables</b>						
- Considered Good	777.57	1.28	-	-	-	778.86
- Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

**Note 13: Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with banks		
- In current accounts	106.95	235.03
- Deposits with original maturity of less than 3 months	4,994.25	2,677.25
Cash on hand	0.43	0.53
<b>Total</b>	<b>5,101.63</b>	<b>2,912.80</b>

**Note 14: Bank balances other than above**

Particulars	As at March 31, 2024	As at March 31, 2023
(i) In earmarked accounts		
- Unpaid dividend accounts	11.79	11.96
(ii) On deposit accounts	-	
- Remaining maturity for more than 12 months	65.50	81.25
- Remaining maturity for less than 12 months	8,306.75	9,035.00
<b>Total</b>	<b>8,384.04</b>	<b>9,128.21</b>

**Note 15: Other current financial assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	22.54	19.57
Additional Base Capital	1,534.06	1,455.00
Interest accrued but not due	308.76	163.00
Advance to suppliers	-	0.30
Advances to employees	13.23	12.45
Right to use asset	17.38	-
<b>Total</b>	<b>1,895.97</b>	<b>1,650.32</b>

**Note 16: Current tax asset [Net of provision]**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax	376.64	284.15
Less Current Tax Liabilities	353.22	272.14
<b>Total</b>	<b>23.42</b>	<b>12.01</b>

**Note 17: Other current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	9.39	12.68
Balances with government authorities (other than income taxes)	1.50	1.62
Interest accrued on deposits with banks and others	0.41	0.41
Other current assets	2,183.87	47.68
<b>Total</b>	<b>2,195.17</b>	<b>62.39</b>

**Note 18: Share Capital**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised:</b>				
Equity shares of Rs.10 each	12,000,000	1,200.00	12,000,000	1,200.00
<b>Issued, subscribed and fully paid:</b>				
Equity shares of Rs.10 each	10,250,000	1,025.00	8,400,000	840.00
<b>Total</b>	<b>10,250,000</b>	<b>1,025.00</b>	<b>8,400,000</b>	<b>840.00</b>

**(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:**

Particulars	Opening Balance	Issued during the year	Bought back during the year	Closing Balance
Equity shares				
Year ended March 31, 2024				
- Number of shares	8,400,000	1,850,000	-	10,250,000
<b>- Amount</b>	<b>840.00</b>	<b>185.00</b>	-	<b>1,025.00</b>
Year ended March 31, 2023				
- Number of shares	5,040,000	3,360,000	-	8,400,000
<b>- Amount</b>	<b>504.00</b>	<b>336.00</b>	-	<b>840.00</b>

**(b) Rights, preferences and restrictions attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. However, interim dividend can be declared by the Board of Directors subject to the provisions of the Companies Act 2013, relevant rules and regulations thereunder.

**(c) Details of shares held by each shareholder holding more than 5% shares\***

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	Percentage of Holding	Number of Shares held	Percentage of Holding
Equity shares of Rs.10/- each fully paid				
Hari Narayan Rathi	2,924,955	28.54%	2,924,955	34.82%
Chetan Rathi	914,890	8.93%	914,890	10.89%
Chanda Devi Rathi	670,624	6.54%	670,624	7.98%
Priyanka Darshan Desai	925,000	9.02%	-	-
Darshan P Desai HUF	925,000	9.02%	-	-

\*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

**Note 19: Other Equity**

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	14.90	14.90
Securities Premium	1,443.36	629.36
General Reserve	11.47	11.47
Retained Earnings	3,804.42	2,892.53
<b>Total</b>	<b>5,274.16</b>	<b>3,548.26</b>

For details of movement during the year refer '**Statement of Changes in Equity**'

Nature and purpose of Other Equity:

**(a) Capital Reserve**

This represents surplus amount on forfeiture of shares and premium on issue of shares.

**(b) Securities Premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Act.

**(c) General Reserve**

This represents appropriation of profit by the company.

**(d) Retained Earnings**

Retained earnings comprise of the company's accumulated undistributed earnings.

**Note 20: Non-Current Provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
- Gratuity [Refer Note 33]	76.49	51.08
<b>Total</b>	<b>76.49</b>	<b>51.08</b>

**Note 21: Trade Payables**

Particulars	As at March 31, 2024	As at March 31, 2024
Creditors - clients [Refer Note 21A, 38, 39 & 42(iii)]	13,786.98	10,843.74
Sharing of Brokerage payable	192.75	177.91
Outstanding Liabilities	0.96	0.89
Other Payables	40.38	46.03
<b>Total</b>	<b>14,021.07</b>	<b>11,068.58</b>

**Note 21A: Trade Payable Ageing Schedule  
Trade Payables Ageing Schedule as on 31 March 2024**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	13,778.53	8.45	-	-	<b>13,786.98</b>
<b>Disputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	-	-	-	-	-

**Trade Payables Ageing Schedule as on 31 March 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	10,843.74	-	-	-	<b>10,843.74</b>
<b>Disputed Trade Payables</b>					
- MSME	-	-	-	-	-
- Others	-	-	-	-	-

**Note 22: Current financial liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities	17.89	-
<b>Total</b>	<b>17.89</b>	<b>-</b>

**Note 23: Current Provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits - Gratuity [Refer Note 33]	10.33	7.69
<b>Total</b>	<b>10.33</b>	<b>7.69</b>

**Note 24: Current tax liability [Net of advance tax]**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax	-	-
Current Tax Liabilities	-	3.05
<b>Total</b>	<b>-</b>	<b>3.05</b>



**Note 25: Other Current Liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend	11.79	11.96
Statutory remittances	28.10	41.58
Client margin deposits	8.07	29.54
Other deposits - Sub brokers	4.87	2.08
Other Current Liabilities	0.12	0.12
<b>Total</b>	<b>52.95</b>	<b>85.27</b>

**Note 26: Revenue from Operations (Gross)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from broking operations	3,745.92	3,199.04
Other operating revenue	1,034.70	853.71
<b>Total</b>	<b>4,780.63</b>	<b>4,052.74</b>

**Note 27: Other Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend income	10.92	0.74
Interest income on deposits	945.62	614.75
Interest on Income tax	1.64	-
Interest on loan	-	20.01
Interest on debentures	1.64	1.64
Profit on sale of Investment	6.25	-
Miscellaneous income	0.01	0.04
<b>Total</b>	<b>966.08</b>	<b>637.18</b>

**Note 28: Employee Benefit Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, allowances and wages	733.98	607.52
Contribution to provident and other funds [Refer Note 33]	39.16	34.21
Staff welfare expenses	7.48	8.18
<b>Total</b>	<b>780.62</b>	<b>649.91</b>

**Note 29: Finance Costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2024
Interest expense on:		
- Secured loan	-	14.08
- Others	78.81	151.28
- Lease liability	1.01	0.00
- Delayed remittance of Income tax	1.38	0.01
Other borrowing costs	23.50	21.82
<b>Total</b>	<b>104.70</b>	<b>187.19</b>

**Note 30: Other Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Operating expenses:</b>		
Transaction charges	536.86	503.60
Other operating expenses	89.49	106.90
<b>Others:</b>		
Power and fuel	17.29	17.74
Sharing of profits	10.03	-
Rent [Refer Note 35(b) & 36]	21.66	27.77
Repairs and maintenance	8.12	36.35
Insurance	4.02	4.52
Rates and taxes	54.90	50.54
Telephone	22.34	19.47
Travelling and conveyance	10.66	11.88
Printing and stationary	8.48	4.63
Business promotion	9.41	10.89
Donations	30.87	6.48
Loss on sale of PPE	4.62	-
Fair Value Loss on Remeasurement of Investment through FVTPL	34.72	10.09
Loss on sale of investments	8.40	-
Legal and professional	46.00	30.71
<b>Auditor's remuneration:</b>		
- Statutory audit	5.62	5.62
- Internal audit	2.00	2.00
- Tax audit	1.50	1.50
- Certification	3.00	3.00
General and other administration expenses	105.60	70.10
<b>Total</b>	<b>1,035.59</b>	<b>923.78</b>

**Note 31: Income Tax Expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b><u>(a) Major components of income tax expense:</u></b>		
<b>(i) Current Income Tax</b>		
- Current income tax charge	367.66	279.37
- Adjustments in respect of current income tax of previous year	-	(0.00)
	<b>367.66</b>	<b>279.37</b>
<b>(ii) Deferred Tax</b>		
- Relating to origination/reversal of temporary differences	(6.00)	0.79
	<b>(6.00)</b>	<b>0.79</b>
<b>Income tax expense reported in the statement of profit or loss</b>	<b>361.66</b>	<b>280.16</b>
<b><u>(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:</u></b>		
Profit/(Loss) before tax from continuing operations	1,415.08	1,063.09
Indian tax rate	25.20%	25.20%
Tax at the Indian tax rate	356.59	267.71
Effect of:		
Non-Deductible expenses for tax purposes	11.63	16.77
Tax exempt income	-	-
Income taxed at special rates	-	(0.00)
Deferred Tax	(6.00)	0.79
Fair value changes	-	2.62
Donations	7.16	-
Loss on sale of fixed assets	0.08	-
Others	(7.80)	(7.73)
<b>Total Income Tax Expense</b>	<b>361.66</b>	<b>280.16</b>

**32. Contingent liabilities:**

Particulars	As at March 31, 2024	As at March 31, 2023
i) Bank Guarantees	3,500.00	3,000.00

Bank Guarantees have been issued by ICICI Bank to NSE, MCX & NSE-F&O on pledge of Fixed Deposits of Rs. 1,750.00 lakhs.

**33. Employee Benefits**

The Group has a defined benefit gratuity plan. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet:

**Statement of Profit and Loss**
**Net employee benefit expenses recognized in the employee cost**

Particulars	March 31, 2024	March 31, 2023
Current service cost	8.80	7.39
Interest cost on benefit obligation	4.64	4.17
Expected return on plan assets	(3.36)	(2.53)
Net actuarial loss/(gain) recognized in the year	15.51	(7.09)
<b>Net benefit expense</b>	<b>25.58</b>	<b>1.94</b>

**Balance Sheet**
**Benefit liability**

Particulars	March 31, 2024	March 31, 2023
Present value of defined benefit obligation	86.81	58.77
Fair value of plan assets	(51.55)	(41.28)
<b>Plan liability</b>	<b>35.26</b>	<b>17.50</b>

**Changes in the present value of the defined benefit obligation are as follows:**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Opening defined benefit obligation</b>	<b>58.77</b>	59.53
Current service cost	8.80	7.39
Interest cost	4.64	4.29
Benefits paid directly by the company	(0.89)	(3.36)
Benefits paid	-	(2.02)
Actuarial gain/(losses) on obligation	15.49	(7.06)
<b>Closing defined benefit obligation</b>	<b>86.81</b>	<b>58.77</b>

**Changes in the fair value of plan assets are as follows:**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Opening fair value of plan assets	<b>41.28</b>	<b>33.66</b>
Adjustment to opening balance	-	(0.09)
Expected return	3.36	2.53
Contributions by employer	7.81	7.04
Benefits paid	(0.89)	(5.38)
Actuarial (losses)/gains	(0.02)	3.52
<b>Closing fair value of plan assets</b>	<b>51.54</b>	<b>41.28</b>

**The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Discount rate (%)	7.23%	7.52%
Expected rate of return on assets (%)	7.23%	7.52%
Salary escalation (%)	4.00%	4.00%
Attrition rate (%)	5.00%	5.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

### 34. Segment information

The Group has considered business segments as the primary segments for disclosure on the basis that the risks and returns of the Group are primarily determined by nature of services. During the year, the group's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary. There are no reportable Segments in the group under Indian Accounting Standard (INDAS) 108.

### 35. Related Party Disclosures

#### a) Names of the related parties and nature of relationship (as per Ind AS 24):

Nature of Relationship	Name of Related Party
Key Management Personnel (KMP):	Hari Narayan Rathi – Managing Director Chetan Rathi – Executive Director
Relatives of Key Management Personnel (KMP):	Chanda Devi Rathi - Wife of Mr. Hari Narayan Rathi Nisha Rathi – Wife of Mr. Chetan Rathi Anuradha Pasari – Daughter of Hari Narayan Rathi Govind Narayan Rathi – Brother of Hari Narayan Rathi

**b) Transactions with related parties:**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>Rent Paid:</b>	12.60	11.35
- Chanda Devi Rathi	12.60	11.35
<b>Remuneration Paid:</b>	141.00	126.00
- Hari Narayan Rathi	69.00	63.00
- Chetan Rathi	60.00	54.00
- Nisha Rathi	12.00	9.00
<b>Dividend Paid:</b>	73.20	48.80
- Hari Narayan Rathi	43.87	29.25
- Chetan Rathi	13.72	9.15
- Chanda Devi Rathi	10.06	6.71
- Nisha Rathi	5.55	3.70
<b>Service Rendered – Brokerage Received:</b>	0.42	0.16
- Hari Narayan Rathi	0.00	0.00
- Chetan Rathi	0.04	0.02
- Chanda Devi Rathi	0.04	0.01
- Nisha Rathi	0.00	0.00
- Govind Narayan Rathi	0.29	0.02
- Hari Narayan Rathi HUF	0.00	0.00
- Anuradha Pasari	0.01	0.09
- Chetan Rathi HUF	0.03	0.01
<b>Unsecured loan taken</b>	-	590.00
- Hari Narayan Rathi	-	-
- Chetan Rathi	-	590.00
<b>Unsecured loan repaid</b>	-	590.00
- Hari Narayan Rathi	-	-
- Chetan Rathi	-	590.00
<b>Interest on unsecured loan</b>	-	9.09
- Hari Narayan Rathi	-	-
- Chetan Rathi	-	9.09



**c) Related party balances:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Rent Deposit:</b>	<b>15.00</b>	<b>15.00</b>
- Chanda Devi Rathi	15.00	15.00

**36. Leases:**
**Operating Lease**
**Assets taken on cancellable operating lease**

The Group is obligated under cancellable lease for office premises. Total lease rental expenses recognized in the statement of profit and loss for the year are as follows;

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating Lease – Cancellable	21.66	27.77
<b>Total</b>	<b>21.66</b>	<b>27.77</b>

**37. Earnings per Share (EPS):**
**i. Reconciliation of earnings used in calculating earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after taxation as per statement of profit and loss (for basic EPS)	1,053.42	757.93
<b>Less:</b> Effect of dilutive potential ordinary shares	-	-
<b>Net Profit for dilutive earnings per share</b>	<b>1,053.42</b>	<b>757.93</b>

**ii. Reconciliation of basic and diluted shares used in computing earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of weighted average equity shares considered for calculating of basic EPS	91,58,197	84,00,000
<b>Add:</b> Dilutive effect of potential ordinary shares	-	-
<b>Number of weighted average equity shares considered for calculating of diluted EPS</b>	<b>91,58,197</b>	<b>84,00,000</b>

**iii. Earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Basic (Rs.)	11.50	7.39
- Diluted (Rs.)	11.50	7.39

**38. Balance Confirmations**

Confirmations of receivables and payable balances have not been received; hence, reliance is placed on the balances as per books. In the opinion of the management, the amounts are realizable/payable in the ordinary course of business.

**39. Due to Micro and Small Enterprises**

The Group has no dues to Micro and Small Enterprises as at March 31, 2024 and March 31, 2023 in the financial statements based on information received and available with the group.

40. During FY 2012-13, company entered into an agreement for sale of land with Mrs. Hari Gayathri, wife of Mr. Venkata Appa Rao Yeleswarapu, client of the company. Mr. Venkata Appa is liable to pay Rs. 34.43 lakhs to the company as on January 31, 2013. In the process of recovery, the company entered into an agreement for sale of land on February 01, 2013 with his wife for a consideration of Rs. 14.75 lakhs. The consideration is to be treated as advance receivable by her from the company against the amount payable by her husband. The registration of land in favour of the company is pending. The company has decided to disclose the consideration under the head "Long term loans & advances" as 'Property pending for registration & possession.' The company has filed a suit for specific performance for the same. The status of the case is 'pending' and recovery of the same is doubtful.

**41. Fair Value Measurements**
**i. Fair value hierarchy**

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

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**ii. Financial assets and financial liabilities measured at fair value**

Particulars	March 31, 2024	March 31, 2023
Fair Value Hierarchy Level	1	1
<b>Financial Assets</b>		
Listed Equity Instruments (Rs. in lakhs)	1,011.89	306.30
Fair Value Hierarchy Level	3	3
<b>Financial Assets</b>	22.54	19.57
Other Financial Assets – Security Deposits (Rs. in lakhs)		
Other Investments (Rs. in lakhs)	7.00	7.00

**iii. Financial Instruments by category**

For amortized cost instruments, carrying value represents the best estimate of fair value:

Particulars	Mar-24			Mar-23		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Equity investments	-	-	-	306.30	-	-
Other investments	-	-	52.04	-	-	52.26
Securities for trade	1,011.89	-	-	-	-	-
Trade Receivables	-	-	1,213.21	-	-	778.86
Loans	-	-	179.50	-	-	311.50
Cash & Cash Equivalents	-	-	5,101.63	-	-	2,912.80
Other bank balances	-	-	8,384.04	-	-	9,128.21
Others	-	22.54	1,873.43	-	19.57	1,630.74
<b>Total</b>	<b>1,011.89</b>	<b>22.54</b>	<b>16,803.86</b>	<b>306.30</b>	<b>19.57</b>	<b>14,814.38</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	14,021.07	-	-	11,068.58
<b>Total</b>	<b>-</b>	<b>-</b>	<b>14,021.07</b>	<b>-</b>	<b>-</b>	<b>11,068.58</b>

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's Board of Directors oversees the management of these risks. The Group's Board of Directors is supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Group. The senior management provides assurance to the Group's board of directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The carrying amounts reported in the statement of financial position for cash and cash equivalents, trade and other receivables, trade and other payables and other liabilities approximate their respective fair values due to their short maturity.

**42. Financial Instruments Risk Management**
**i. Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**a. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group has exposure only to financial instruments at fixed interest rates. Hence, the group is not exposed to significant interest rate risk.

**b. Price Risk**

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. The majority of the group's equity instruments are publicly traded.

**ii. Credit Risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group, leading to a financial loss. The Group is mainly exposed to the risk of its balances with the bankers and trade and other receivables.

**Ageing of receivables is as follows:**

Particulars	March 31, 2024	March 31, 2023
Past due not impaired:	-	-
0-30 Days	871.25	708.86
31-90 Days	317.28	68.20
91-180 Days	23.03	1.80
Greater than 180 Days	1.65	-
<b>Total</b>	<b>1,213.21</b>	<b>778.86</b>

**iii. Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. The Group's principal sources of liquidity are the cash flows generated from operations. The Group has no long-term borrowings and believes that the working capital is sufficient for its current requirements. Accordingly, no liquidity risk is perceived.

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

Particulars	Upto 1 year	From 1-3 years	More than 3 years	Total
<b>March 31, 2024</b>				
Borrowings	-	-	-	-
Trade Payables	14,012.62	8.45	-	<b>14,021.07</b>
<b>Total</b>	<b>14,012.62</b>	<b>8.45</b>	<b>-</b>	<b>14,021.07</b>
<b>March 31, 2023</b>				
Borrowings	-	-	-	-
Trade Payables	11,068.58	-	-	<b>11,068.58</b>
<b>Total</b>	<b>11,068.58</b>	<b>-</b>	<b>-</b>	<b>11,068.58</b>

#### 43. Capital Risk Management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Group also proposes to maintain an optimal capital structure to reduce the cost of capital. Hence, the Group may adjust any dividend payments, return capital to shareholders or issue new shares. Total capital is the equity as shown in the statement of financial position. Currently, the Group primarily monitors its capital structure on the basis of gearing ratio. Management is continuously evolving strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Group.

The capital for the reporting year under review is summarized as follows:

Particulars	31-Mar-24	31-Mar-23
Non-Current borrowings	-	-
Current borrowings	-	-
<b>Total Debt</b>	-	-
As a percentage of total capital	0.00%	0.00%
<b>Equity</b>	6,229.16	4,388.26
As a percentage of total capital	100.00%	100.00%
<b>Total Capital [Debt and Equity]</b>	<b>6,299.16</b>	<b>4,388.26</b>

**44. Event occurred after the Balance Sheet Date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of May 14, 2024, there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

**45. Corporate social responsibility policy**

As the net profit of the Company in the preceding FY 2022-23 is Rs. 746.93 lakhs which exceeds the threshold limit of Rs. 500 lakhs, section 135 of Companies Act, 2013 relating to Corporate Social Responsibility is applicable. During the year gross amount required to be spent by the company on CSR expenditure is Rs. 14.55 lakhs. Accordingly, an amount of Rs. 14.55 lakhs was spent on CSR activities during the current F.Y 2023-24.

<b>Particulars</b>	<b>Construction/ acquisition of any asset</b>	<b>Other</b>
In cash	-	14.55
(previous year)	-	-
Yet to be paid in cash	-	-
(previous year)	-	-
Total	-	14.55
(previous year)	-	-

**46. Key Financial Ratio (as applicable)**

Particulars	Formulae	As at March 31, 2024	As at March 31, 2023	% Change	Reason for Variance
(i) Current Ratio	Current assets / current liabilities	1.41	1.33	5.67%	-
(ii) Debt Equity Ratio	Total Debt / Share holder's Equity	2.25	2.56	(11.93%)	-
(iii) Interest Coverage Ratio	EBIT / Interest Expense	18.43	7.43	148.05%	Improved due to debt reduction and significant decrease in interest expense
(iv) Return on equity(%)	Net profit after tax/Share holder's Equity	16.72%	17.27%	(3.18%)	-
(v) Debtors Turnover Ratio	Credit Sales / Average Account Receivables	4.80	4.42	8.62%	-
(vi) Net Capital turnover ratio	Credit Sales / Working Capital	0.83	1.10	(23.93%)	-
(vii) Net Profit Ratio(%)	Net profit after tax/ Total Revenue	22.04%	18.70%	17.82%	-
(viii) Return on Capital employed(%)	Operating Profit / Capital Employed [OP=EBIT]	23.75%	27.99%	(15.15%)	-



**47. Other Statutory Compliances**

- a) The company does not have any benami property, where any proceeding has been initiated, or pending against the company for holding any benami property.
  - b) The company does not have any transactions with companies struck off.
  - c) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - d) The company has not traded or invested in crypto currency or virtual currency during the financial year.
  - e) The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - f) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
    - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - g) The company does not have any such transaction which is not recorded in the books of account 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).
- 48. Previous year's figures have been regrouped/reclassified/recasted wherever necessary to confirm to the current year's presentation.**

As per our report on even date  
For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number: 003714S

Sd/-  
T. Bharadwaj  
Partner  
Membership No.: 201042

Place: Hyderabad  
Date: 14.05.2024

For and on behalf of the Board of Directors of  
B. N. RATHI SECURITIES LIMITED

Sd/-  
Laxminiwas Sharma  
Chairman  
DIN: 00010899

Sd/-  
Chetan Rathi  
Executive Director-cum-CFO  
DIN: 00536441

Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968

Sd/-  
Sabitha Reddy  
Company Secretary

### DIRECTOR'S REPORT

To

The Members of B N Rathi Comtrade Private Limited,

We have pleasure in presenting the 16th Annual report together with Audited accounts for the year ended 31st March, 2024.

#### 1. FINANCIAL RESULTS:

(Rs. In Lakhs)

Particulars	2023-24	2022-23
Revenue from operations	98.63	21.94
Other income	17.29	21.92
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	53.90	19.09
Less: Depreciation/ Amortisation/ Impairment	0.19	0.67
Profit /loss before Finance Costs, Exceptional items and Tax Expense	53.71	18.42
Less: Finance Costs	0.34	0.01
Profit /loss before Exceptional items and Tax Expense	53.37	18.41
Add/(less): Exceptional items	-	-
Profit /loss before Tax Expense	53.37	18.41
Less: Tax Expense (Current & Deferred)	14.61	7.41
Profit /loss for the year (1)	38.76	11.00
Total Comprehensive Income/loss (2)	-	-
Total (1+2)	38.76	11.00
Balance of profit /loss for earlier years	-	-

**TRANSFER TO RESERVES:**

Directors have decided not to transfer any amount to reserves for the year.

**DIVIDEND:**

Keeping the Company's expansion and growth plans in mind, your Directors have decided not to recommend dividend for the year.

**STATE OF AFFAIRS/ COMPANY'S PERFORMANCE:**

The total revenue of the Company for the financial year 2023-24 was Rs. 115.93 lakhs as against Rs. 43.86 lakhs for the previous financial year. The company earned a profit of Rs. 38.76 lakhs as against the net profit of Rs. 11.00 lakhs for the previous year.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There were no material changes and commitments affecting Financial position of the company between 31st March, 2024 and the date of Board's Report. (i.e. 13.05.2024)

**MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes taken place subsequent to the date of financial statements.

**REVISION OF FINANCIAL STATEMENTS**

There was no revision of the financial statements for the year under review.

**CAPITAL OF THE COMPANY:**

Authorized Share capital and paid up share capital of the company stands at Rs. 1, 00, 00,000/- (Rupees one Crore Only) divided in to 10,00,000 equity shares of Rs.10/- each.

**TRANSFER OF UN-CLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION:**

There is no such amount of Un-paid or Unclaimed Dividend be transferred to Investor and Education and Protection Fund for the financial year ended 31st March 2024.

**DIRECTORS:**

During the year no directors were appointed or resigned from the office of Directorship.

**APPOINTMENT OF INDEPENDENT DIRECTORS IN THE BOARD AND DECLARATION UNDER SECTION 149(6)**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

**BOARD MEETINGS:**

The Board of Directors met four times during the year on 13.05.2023, 01.08.2023, 08.11.2023, 07.02.2024, and the maximum gap between any two meetings was less than four months, as stipulated under the provisions of Companies Act, 2013.

**COMMITTEES:**

The company does not meet the criteria of provisions of Companies Act, 2013 and thus Committees are not constituted.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Sec. 134(5) of the Companies Act, 2013 the Board of Directors of your Company hereby certifies and confirms that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgment 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 the Companies Act, 2013 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.
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

**Internal financial controls:**

Internal financial controls with reference to the financial statements are adequate and operating effectively.

**No Frauds reported by statutory auditors**

During the Financial Year 2023-24, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

**SUBSIDIARY COMPANY:**

Your Company does not have any subsidiary.

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.

**Details of deposits not in compliance with the requirements of the Act:**

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2023, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company complied with this requirement within the prescribed timelines.

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

The Company has not taken any loan, guarantee or investment as specified under section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

Your Directors draw attention of the members to Note 24 to the financial statement which sets out related party disclosures.

**CORPORATE SOCIAL RESPONSIBILITY POLICY:**

Since your Company does not has the net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more, or a net profit of Rs. 5 crores or more during the financial year, so section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company and hence the Company need not adopt any Corporate Social Responsibility Policy.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:**

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

**A. Conservation of Energy**

Adequate measures have been taken to reduce energy consumption, wherever possible. Total energy consumption and energy consumption per unit of production is not applicable as company is not included in the industries specified in the schedule.

**B. Technology Absorption**

- |   |       |
|---|-------|
| 1. Research and Development (R&D)                 | : Nil |
| 2. Technology absorption, adoption and innovation | : Nil |

**C. Foreign Exchange Earnings and Out Go**

Foreign Exchange Earnings	:	Nil
Foreign Exchange Outgo	:	Nil

**RISK MANAGEMENT POLICY:**

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company is not required to form such policy

**STATUTORY AUDITOR AND AUDITORS' REPORT**

The existing auditors M/s. Seshachalam & Co, Chartered Accountants, Hyderabad appointed as statutory auditors of the Company for the term of five years from the conclusion of 11th Annual General Meeting till the conclusion of the 16th Annual General Meeting to be held in the year 2024 with the approval of shareholders. The Auditors' Report for fiscal 2023 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

The existing Statutory Auditors M/s Seshachalam & Co., chartered accountants, Hyderabad will retire at the ensuing Annual General Meeting. Accordingly, pursuant to the provisions of sections 139 of the companies Act, 2013 read with rules made there under, the Board in its meeting held on 13.05.2024 has appointed M/s MAnandam & Co., Chartered Accountants, Hyderabad as the statutory auditors of the company, from the conclusion of 16th Annual General Meeting for a period of three Years till the conclusion of this 19th Annual General Meeting to be held in the year 2027 subject to the approval of members in ensuing Annual General Meeting.

**SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**SECRETARIAL STANDARDS:**

The company is in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

**INSURANCE:**

The company's properties have been adequately insured against major risks. All the insurable interests of your Company including inventories, buildings, plant and machinery, stock and liabilities under legislative enactments are adequately insured.

**PARTICULARS OF EMPLOYEES:**

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 5,00,000/- and above per month or Rs.60,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, during the year under review, there were no Complaints pertaining to sexual harassment.

**INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

**EVENT BASED DISCLOSURES**

There were no instances which require event-based disclosures during the year.

**ACKNOWLEDGEMENTS:**

Your directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. Your directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

**For and on behalf of the Board  
B N Rathi Comtrade Private Limited**

**Sd/-  
Hari Narayan Rathi  
Director  
(DIN:00010968)**

**Place: Hyderabad  
Date: 13.05.2024**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF B.N. RATHI COMTRADE PRIVATE LIMITED**

Report on the Audit of Standalone Ind AS Financial Statements

#### **Opinion**

We have audited the accompanying standalone Ind AS financial statements of B.N. Rathi Comtrade Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 standalone financial statements give the information required Companies Act 2013, as amended ("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 March 31, 2024, and profit, changes in equity 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 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 opinion.

#### **Management's Responsibility 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 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 Responsibility

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 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:

- a) 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.
- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.
- e) 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.

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 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued there under;
  - (e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
  - (g) In our opinion, Section 197 of the Act, is not applicable to the Private Limited Company.
  - (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, 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 or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, 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 person or entity identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
c) Based on the audit procedures that were 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 (a) and (b) contain any material misstatement.  
v) The company has not declared or paid any dividend during the year.

**For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S**

**Sd/-  
T. Bharadwaj  
Partner  
Membership No.:201042  
UDIN: 24201042BKJQYE9040**

**Place: Hyderabad  
Date:13.05.2024**

**Annexure 1 to the Independent Auditors' Report**

Re: B.N. Rathi Comtrade Private Limited ('the Company')

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

**Clause 1:**

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

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

- (b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the Company has no immovable property. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.
- (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.

**Clause 2:**

- (a) To the best of our knowledge and as explained, the Company is not in business of sale of goods. Therefore, in our opinion the provisions of clause 3(ii) (a) of the Order is not applicable to the Company and hence not commented upon.
- (b) Company has not obtained any working capital limits in excess of 5 crores in aggregate from banks during the year on the basis of security of current assets of the Company. Therefore, in our opinion the provisions of clause 3(ii) (b) of the Order is not applicable to the Company and hence not commented upon.

**Clause 3:**

- (a) During the year, the Company has not granted loans or advances in the nature of loans, stood guarantee or provided security to any of the parties. Therefore, in our opinion the provisions of clause 3(iii) of the Order is not applicable to the Company and hence not commented upon.
- (b) During the year the investments made, guarantees provided, and the terms and conditions of the grant of all loans provided are not prejudicial to the Company's interest.

- (c) Company has not granted any loan to its subsidiaries and therefore clause 3 (iii)(c) is not applicable.
- (d) There are no amounts of loans granted to subsidiary companies, which are overdue for more than ninety days.
- (e) The Company had not granted loans to subsidiary companies which had fallen due during the year.
- (f) 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

**Clause 4:**

- (a) There are no loans, guarantees and security in respect of which provisions of sections 185 of the Act is applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Act are applicable, have been complied with by the Company.

**Clause 5:**

- (a) The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

**Clause 6:**

- (a) The Company is not in the business of sale of any goods or provision of such services as prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

**Clause 7:**

- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs and other statutory dues applicable to it. The provisions relating to sales tax, service tax, value added tax, duty of excise and cess are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, customs duty and other statutory dues which have not been deposited on account of any dispute.

**Clause 8:**

- (a) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

**Clause 9:**

- (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on 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) The Company did not have any term loans outstanding during the year. Accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

**Clause 10:**

- (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

**Clause 11:**

- (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

**Clause 12:**

- (a) The Company is not a Nidhi Company as per the provisions of the Act. Accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

**Clause 13:**

- (a) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards.

**Clause 14:**

- (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

**Clause 15:**

- (a) The Company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

**Clause 16:**

- (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934, are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (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.

**Clause 17:**

- (a) The Company has not incurred cash losses in the current year and preceding financial year.

**Clause 18:**

- (a) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

**Clause 19:**

- (a) On the basis of the financial ratios disclosed in Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**Clause 20:**

- (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act.

**For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S**

**Sd/-  
T. Bharadwaj  
Partner**

**Membership No.:201042  
UDIN: 24201042BKJQYE9040**

**Place: Hyderabad  
Date:13.05.2024**



**Annexure 2 to the Independent Auditor's report of even date on the standalone Ind AS financial statements of B.N.Rathi Comtrade Private Limited**

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

**TO THE MEMBERS OF B.N. RATHI COMTRADE PRIVATE LIMITED**

We have audited the internal financial controls over financial reporting of B.N. Rathi Comtrade Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 as specified 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

**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 March 31, 2024, 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.

### **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone Ind AS financial statements of the Company, which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 13.05.2024 expressed an unqualified opinion.

**For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number.: 003714S**

**Sd/-  
T. Bharadwaj  
Partner  
Membership No.:201042  
UDIN: 24201042BKJQYE9040**

**Place: Hyderabad  
Date:13.05.2024**

**1. Corporate Information:**

B.N. Rathi Comtrade Private Limited (“BNRCPL” or “the Company”) was incorporated under the Companies Act, 1956 (“the Act”) on July 10, 2008. The registered office of the company is located at 6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad, Telangana – 500082.

The Company is primarily engaged in the business of broking in commodities.

**2. Significant Accounting Policies:**

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Basis of preparation:**

The Ind AS Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

**b) Basis of Measurement:**

The Ind AS financial statements have been prepared in accordance with Ind AS under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value.

**c) Use of estimates and judgements:**

The preparation of the Ind AS financial statements of the Company in accordance with Indian Accounting Standards (Ind-AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities at the date of the financial statements.

These estimates are based upon management’s best knowledge of current events and actions; however, uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amounts of assets or liabilities in future periods. Appropriate revisions in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions in estimates are recognized prospectively in the financial statements in the period in which the estimates are revised in any future periods affected.

**d) Fair value measurement:**

The Company measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial asset and liabilities.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company uses valuation techniques, which are appropriate in circumstances and for



which sufficient data is available considering the expected loss/ profit in case of financial assets or liabilities.

**e) Property, plant and equipment:**

**i. Recognition and initial measurement:**

Property, plant and equipment are stated in the balance sheet at their carrying value being the cost of acquisition less accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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

**ii. Depreciation, estimated useful lives and residual value:**

Depreciation on property, plant and equipment is provided on written down value method, computed based on useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**iii. De-recognition:**

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

**iv. Transition to Ind AS:**

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2016, measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

**f) Impairment of assets:**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

**g) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment net of taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Trading income is recognized when a legally binding contract is executed.

Brokerage income and transaction charges are recognized on the trade date of the transaction upon confirmation of the transaction by the exchanges.

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses.

**h) Leases:**

Where the lessor effectively retains all risk and benefits of ownership of the leased items, such leases are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis.

**i) Financial Instruments:****a. Financial Assets****Initial recognition and measurement**

The company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss, are added to the fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the statement of profit and loss. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

- a. Debt instruments at amortized cost – A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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



- b. Equity investments – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- c. Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

**De-recognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of a similar financial asset) is primarily de-recognized (i.e., removed from the company's separate balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset.

**b. Financial Liabilities**

**Initial recognition and measurement**

The company recognizes financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are reduced from the fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities at fair value through profit and loss are expensed in the statement of profit and loss.

**Subsequent measurement**

These liabilities include borrowings and deposits. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**De-recognition of financial liabilities**

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

**c. Offsetting financial instruments**

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**j) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying asset are assets that necessarily take a substantial period to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**k) Income Taxes:**

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly inequity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either another comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant on-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Un-recognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or losses recognized outside profit or loss (either in other comprehensive income or in equity).

**l) Provisions, contingent liabilities and contingent assets:**

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





Contingent liability is disclosed for:

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

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

**m) Cash and cash equivalents:**

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

**n) Cash flow statement:**

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

**o) Earnings per share:**

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

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of dilutive potential equity shares.



**B. N. RATHI COMTRADE PRIVATE LIMITED**
**Balance Sheet as at March 31, 2024**

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>A ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, plant and equipment	3	0.52	1.13
(b) Financial Assets			
- Investments	4	45.04	45.26
- Loans	5	10.00	142.00
(c) Deferred tax assets (Net)	6	2.14	2.31
<b>Total Non-Current Assets [A]</b>		<b>57.70</b>	<b>190.70</b>
<b>2 Current Assets</b>			
(a) Financial Assets			
- Securities for Trade	7	397.39	306.30
- Trade receivables	8	72.79	-
- Loans	9	5.00	5.00
- Cash and cash equivalents	10	4.49	6.76
(b) Income Taxes	11	6.53	-
(c) Other current assets	12	1.91	1.34
<b>Total Current Assets [B]</b>		<b>488.11</b>	<b>319.40</b>
<b>TOTAL ASSETS [A+B]</b>		<b>545.82</b>	<b>510.11</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	13	100.00	100.00
(b) Other Equity	14	445.70	406.94
<b>Total Equity [A]</b>		<b>545.70</b>	<b>506.94</b>
<b>2 Current Liabilities</b>			
(a) Provisions	15	-	3.05
(b) Other current liabilities	16	0.12	0.12
<b>Total Current Liabilities [B]</b>		<b>0.12</b>	<b>3.17</b>
<b>TOTAL EQUITY AND LIABILITIES [A+B]</b>		<b>545.82</b>	<b>510.11</b>
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 34		

As per our report on even date

 For Seshachalam & Co.  
 Chartered Accountants  
 Firm Registration Number: 003714S

 Sd/-  
 T Bharadwaj  
 Partner  
 Membership No.: 201042

 Place: Hyderabad  
 Date: 13.05.2024

 For and on behalf of the Board of Directors of  
 B. N. RATHI COMTRADE PRIVATE LIMITED

 Sd/-  
 Chetan Rathi  
 Director  
 DIN: 00536441

 Sd/-  
 Nisha Rathi  
 Executive Director  
 DIN: 02210852

**B. N. RATHI COMTRADE PRIVATE LIMITED**
**Statement of Profit and Loss for the year ended March 31, 2024**

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars		Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I</b>	<b>REVENUE</b>			
	Revenue from Operations	17	98.63	21.94
	Other Income	18	17.29	21.92
	<b>TOTAL REVENUE [I]</b>		<b>115.93</b>	<b>43.86</b>
<b>II</b>	<b>EXPENSES</b>			
	Employee benefit expenses	19	20.25	9.63
	Finance costs	20	0.34	0.01
	Depreciation and amortization expense	3	0.19	0.67
	Other expenses	21	41.78	15.14
	<b>TOTAL EXPENSES [II]</b>		<b>62.56</b>	<b>25.45</b>
<b>III</b>	<b>Profit Before Tax [I-II]</b>		<b>53.37</b>	<b>18.41</b>
<b>IV</b>	<b>Tax Expense</b>			
	<b>Income tax expense</b>			
	- Current year	22	14.44	7.23
	- Earlier year		-	(0.00)
	- Deferred tax credit		0.17	0.18
<b>V</b>	<b>Profit for the year</b>		<b>38.76</b>	<b>11.00</b>
<b>VI</b>	<b>Earnings per equity share Rs. 10/- each fully paid</b>			
	- Basic	26	3.88	1.10
	- Diluted	26	3.88	1.10
	Corporate information	1		
	Summary of significant accounting policies	2		
	Accompanying notes forming an integral part of the financial statements	1 to 34		

As per our report on even date

 For Seshachalam & Co.  
 Chartered Accountants  
 Firm Registration Number: 003714S

 Sd/-  
 T Bharadwaj  
 Partner  
 Membership No.: 201042

 Place: Hyderabad  
 Date: 13.05.2024

 For and on behalf of the Board of Directors of  
 B. N. RATHI COMTRADE PRIVATE LIMITED

 Sd/-  
 Chetan Rathi  
 Director  
 DIN: 00536441

 Sd/-  
 Nisha Rathi  
 Executive Director  
 DIN: 02210852

**B. N. RATHI COMTRADE PRIVATE LIMITED**
**Statement of Profit and Loss for the year ended March 31, 2024**

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		53.37	18.41
<b>Adjustments:</b>			
Depreciation		0.19	0.67
Loss on sale of fixed asset		0.32	
Net gain/(Loss) arising on financial assets measured at FVTPL		11.43	(10.09)
Dividend Income		(9.40)	(0.23)
Interest on loan		-	(20.01)
Interest income		(1.64)	(1.64)
<b>Cash generated before working capital changes</b>		<b>54.27</b>	<b>(12.88)</b>
<b>Movements in working capital:</b>			
(Decrease)/Increase in other current liabilities		-	0.12
Decrease/(Increase) in trade receivables		(73)	-
Decrease/(Increase) in loans and advances		132	(78)
Decrease/(Increase) in other current assets		(0.57)	-
<b>Cash generated from operations</b>		<b>112.91</b>	<b>(90.77)</b>
Direct taxes paid (Net of refunds received)		(24.02)	(4.75)
<b>Net cash flow (used in)/from operating activities [A]</b>		<b>88.89</b>	<b>(95.52)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Fixed Asset		0.10	-
(Investment)/redemption in debentures		0.22	(5.01)
(Investment) in shares		(102.52)	(172.26)
Dividend Income		9.40	0.23
Interest on Loan		-	20.01
Interest received		1.64	1.64
<b>Net cash flow (used in)/from investing activities [B]</b>		<b>(91.16)</b>	<b>(155.39)</b>
<b>D. Net increase/(decrease) in cash and cash equivalents [A+B]</b>			
		<b>(2.27)</b>	<b>(250.91)</b>
<b>E. Cash and cash equivalents</b>			
at the beginning of the year	10	6.76	257.67
at the end of the year		<b>4.49</b>	<b>6.76</b>
<b>Components of cash and cash equivalents</b>			
Balance with banks			
- In current accounts		4.30	6.68
Cash on hand		0.19	0.08
<b>Cash and cash equivalents at the end of the year</b>	2(m)	<b>4.49</b>	<b>6.76</b>
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 34		

As per our report on even date

 For Seshachalam & Co.  
 Chartered Accountants  
 Firm Registration Number: 003714S

 Sd/-  
 T Bharadwaj  
 Partner  
 Membership No.: 201042

 Place: Hyderabad  
 Date: 13.05.2024

 For and on behalf of the Board of Directors of  
 B. N. RATHI COMTRADE PRIVATE LIMITED

 Sd/-  
 Chetan Rathi  
 Director  
 DIN: 00536441

 Sd/-  
 Nisha Rathi  
 Executive Director  
 DIN: 02210852

**Statement of Changes in Equity for the year ended March 31, 2024**  
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

**A. Equity share capital**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid up</b>		
Balance at the beginning of the reporting year	100.00	100.00
Changes in equity share capital during the year	-	-
<b>Balance at the end of the reporting year</b>	<b>100.00</b>	<b>100.00</b>

**B. Other equity**

Particulars	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Movement in other equity is as follows:					
<b>As at April 01, 2022</b>	-	-	<b>1.80</b>	394.14	395.94
Profit for the year	-	-		11.00	11.00
Other comprehensive income for the year	-	-		-	-
<b>As at March 31, 2023</b>	-	-	<b>1.80</b>	405.14	406.94
Profit for the year	-	-		38.76	38.76
Other comprehensive income for the year	-	-		-	-
<b>As at March 31, 2024</b>	-	-	<b>1.80</b>	443.90	445.70

**Notes to financial statements for the year ended March 31, 2024**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

**Note 3: Property, Plant and Equipment**

Particulars	As at March 31, 2024	As at March 31, 2023
Furniture's and Fittings	0.20	0.49
Motor Vehicles	0.04	0.05
Computers and Data Processing Units	0.00	0.05
Office Equipments	0.28	0.53
<b>Total</b>	<b>0.52</b>	<b>1.13</b>

**For the period 2023-24**

Description of Assets	Furniture and Fittings	Motor Vehicles	Computers and Data Processing Units	Office Equipment	Total
<b>I. Gross Carrying Amount</b>					
<b>As at April 01, 2023</b>	22.84	0.66	5.73	6.29	<b>35.52</b>
Additions	-	-	-	-	-
Disposals	21.99	-	5.73	4.83	<b>32.56</b>
<b>Balance as at March 31, 2024</b>	<b>0.85</b>	<b>0.66</b>	<b>-</b>	<b>1.45</b>	<b>2.97</b>
<b>II. Accumulated Amortization</b>					
Upto April 01, 2023	22.35	0.61	5.68	5.75	<b>34.39</b>
Depreciation expense for the year	0.07	0.01	-	0.10	<b>0.19</b>
Eliminated on disposal of assets	21.77	-	<b>5.68</b>	4.68	<b>32.13</b>
<b>Upto March 31, 2024</b>	<b>0.65</b>	<b>0.63</b>	<b>-</b>	<b>1.17</b>	<b>2.45</b>
<b>III. Net Carrying Amount [I-II]</b>					
<b>As at March 31, 2024</b>	<b>0.20</b>	<b>0.04</b>	<b>0.00</b>	<b>0.28</b>	<b>0.52</b>
<b>As at March 31, 2023</b>	<b>0.49</b>	<b>0.05</b>	<b>0.05</b>	<b>0.53</b>	<b>1.13</b>

**Note 4: Non-Current Investments [Refer Note 29(iii)]**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Unquoted Investments</b>		
Propspace Square Private Limited [4 (31.03.2023: 4) debentures of par value Rs. 5,00,000 each]	20.00	20.00
Joule Consulting Private Limited - Callify [179 (31.03.2023: 179) 0.001% compulsory convertible preference shares of face value Rs. 10 each and issued at a premium of Rs. 2,788.5 each]	5.00	5.00
OWO Technologies Private Limited [2258 (31.03.2023: 2258) 0.001% compulsory convertible preference shares of face value Rs. 10 each and issued at a premium of Rs. 211.48 each]	5.00	5.00
Actionable Science Labs Private Limited [Nil (31.03.2023: 525) debentures of par value Rs. 1,000 each]	-	5.25
Bintix Waste Research Private Limited [347 (31.03.2023: 347) 0.01% compulsory convertible preference shares of face value of Rs. 10 each and issued at a premium of Rs. 1,430.92 each]	5.00	5.00
Immersivevision Technology Private Limited [256 (31.03.2023: 167) equity shares of face value of Rs. 1 each and 89 shares issued at a premium of Rs. 5649, 167 shares issued at a premium of Rs. 2999 each]	10.04	5.01
<b>Total</b>	<b>45.04</b>	<b>45.26</b>

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	45.04	45.26
Aggregate amount of impairment in the value of investments	-	-
Investments carried at cost	45.04	45.26
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 5: Non-Current Loans [Refer Note 29(iii)]**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Security deposits		
- Security Deposits with Stock Exchanges/Clearing Houses	10.00	10.00
Advance to related parties [Refer Note 24(b) & (c)]	-	132.00
<b>Total</b>	<b>10.00</b>	<b>142.00</b>

**Note 6: Deferred Tax Asset (net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax assets</b>		
Depreciation	2.14	2.31
<b>Total</b>	<b>2.14</b>	<b>2.31</b>

**Note 7: Securities for Trade [Refer Note 29(iii)]**

Particulars	As at March 31, 2024	As at March 31, 2023
Quoted investments in shares and securities [valued at fair value through profit and loss account]		
Investment in shares and mutual funds	397.39	306.30
<b>Total</b>	<b>397.39</b>	<b>306.30</b>

**Note 8: Trade receivables [Refer Note 8A]**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good [Refer Note 27 & 30(ii)]	72.79	-
<b>Total</b>	<b>72.79</b>	-

**Note 9: Current Loans [Refer Note 29(iii)]**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security Deposits [Refer Note 24(c)]	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**Note 10: Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with banks		
- In current accounts	4.30	6.68
Cash on hand	0.19	0.08
<b>Total</b>	<b>4.49</b>	<b>6.76</b>

**Note 11: Income Taxes**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax [Net of provision for tax]	6.53	-
<b>Total</b>	<b>6.53</b>	<b>-</b>

**Note 12: Other current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with government authorities	1.50	0.93
Interest accrued on deposits with banks and others	0.41	0.41
<b>Total</b>	<b>1.91</b>	<b>1.34</b>



**Note 13: Share Capital**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised:</b>				
Equity shares of Rs. 10 each	10,00,000	100.00	10,00,000	100.00
<b>Issued, subscribed and fully paid:</b>				
Equity shares of Rs. 10 each	10,00,000	100.00	10,00,000	100.00
	<b>10,00,000</b>	<b>100.00</b>	<b>10,00,000</b>	<b>100.00</b>

**(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:**

Particulars	Opening Balance	Issued during the year	Bought back during the year	Closing Balance
Equity shares				
Year ended March 31, 2024				
- Number of shares	1,000,000	-	-	1,000,000
- Amount	100.00	-	-	100.00
Year ended March 31, 2023				
- Number of shares	1,000,000	-	-	1,000,000
- Amount	100.00	-	-	100.00

**(b) Rights, preferences and restrictions attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. However, interim dividend can be declared by the Board of Directors subject to the provisions of the Companies Act 2013, relevant rules and regulations thereunder.

**(c) Details of shares held by Holding Company**

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	Percentage of Holding	Number of Shares held	Percentage of Holding
B. N. Rathi Securities Limited	10,00,000	100%	10,00,000	100%

**(d) Details of shares held by each shareholder holding more than 5% shares\***

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	Percentage of Holding	Number of Shares held	Percentage of Holding
B N Rathi Securities Limited	10,00,000	100%	10,00,000	100%

\*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

**Note 14: Other Equity**

Particulars	As at March 31, 2024	As at March 31, 2023
General Reserve	1.80	1.80
Retained Earnings	443.90	405.14
<b>Total</b>	<b>445.70</b>	<b>406.94</b>

For details of movement during the year refer '**Statement of Changes in Equity**'

**Nature and purpose of Other Equity:**
**(a) General Reserve**

This represents appropriation of profit by the company.

**(b) Retained Earnings**

Retained earnings comprise of the company's accumulated undistributed earnings.

**Note 15: Provisions - current**

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax liability [Net of advance tax]	-	3.05
<b>Total</b>	<b>-</b>	<b>3.05</b>

**Note 16: Other current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Other current liabilities	0.12	0.12
<b>Total</b>	<b>0.12</b>	<b>0.12</b>

**Note 17: Revenue from Operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/loss from trading activities	98.63	21.94
<b>Total</b>	<b>98.63</b>	<b>21.94</b>

**Note 18: Other income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on debentures	1.64	1.64
Interest on loan	-	20.01
Dividend income	9.40	0.23
Profit On Sale Of Investments	6.25	-
Miscellaneous income	0.01	0.04
<b>Total</b>	<b>17.29</b>	<b>21.92</b>

**Note 19: Employee Benefit Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and bonus [Refer Note 24(b)]	20.25	9.63
<b>Total</b>	<b>20.25</b>	<b>9.63</b>

**Note 20: Finance Costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest expense on:</b>		
- Delayed remittance of Income tax	0.34	0.01
- Interest on Income tax	-	0.00
Other borrowing costs	0.00	0.00
<b>Total</b>	<b>0.34</b>	<b>0.01</b>

**Note 21: Other Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sharing of profits	10.03	-
Rent [Refer Note 25]	3.60	3.10
Net Gain/(Loss) arising on financial assets measured at FVTPL	11.43	10.09
Repairs and maintenance	0.08	0.05
Rates and taxes	0.03	0.03
Legal and professional	11.16	1.75
Auditor's remuneration:		
- Statutory audit	0.12	0.12
Loss On Sale Of Fixed Assets	0.32	-
Donations	5.00	-
Insurance	0.01	-
<b>Total</b>	<b>41.78</b>	<b>15.14</b>

**Note 22: Income Tax Expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(a) Major components of income tax expense:</b>		
<b>(i) Current Income Tax</b>		
- Current income tax charge	14.44	7.23
- Adjustments in respect of current income tax of previous year	-	(0.00)
	<b>14.44</b>	<b>7.23</b>
<b>(ii) Deferred Tax</b>		
- Relating to origination/reversal of temporary differences	0.17	0.18
	<b>0.17</b>	<b>0.18</b>
<b>Income tax expense reported in the statement of profit or loss</b>	<b>14.62</b>	<b>7.41</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:</b>		
Profit/(Loss) before tax from continuing operations	53.37	18.41
Indian tax rate	26.00%	26.00%
<b>Tax at the Indian tax rate</b>	<b>13.88</b>	<b>4.79</b>
Effect of:		
Non-Deductible expenses for tax purposes	0.22	0.17
Fair value loss on investments	-	(2.62)
Donations	0.65	-
Deferred tax relating to origination / reversal of temporary differences	0.17	0.18
Others	(0.30)	(0.35)
<b>Total Income Tax Expense</b>	<b>14.62</b>	<b>2.17</b>

**23. Segment information**

The company is operating in financial service sector in India. Thus, there are no reportable segments as defined in Ind AS 108 “Operating Segments”. The company earns its entire “revenue from external customers” in India, being company’s country of domicile. All non-current assets other than financials instruments and deferred tax assets are located in India. There are no single major customers on whom the company’s revenue is dependent upon and revenue from none of the single customer is more than or equal to 10% of the company’s revenue.

**24. Related Party Disclosures**
**a) Names of the related parties and nature of relationship (as per Ind AS 24):**

<b>Nature of Relationship</b>	<b>Name of Related Party</b>
Holding Company	B.N. Rathi Securities Limited
Key Management Personnel (KMP):	Nisha Rathi – <b>Executive Director</b>
	Chetan Rathi – <b>Director</b>
	Hari Narayan Rathi - <b>Director</b>
Relatives of Key Management Personnel (KMP):	Chanda Devi Rathi – Wife of Mr. Hari Narayan Rathi
Entity in which KMP had significant influence during the reporting period	B.N. Rathi Industries Private Limited

**b) Transactions with related parties:**

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b>Remuneration Paid:</b>	<b>12.00</b>	<b>9.00</b>
- Nisha Rathi	12.00	9.00
<b>Rent Paid:</b>	<b>3.60</b>	<b>3.10</b>
- Chanda Devi Rathi	3.60	3.10
<b>Loan given:</b>	<b>0.00</b>	<b>78.00</b>
- B N Rathi Industries Private Limited	0.00	78.00
<b>Loan repaid:</b>	<b>132.00</b>	<b>0.00</b>
- B N Rathi Industries Private Limited	132.00	0.00
<b>Trade Receivables:</b>	<b>72.79</b>	<b>0.00</b>
- B N Rathi Securities Limited	72.79	0.00

**c) Related party balances:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Rent Deposit receivable:</b>	<b>5.00</b>	<b>5.00</b>
- Chanda Devi Rathi	5.00	5.00
<b>Loans and advances:</b>	<b>0.00</b>	<b>132.00</b>
- B N Rathi Industries Private Limited	0.00	132.00
<b>Trade Receivables:</b>	<b>72.79</b>	<b>0.00</b>
- B N Rathi Securities Limited	72.79	0.00

**25. Leases:**
**Operating Lease**
**Assets taken on cancellable operating lease**

The company is obligated under cancellable lease for office premises.

Total lease rental expenses recognized in the statement of profit and loss for the year are as follows;

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cancellable	3.60	3.10
<b>Total</b>	<b>3.60</b>	<b>3.10</b>

**26. Earnings per Share (EPS):**
**i. Reconciliation of earnings used in calculating earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after taxation as per statement of profit and loss (for basic EPS)	38.84	11.00
<b>Less:</b> Effect of dilutive potential ordinary shares	-	-
<b>Net Profit for dilutive earnings per share</b>	<b>38.84</b>	<b>11.00</b>

**ii. Reconciliation of basic and diluted shares used in computing earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of weighted average equity shares considered for calculating of basic EPS	10,00,000	10,00,000
<b>Add:</b> Dilutive effect of potential ordinary shares	-	-
<b>Number of weighted average equity shares considered for calculating of diluted EPS</b>	<b>10,00,000</b>	<b>10,00,000</b>

**iii. Earnings per share:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Basic (Rs.)	3.88	1.10
- Diluted (Rs.)	3.88	1.10

**27. Balance Confirmations**

Confirmations of receivables and payable balances have not been received by the company; hence, reliance is placed on the balances as per books. In the opinion of the management, the amounts are realizable/payable in the ordinary course of business.

**28. Due to Micro and Small Enterprises**

The Company has no dues to Micro and Small Enterprises as at March 31, 2024 and March 31, 2023 in the financial statements based on information received and available with the company.

**29. Fair Value Measurements**
**i. Fair value hierarchy**

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

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



**ii. Financial assets and financial liabilities measured at fair value**

Particulars	March 31, 2024	March 31, 2023
Fair Value Hierarchy Level	1	1
<b>Financial Assets</b>		
Listed instruments (Rs. In lakhs)	397.39	306.30

**iii. Financial Instruments by category**

For amortized cost instruments, carrying value represents the best estimate of fair value:

Particulars	March 31, 2024			March 31, 2023		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>FINANCIAL ASSETS</b>						
Securities for Trade	397.39	-	-	306.30	-	-
Other Investments	-	-	45.04	-	-	45.26
Trade Receivables	-	-	72.79	-	-	-
Loans	-	-	15.00	-	-	147.00
Cash and Cash Equivalents	-	-	4.49	-	-	6.76
Other Bank balances	-	-	-	-	-	-
<b>Total</b>	<b>397.39</b>	<b>-</b>	<b>137.32</b>	<b>-</b>	<b>-</b>	<b>199.02</b>
<b>FINANCIAL LIABILITIES</b>						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments in equity shares.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's board of directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The carrying amounts reported in the statement of financial position for cash and cash equivalents, trade and other receivables, trade and other payables and other liabilities approximate their respective fair values due to their short maturity.

### 30. Financial Instruments Risk Management

#### i. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has exposure only to financial instruments at fixed interest rates. Hence, the company is not exposed to significant interest rate risk.

#### b. Price Risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss.

#### ii. Credit Risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company, leading to a financial loss. The Company is mainly exposed to the risk of its balances with the bankers and trade and other receivables.

#### Ageing of receivables is as follows:

Particulars	March 31, 2024	March 31, 2023
Past due not impaired:		
0-30 Days	72.79	-
31-60 Days	-	-
61-90 Days	-	-
91-180 Days	-	-
Greater than 180 Days	-	-
<b>Total</b>	<b>72.79</b>	<b>-</b>

#### iii. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company considers the liquidity of the market in which the entity operates. The Company's principal sources of liquidity are the cash flows generated from operations. The Company has no long-term borrowings and believes that the working capital is sufficient for its current requirements. Accordingly, no liquidity risk is perceived.

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

Particulars	Upto 1 year	From 1-3 years	More than 3 years	Total
<b>March 31, 2024</b>				
Borrowings	-	-	-	-
Trade Payables	-	-	-	-
<b>Total</b>	-	-	-	-
<b>March 31, 2023</b>				
Borrowings	-	-	-	-
Trade Payables	-	-	-	-
<b>Total</b>	-	-	-	-

### 31. Capital Risk Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares. Total capital is the equity as shown in the statement of financial position. Currently, the Company primarily monitors its capital structure on the basis of gearing ratio. Management is continuously evolving strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Company.

The capital for the reporting year under review is summarized as follows:

Particulars	March 31, 2024	March 31, 2023
Current Borrowings	-	-
<b>Total Debt</b>	-	-
As a percentage of total capital	0.00%	0.00%
<b>Equity</b>	<b>545.78</b>	<b>506.94</b>
As a percentage of total capital	100.00%	100.00%
<b>Total Capital [Debt and Equity]</b>	<b>545.78</b>	<b>506.94</b>

**32. Key Financial Ratios (as applicable)**

Particulars	Formulae	As at March 31, 2024	As at March 31, 2023	% Change	Reason for Variance
(i) Current Ratio	Current Assets/ Current Liabilities	4136.56	100.90	3999.72	Increase in Current Ratio is due to decrease in current liabilities during the year.
(ii) Return on Equity Ratio (%)	Net profit after taxes/ Share holder's Equity	7.10%	2.17%	227.25	Return on equity ratio increased due to increase in operating revenue during the year.
(iii) Net Capital Turnover Ratio	Revenue from Operations/ Working capital	0.20	0.07	191.28	Net Capital Turnover ratio increased due to increase in operating revenue during the year.
(iv) Net Profit Ratio (%)	Net profit after taxes/ Revenue from Operations	39.29%	50.14%	(21.63)	Net Profit ratio decreased due to increase in expenses during the year.
(v) Return on Capital Employed (%)	Earnings before Interest & Tax/ Capital Employed	9.78%	3.63%	169.24	Return on equity ratio increase due to increase in operating revenue during the year.

**33. Other Statutory Compliances**

- a. The company does not have any benami property, where any proceeding has been initiated, or pending against the company for holding any benami property.
- b. The company does not have any transactions with companies struck off.
- c. The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The company has not traded or invested in crypto currency or virtual currency during the financial year.
- e. The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- f. The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
    - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - g. The company does not have any such transaction which is not recorded in the books of account 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).
34. Previous year's figures have been regrouped/reclassified/recasted wherever necessary to confirm to the current year's presentation.

As per our report on even date

For Seshachalam & Co.  
Chartered Accountants  
Firm Registration Number: 003714S

Sd/-  
T Bharadwaj  
Partner  
Membership No.: 201042

Place: Hyderabad  
Date: 13.05.2024

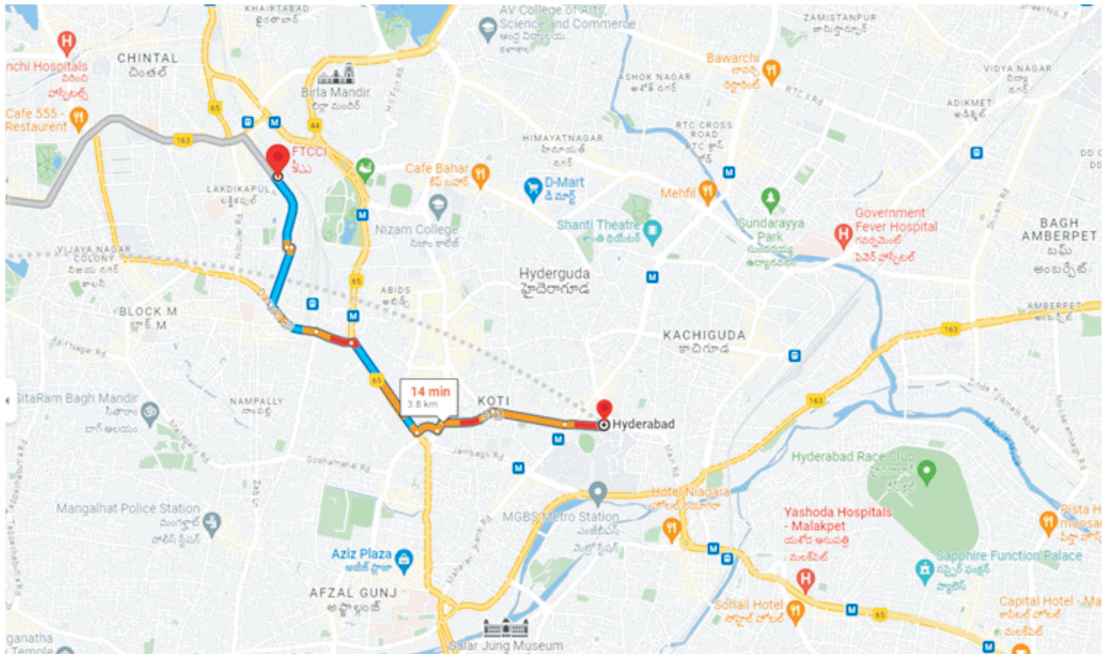
For and on behalf of the Board of Directors of  
B. N. RATHI COMTRADE PRIVATE LIMITED

Sd/-  
Chetan Rathi  
Director  
DIN: 00536441

Sd/-  
Nisha Rathi  
Executive Director  
DIN: 02210852

**ROUTE MAP TO AGM  
VENUE**

**FTCCI Surana Hall, The Federation of Telangana Chambers of Commerce and Industry, (FTCCI) Federation House, Federation Marg, Red Hills, Hyderabad-500004, Telangana**



**Form No. MGT-11****Proxy form**

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

CIN: L65993TG1985PLC005838  
Name of the company: B.N. Rathi Securities Limited  
Registered office: 6-3-652,IV Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad, Telangana, 500082

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

appoint

1. Name: .....

Address: \_

E-mail Id:

Signature: ....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature: ....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on Thursday, 27th June, 2024 at 10.00 A.M. at FTCCI Surana Hall, The Federation of Telangana Chambers of Commerce and Industry, (FTCCI) Federation House, Federation Marg, Red Hills, Hyderabad-500004, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2024, the Statement of Profit & Loss and Cash Flow Statement (Standalone and consolidated) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To declare dividend of 15% i.e., Rs. 1.50/- on equity shares of face value of Rs. 10/- for the financial year ended 31st March 2024.
3. To appoint a director in place of Mr. Chetan Rathi (DIN: 00536441) who retires by rotation and being eligible, offers himself for re-appointment.
4. Appointment of M/s. MAnandam & Co., Chartered Accountants as the Statutory Auditors of the company for period of 3 years.
5. Appointment Mr. B Lakshminarayana (din: 02766709) as an independent director of the company.
6. Appointment Mr. Laxminiwas Sharma (DIN: 00010899) as Non Executive and Non Independent director of the company.
7. Appointment Mr. Harishchandra Prasad Kanuri (din: 00012564) as Non Executive and Non Independent Director of the company
8. To re-appoint Mr. Chetan Rathi as whole- time director and chief financial officer of the company.
9. To reappoint Mr. Hari Narayan Rathi as managing director of the company.
10. Alteration of the object clause of the memorandum of association of the company

Signed this ..... day of..... 2024

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Rs. 1/-  
Revenue  
Stamp

Note: This 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.





**B.N. RATHI SECURITIES LIMITED  
6-3-652,IV FLOOR, KAUTILYA, AMRUTHA ESTATES,  
SOMAJIGUDA, HYDERABAD,  
TELANGANA - 500082**

**ATTENDANCE SLIP  
(Please present this slip at the Meeting venue)**

I hereby record my presence at the 38th Annual General Meeting of the members of the company to be held on Thursday, 27th June, 2024 at 10.00 A.M. at FTCCI Surana Hall, The Federation of Telangana Chambers of Commerce and Industry, (FTCCI) Federation House, Federation Marg, Red Hills, Hyderabad-500004, Telangana and at any adjourned meeting thereof.

Shareholders/Proxy's Signature \_\_\_\_\_

Shareholders/Proxy's full name \_\_\_\_\_

(In block letters)

Folio No.: \_\_\_\_\_

Client ID \_\_\_\_\_

DP ID: \_\_\_\_\_

No. of shares held \_\_\_\_\_

**Note:**

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

*If undelivered please return to :*

**B. N. RATHI SECURITIES LIMITED**

6-3-652, IV Floor, Kautilya, Amrutha Estates,  
Somajiguda, Hyderabad, Telangana - 500 082.