



# 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: 05.06.2023

To

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

Dear Sirs,

Sub: Submission of 37<sup>th</sup> AGM Annual Report for the Financial Year 2022-23 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 37<sup>th</sup> AGM Annual Report for the Financial Year 2022-23 of the Company, which is being dispatched to our shareholders on 05.06.2023. The Annual General Meeting of the company is scheduled to be held on Friday, 30<sup>th</sup> of June, 2023 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**

**37<sup>th</sup> Annual Report**  
**2022-2023**

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

Mr. Laxminiwas Sharma	- Non-Executive & Independent Director, Chairman (DIN: 00010899)
Mr. K. Harishchandra Prasad	- Non-Executive & Independent Director (DIN: 00012564)
Mrs. Shanti Sree Bolleni	- Non-Executive & Independent Director (DIN: 07092258)
Mr. Hari Narayan Rathi	- Managing Director (DIN: 00010968)
Mr. Chetan Rathi	- Executive Director & CFO (DIN: 00536441)

**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

**AUDIT COMMITTEE**

Mr. Laxminiwas Sharma,	- Chairman (Independent Director)
Mr. K. Harishchandra Prasad,	- Member (Independent Director)
Mrs. Shanti Sree Bolleni,	- Member (Independent Director)
Mr. Hari Narayan Rathi,	- Member (Managing Director)

**NOMINATION & REMUNERATION COMMITTEE**

- |                              |                                   |
|------------------------------|-----------------------------------|
| Mr. K. Harishchandra Prasad, | - Chairman (Independent Director) |
| Mr. Laxminiwas Sharma,       | - Member (Independent Director)   |
| Mrs. Shanti Sree Bolleni,    | - Member (Independent Director)   |

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

- |                              |                                      |
|------------------------------|--------------------------------------|
| Mrs. Shanti Sree Bolleni,    | - Chairperson (Independent Director) |
| Mr. Laxminiwas Sharma,       | - Member (Independent Director)      |
| Mr. K. Harishchandra Prasad, | - Member (Independent Director)      |
| Mr. Chetan Rathi,            | - Member (Executive Director)        |

**RISK MANAGEMENT COMMITTEE**

- |                              |                                   |
|------------------------------|-----------------------------------|
| Mr. K. Harishchandra Prasad, | - Chairman (Independent Director) |
| Mrs. Shanti Sree Bolleni,    | - Member (Independent Director)   |
| Mr. Chetan Rathi,            | - Member (Executive Director)     |

**INDEPENDENT DIRECTORS**

Mr. Laxminiwas Sharma  
Mr. K. Harishchandra Prasad  
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>	: <a href="http://www.bnrsecurities.com">www.bnrsecurities.com</a>
<b>INVESTOR E-MAIL ID</b>	: <a href="mailto:investorgrievances@bnrsecurities.com">investorgrievances@bnrsecurities.com</a>
<b>CORPORATE IDENTITY NUMBER</b>	: L65993TG1985PLC005838

**NOTICE**

Notice is hereby given that the 37th Annual General Meeting of the members of B.N. Rathi Securities Limited will be held on Friday, 30th June, 2023 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 at 10.00 A.M. at to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2023, 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 2023.
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.

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

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

**Place: Hyderabad  
Date: 15.05.2023**

**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 24th June, 2023 to 30th June, 2023 (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 2022-2023 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 37th Annual General Meeting and the Annual Report for 2022-2023 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. Members may note that the Board of Directors, in its meeting held on May 15, 2023 has recommended a dividend of Rs. 1.50/- per share for fiscal year 2022-23. The record date for the purpose of dividend will be 23rd June, 2023. The 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.

16. 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.
17. 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 2022-2023 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 2022-2023 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://kfin.tech.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@kfin.tech.com](mailto:einward.ris@kfin.tech.com) for obtaining the Annual Report and Notice of e-AGM of the Company electronically.

18. 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.
19. 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.
20. 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.'
21. Members are requested to notify change in their address, if any, immediately to the R&T Agent of the Company.





22. 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.
23. 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. Since the requirement of ratification of appointment of Statutory Auditors every year by the Members of Company has been dispensed with w.e.f. May 7, 2018 vide Companies (Amendment) Act, 2017, no resolution is being proposed for ratification of appointment of Statutory Auditors at the AGM.

24. 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.
25. 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.
26. 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.



27. 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.
28. Register of Members and Share Transfer Books of the Company will remain closed from 24th June, 2023 to 30th June, 2023 (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@kfinotech.com](mailto:einward.ris@kfinotech.com).
29. 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 15.07.2023 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 23.06.2023 (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 23.06.2023.
30. 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 2022-23 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 2022-2023 does not exceed Rs. 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 2022-2023, 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.

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 29.06.2023.

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 29.06.2023.

31. Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2015-2016 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.

32. 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 23rd June, 2023 (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. 23rd June, 2023 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 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.
5. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM 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 27th June, 2023.

End of remote e-voting : At 5.00 p.m. (IST) on 29th June, 2023

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 37th 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. 23rd June, 2023 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.

<b>NSDL</b>	<b>CDSL</b>
<ol style="list-style-type: none"> <li>1. User already registered for IDeAS facility: **                             <ol style="list-style-type: none"> <li>I. URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</li> <li>III. On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>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.</li> </ol> </li> <li>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 style="text-align: right;">o r</p> </li> </ol>	<ol style="list-style-type: none"> <li>1. Existing user who have opted for Easi/Easiest **                             <ol style="list-style-type: none"> <li>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></li> <li>II. Click on New System Myeasi</li> <li>III. Login with user id and password.</li> <li>IV. Option will be made available to reach e-Voting page without any further authentication.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol> </li> <li>2. User not registered for Easi/Easiest                             <ol style="list-style-type: none"> <li>I. Option to register is available at : <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> </ol> </li> </ol>

<p><a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.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 demat Account.</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

<b>Members facing any technical issue - NSDL</b>	<b>Members facing any technical issue - CDSL</b>
<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</p> <p>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</p> <p>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 27.06.2023 in relation to 37<sup>th</sup> 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 27.06.2023.</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 Bank Account type,</li> <li>c) Bank Account 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.

33. 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.
34. 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: 15.05.2023**

### BOARD'S REPORT

To the Members,

- The Directors have pleasure in presenting the 37th Boards' Report of the Company together with the Audited Statements of Accounts (Standalone and Consolidated) for the year ended 31st March, 2023.

#### 2. FINANCIAL SUMMARY/HIGHLIGHTS:

The performance during the period ended 31st March, 2023 has been as under:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	4030.80	3795.48	4052.74	3858.25
Other income	615.26	441.79	627.08	464.02
Profit/loss before Depreciation, Finance Costs	1267.53	780.28	1286.63	827.51
Less: Depreciation/ Amortisation/ Impairment	35.67	30.61	36.34	31.10
Profit /loss before Finance Costs, Exceptional items and Tax Expense	1231.86	749.67	1250.29	796.41
Less: Finance Costs	187.18	123.65	187.19	125.31
Profit /loss before Exceptional items and Tax Expense	1044.68	626.02	1063.10	671.1
Add/(less): Exceptional items	25.00	-	25.00	-
Profit /loss before Tax Expense	1019.68	626.01	1038.10	671.1
Less: Tax Expense (Current & Deferred)	272.75	158.70	280.17	170.39
Profit /loss for the year (1)	746.93	467.31	757.93	500.71
Total Comprehensive Income/loss (2)	7.09	4.09	7.09	4.08
Total (1+2)	754.02	471.39	765.02	504.79
Balance of profit /loss for earlier years				
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	84.00	60.48	84.00	60.48

### **3. REVIEW OF OPERATIONS:**

On Consolidated basis, the total revenue of the Company for the financial year 2022-23 was Rs. 4679.82 Lakhs as against Rs. 4322.27 lakhs for the previous financial year. The Company recorded a net profit of Rs. 757.93 Lakhs for the financial year 2022-23 as against the net profit after tax of Rs. 500.70 lakhs for the previous year.

On Standalone basis, the total revenue of the Company for the financial year 2022-23 was Rs. 4646.06 lakhs as against Rs. 4237.28 Lakhs for the previous financial year. The Company recorded a net profit of Rs. 746.93 Lakhs for the financial year 2022-23 as against the net profit after tax of Rs. 467.31 lakhs for the previous year.

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

### **4. 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 2022-23. The total outgo on account of dividend, stands at Rs. 1,26,00,000/- 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 (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).

In case the Dividend payable to any shareholder exceeds Rs. 5000/- a tax of 7.5% 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 30.06.2023. 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 30.06.2023.

### **5. 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.

**6. 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 2023 is Rs.3141.32 Lakhs

**7. 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.

**8. MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments affecting financial position of the Company between 31st March 2023 and the date of Board's Report. (i.e., 15.05.2023)

**9. REVISION OF FINANCIAL STATEMENTS**

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

**10. 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. 8,40,00,000/- (Rupees Eight Crores Forty Lakhs only) divided into 84,00,000 (Eighty-Four Lakhs) equity shares of the face value of Rs. 10/- (Rupees Ten Only) each.

**11. 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 2015-16 will expire on 05.08.2023 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 31.03.2023 are as given below:

Amounts in Rs.

During Financial Year	Date of Declaration of Dividend	Last date of claiming dividend	Unclaimed amount as on 31.03.2023	Due date for transfer to Investor Education and Protection Fund (IEPF)
2016-17	06.08.2016	05.08.2023	1,93,930	05.09.2023
2017-18	05.08.2017	04.08.2024	2,69,347	04.09.2024
2018-19	09.08.2018	08.08.2025	1,49,292	08.09.2025
2019-20	10.08.2019	09.08.2026	1,42,936	09.09.2026
2020-21	13.02.2020	12.02.2027	1,58,756	12.03.2027
2021-22	11.08.2021	10.08.2028	1,55,196	10.09.2028
2022-23	22.06.2022	21.06.2029	1,26,895	21.07.2029

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.

## **12. 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. 3,15,202/- pertaining to unclaimed dividend for the financial year 2014-15 has been transferred to IEPF during the year on 16.08.2022. Further, 7900 shares in respect of which dividend has not been 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 2021-22 through individual communication 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 2016-17 is 05.08.2023. 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.

### 13. DETAILS OF THE NODAL OFFICER

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

### 14. DIRECTORS OR KMP APPOINTED OR RESIGNED.

Mr. Chetan Rathi retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice.

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under: -

<b>Name of the Director</b>	Mr. Chetan Rathi
<b>Date of Birth</b>	08/03/1976
<b>Date of Appointment</b>	01/04/2010
<b>Brief resume and Expertise in specific functional areas</b>	Sri Chetan Rathi is Whole-time Director Cum CFO of B.N.Rathi Securities Ltd . He is a Post Graduate in Business Administration (with specialization in Finance). He joined the Board of Directors of B.N.Rathi Securities Ltd in the year 2010. Earlier he has worked with Piramal Group of companies for one year in Mumbai. He played an active role for the automation of Securities Payin & Payout processes and systems of the Company. He is also a Director in B.N.Rathi Comtrade Private Limited, Wholly owned subsidiary of the company.
<b>Qualifications</b>	Post Graduate-MBA - Finance
<b>Names of the Listed entities in which the person is holding Directorships and the membership of Committees of the board along with listed entities from the director/ appointee has resigned in the past three years</b>	Nil
<b>Inter se relationship among Directors</b>	Mr. Hari Narayan Rathi, Managing Director of the company.
<b>Number of shares held by them</b>	9,14,890 equity shares, 10.89% of the paid up capital of the company.

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

The Company has received declarations from Mr. Laxminiwas Sharma, Mr. K. Harish Chandra Prasad 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).

**16. BOARD MEETINGS:**

The Board of Directors duly met Five (5) times on 18.05.2022, 08.08.2022, 10.11.2022, 11.02.2023 and 25.03.2023 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.

**17. 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 11.02.2023 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.

**18. 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.

**19. 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

**20. 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.

**21. 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.

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

During the Financial Year 2022-23, 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.

**23. 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 2022-2023 is given as Annexure-3 in this Annual Report.

**24. 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. 33.77 lakhs with a profit of Rs. 11.00 lakhs.

The Board at its meeting held on 25th March, 2023 has accorded its approval for sale of 100% stake held by the Company in the wholly owned subsidiary M/s B N Rathi Industries Private Limited, including transfer of control, in one or more tranches to other third parties. Accordingly, as on 27.03.2023, the company has sold its entire stake i.e., 100% stake in its subsidiary company i.e., B N Rathi Industries Private Limited and therefore, B N Rathi Industries Private Limited ceases to be subsidiary company of B N Rathi Securities Limited with immediate effect.

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.

**25. 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 the review M/s B N Rathi Industries Private Limited ceased to be the subsidiary of the company w.e.f 27.03.2023.

**26. 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.

**27. DETAILS RELATING TO DEPOSITS:**

The Company has not accepted any public deposits during the Financial Year ended March 31, 2023 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**28. 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.

**29. 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.

**30. 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 2022-23, 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.

### **31. 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

### **32. 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.

### **33. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:**

The Provisions of corporate social responsibility u/s 135 of the companies Act 2013, have



become applicable to the Company for the first time w.e.f. the financial year 2023-24 since the Company has earned more than Rs. 5 cr of net profit as defined therein. The Company will formulate CSR policy and specify the activities to be undertaken by the Company to ensure that the Company spends in the FY 2023-24 the required amount of profits thereof.

**34. 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).

**35. 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.

**36. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT:**

At the 33rd Annual General Meeting held on 10.08.2019, the members of the company approved the appointment of M/s. Seshachalam & Co, chartered Accountants Statutory Auditors of the company for the term of five years from the financial year 2019-20 onwards on such terms and conditions and remuneration as may be decided by the Board. M/s Seshachalam & Co will continue as statutory auditors of the company till the conclusion of the 38th Annual General Meeting to hold for the financial year 2023-24.

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 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, 2023 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.

**37. 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, 2023.

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, 2023. The Report given by the Secretarial Auditor is annexed herewith as Annexure-6 and forms integral part of this Report.

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

### **38. 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 15, 2023, was given by M/s. S.S. Reddy & Associates, Practicing Company Secretary which is submitted to Stock Exchange(s) within 60 days of the end of the financial year.

### **39. 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 2023-24.

### **40. 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.

### **41. 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, 2023.

### **42. 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).

**43. 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.

**44. 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-7 to this report.

**45. 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).

**46. INSURANCE:**

The properties and assets of your Company are adequately insured.

**47. 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-8** 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.

**48. 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.

**49. 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.

#### **50. 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)).

#### **51. 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.bnrathisecurities.com](http://www.bnrathisecurities.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:

#### **Committee:**

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

All employees are covered under this policy. During the year 2022-23, there were no complaints received by the Committee.



**52. 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.

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

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

**54. 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.

**55. 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.

**56. 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 granting, issuing and allotment of 15,00,000 Options and consequent 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 2023:

<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	Not Applicable since no Options were granted.
	Adjustment on account of bonus issue (if any)	NA
	No. of options granted during the year	NIL
	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	NIL
	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-9**.

#### **57. 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).

#### **58. EVENT BASED DISCLOSURES**

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

- a. Issue of sweat equity share: NA
- b. Issue of shares with differential rights: NA
- c. Issue of shares (including sweat equity shares) to employees of the Company: NA.
- d. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
- e. Buy back shares: NA
- f. Disclosure about revision: NA
- g. Preferential Allotment of Shares: NA
- h. Issue of equity shares with differential rights as to dividend, voting: NA

**59. 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/-  
Laxminiwās Sharma  
Chairman  
DIN: 00010899**

**Place: Hyderabad  
Date: 15.05.2023**

## **CORPORATE GOVERNANCE REPORT**

### **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, 2023. 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.

## **1. BOARD OF DIRECTORS**

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

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman & Independent Non-Executive Director. As on date of this report, the Board of Directors of the Company has 5 members (including three independent Non-Executive Directors) with vast experience and knowledge. None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the Board of Directors and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

**Dates on which Board meetings were held:** 18.05.2022, 08.08.2022, 10.11.2022, 11.02.2023 and 25.03.2023.

Name	Category	Attendance at the AGM held on 12.07.2022	Attendance in Board Meetings		No. of Directorships in other companies	No. of committee positions held in other public companies	
			Held	Attended		Chairman	Director
Shri Laxminiwas Sharma	Chairman & NED, Independent Director	Yes	5	5	2	0	1
Shri Hari Narayan Rathi	Promoter and Managing Director	Yes	5	4	2	-	-
Shri Chetan Rathi	Promoter and Whole-time Director	Yes	5	5	2	-	-
Shri K Harishchandra Prasad	NED & Independent Director	Yes	5	5	7	-	6
Smt Shanti Sree Bolleni	NED & Independent Director	Yes	5	5	2	-	2

**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	Independent Director
Mr. Hari Narayan Rathi	NIL	--

**B. 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. Chetan Rathi
5.	Finance & Accounting	Mr. Laxminiwas Sharma Mr. Harishchandra Prasad Kanuri Mrs. Shanti Sree Bolleni Mr. Hari Narayan Rathi Mr. Chetan Rathi
6.	Research & Development	Mr. Chetan Rathi
7.	Legal and General Management	Mr. Hari Narayan Rathi Mr. Chetan Rathi

**C. 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.

**D. NUMBER OF SHARES AND 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.

**E. 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.



**F. 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 11.02.2023, 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.

**G. 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 2022-23 are disclosed on the Company's website i.e., <https://www.bnrsecurities.com/>.

**H. 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
- 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.

**I. 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

**J. 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:





**1. 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 380[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).

**COMPOSITION, MEETINGS & ATTENDANCE**

There were five (5) Audit Committee Meetings held during the year on 18.05.2022, 08.08.2022, 10.11.2022, 11.02.2023 and 25.03.2023

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Laxminiwas Sharma	Chairman	Independent, Non-Executive	5	5
Harishchandra Prasad	Member	Independent, Non-Executive	5	5
Shanti Sree Bolleni	Member	Independent, Non-Executive	5	5
Hari Narayan Rathi	Member	Executive Director	5	4

D. Previous Annual General Meeting of the Company was held on 22nd July 2022 and Mr. Laxminiwas Sharma, Chairman of the Audit Committee for that period, attended previous AGM.

**2. 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 one Nomination and Remuneration Committee Meeting held during the financial year on 18.05.2022.

<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
K Harishchandra Prasad	Chairman	Independent, Non-Executive	1	1
Laxminiwas Sharma	Member	Independent, Non-Executive	1	1
Shanti Sree Bolleni	Member	Independent, Non-Executive	1	1

**C. REMUNERATION POLICY:**

The objectives of the remuneration policy are to motivate Directors 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 shouldered and individual performance.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:****1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

- 2.1 "Director" means a director appointed to the Board of a Company.
- 2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:****Qualifications and criteria**

- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
  - General understanding of the Company's business dynamics, global business and social perspective;
  - Educational and professional background
  - Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
- shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

### **3.2 Criteria of Independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a director other than a managing Director or a whole-time Director or a nominee Director

- i. who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;
- ii. who is or was not a promoter of the listed entity or its holding, subsidiary or associate company [or member of the promoter group of the listed entity];
- iii. who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
- iv. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the 68[three] immediately preceding financial years or during the current financial year;



- v. none of whose relatives—
- a. is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
  - b. is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
  - c. has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
  - d. has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income: Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.]
- vi. who, neither himself ["/herself], nor whose relative(s)—
- a. holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company [or any company belonging to the promoter group of the listed entity,] in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:  
  
[Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment.]
  - b. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (i) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
    - (ii) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - c. holds together with his relatives two per cent or more of the total voting power of the listed entity; or
  - d. is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;

- e. is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
- vii. who is not less than 21 years of age.
- viii. who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director:

3.2.3 The independent Director shall abide by the “code for independent Directors “as specified in Schedule IV to the companies Act, 2013.

### 3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder’s relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

### **Remuneration policy for Directors, key managerial personnel and other employees:**

The objectives of the remuneration policy are to motivate Directors 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 shouldered and individual performance.

### **Remuneration policy for Directors, key managerial personnel and other employees**

#### **1. Scope:**

0.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.



**2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

- 2.1 “Director” means a Director appointed to the Board of the Company.
- 2.2 “key managerial personnel” means
  - (i) The Chief Executive Officer or the managing Director or the manager;
  - (ii) The Company Secretary;
  - (iii) The Whole-time Director;
  - (iv) The Chief Financial Officer; and
  - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:**

- 3.1 Remuneration to Executive Director and key managerial personnel
  - 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR)
  - 3.1.2 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.
  - 3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
    - (i) Basic pay
    - (ii) Perquisites and Allowances
    - (iii) Stock Options
    - (iv) Commission (Applicable in case of Executive Directors)
    - (v) Retrial benefits
    - (vi) Annual performance Bonus
  - 3.1.4 The Annual plan and Objectives for Executive committee 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.
- 3.2 Remuneration to Non – Executive Directors

3.2.1 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 as per the provisions of the Companies Act.

3.2.2 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.

3.3. Remuneration to other employees

3.3.1. 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.

### **C. MECHANISM FOR EVALUATION OF THE BOARD**

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/ HO/ CFD/ CMD/ CIR/ P/ 2017/ 004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

**The Directors were given FIVE Forms for evaluation of the following:**

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson; and
- (v) Evaluation of Managing Director and Whole-time Director

**The Directors were requested to give following ratings for each criteria:**

- 1. Could do more to meet expectations;
- 2. Meets expectations; and
- 3. Exceeds expectations.

The Directors have sent the duly filled forms to the Board. Based on the evaluation done by the Directors, the report on Evaluation was submitted to the Board. And based on the report, the Board of Directors has informed that the performance of Directors is satisfactory.

**D. REMUNERATION TO DIRECTORS**

Name of the Director	Remuneration (Rs)	Sitting Fee (Rs)	Total (Rs)	No. of Shares held
Mr. Hari Narayan Rathi	63,00,000	-	63,00,000	29,24,955
Mr. Chetan Rathi	54,00,000	-	54,00,000	9,14,890
Mr. Laxminiwas Sharma	-	1,05,000	-	-
Mr. K Harishchandra Prasad	-	1,05,000	-	2500
Mrs. Shanti Sree Bolleni	-	1,05,000	-	-

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.

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

The performance evaluation criteria for Independent Directors are already mentioned under the head "Board Evaluation" in Directors' Report.

**3. 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 2022 to March 2023, Four (4) Stakeholders Relationship Committee Meeting was held.

The date on which the said meetings were held are 18.05.2022, 08.08.2022, 10.11.2022, 11.02.2023.

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

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Shanti Sree Bolleni	Chairperson	Non Executive And Independent	4	4
Laxminiwas Sharma	Member	Non Executive And Independent	4	4
K Harishchandra Prasad	Member	Non Executive And Independent	4	4
Chetan Rathi	Member	Executive Director	4	4

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

Ms. Gadila Sabitha 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 2022-23**

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2023
Pending at the beginning of the year	0
Received during the year	23
Disposed of during the year	23
Remaining unresolved at the end of the year	0

**4. Risk Management Committee: -**

The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors. However, to further strengthen & streamline the procedures about risk assessment and minimization procedures, the Board of Directors voluntarily constituted a Board level Risk Management Committee (RMC).

**A.) Composition:**

The Details of composition of the Committee are given below:

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Mr. K Harishchandra Prasad	Chariman	Independent, Non-Executive
Mr. Shanti Sree Bolleni	Member	Independent, Non-Executive
Mr. Chetan Rathi	Member	Executive

Role and responsibilities of the committee includes the following:

- Framing of Risk Management Plan and Policy.
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

**1. GENERAL BODY MEETINGS**
**A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:**

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>	<b>Special Resolution Passed</b>
2019-20	13.08.2020	10.00 a.m.	Through Video conference	YES
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

**B. PASSING OF RESOLUTIONS BY POSTAL BALLOT**

There were no resolutions passed by the Company through Postal Ballot during the Financial Year 2022-23.

**2. 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 DISLOSURE 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-notices.aspx>

**WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

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

**F. 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.

**G. DETAILS OF UTILIZATION OF FUNDS RAISED THOROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT.**

During the year under review, no issue of shares was made either by way of preferential allotment/Qualified Institutional Placement.

**H. 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.

**I. RECOMMENDATIONS OF COMMITTEES**

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

**J. 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. 10,00,000/-

**K. 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

**L. 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

**3. 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.

**4. 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.

**5. 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:**

<b>Regulation</b>	<b>Particulars</b>	<b>Compliance Status</b>
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



**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.

**N. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2022-23.**

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, 2023 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

**O. CEO/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 2022-2023 is provided elsewhere in this Annual Report

**Q. 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.

**R. RECONCILIATION OF SHARE CAPITAL:**

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**S. 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.

**4. MEANS OF COMMUNICATION:**

- i. 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.

- ii. The approved financial results are forthwith sent to the BSE Limited and are published in the newspapers namely, The Business Standard and Nava Telangana within forty-eight hours of approval thereof.
- iii. As the Company's quarterly/half yearly and yearly financial results are uploaded on Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com),..

**5. GENERAL SHAREHOLDERS INFORMATION:**

Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65993TG1985PLC005838
Date	30.06.2023
Time	10.00 am
Venue of AGM	FTCCI Surana Hall, Federation House, Federation Marg, Red Hills, Hyderabad - 500 004, Telangana
Dividend payment date	on or before 15.07.2023
Tentative Schedule for considering Financial Results:	
For the Quarter ending June,2023	July/August, 2023
For the Quarter ending September, 2023	October/ November, 2023
For the Quarter ending December,2023	January/ February, 2023
For the Quarter/year ending March, 2024	April/ May, 2024
Date of Book Closure	24th June, 2023 to 30th June, 2023 (inclusive of both days)
Name and address of each stock exchange(s) at which the Company's securities are listed	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023
Confirmation of Payment of annual listing fees to stock exchanges	Paid to BSE, where the shares of the Company are listed
Scrip Code	523019
ISIN Number for NSDL & CDSL	INE710D01010
In case the securities are suspended from trading, the directors report shall explain the reason thereof In case the securities are suspended from trading, the directors report shall explain the reason thereof	The securities of the Company are not suspended from trading by the Stock Exchanges
Branch Offices	Chennai, Coimbatore, Mumbai and Dhruvatar (Hyderabad)

Address for correspondence:	6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad – 500082. Ph. 04040527777, Website: <a href="http://www.bnrsecurities.com">www.bnrsecurities.com</a>
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.
Address for Correspondence	To be addressed to: M/s. KFin Technologies Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 Phone Number: 040-67162222,67161526, Website: <a href="http://www.kfintech.com">www.kfintech.com</a> Email- <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>
Investor Correspondence / Query on Annual Report, etc.	G Sabitha Reddy Company Secretary 6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad – 500082. Ph.04040527777, Website: <a href="http://www.bnrsecurities.com">www.bnrsecurities.com</a>

**A. Registrars & 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](http://www.kfintech.com)  
Email- [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**B. Share transfer system:**

The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects. The Company Secretary has been empowered to approve the transfer of shares.

Effective April 1, 2019, SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat 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.

**According to SEBI, this amendment will bring the following benefits:**

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

**C. MARKET PRICE DATA:**

MONTHLY HIGH/LOW OF MARKET PRICE OF THE COMPANY'S SHARES TRADED ON THE BSE LIMITED.

S.No	Month	Open Price	High Price	Low Price	Close Price
1	Apr-22	34	45.4	34	39.8
2	May-22	40	41.8	32.25	34.1
3	Jun-22	34.25	39	29.3	32.45
4	Jul-22	32.2	37.9	32.2	34
5	Aug-22	33.55	35.55	32.05	33.2
6	Sep-22	34.7	37.65	32.4	34.45
7	Oct-22	35	35.85	32.75	34.35
8	Nov-22	34.55	38.9	32.95	37.15
9	Dec-22	37.95	43.65	35.65	38.4
10	Jan-23	39	40.4	32	36.6
11	Feb-23	36.7	40.45	32.8	34.45
12	Mar-23	34	39.9	32.02	33.9

**D. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2023:**
**Shareholding of Promoter and Promoter Group**

Category	Category & Name of the Shareholder	No of fully paid up equity shares held	Shareholding as a % of total no of shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held	Number of equity shares held in dematerialized form
(1)	Indian					
(a)	Individuals/Hindu undivided Family	4880298	58.10	0	0.00	4880298
	Chetan Rathi	914890	10.89	0	0.00	914890
	Hari Narayan Rathi	2924955	34.82	0	0.00	2924955
	Chanda Devi Rathi	670624	7.98	0	0.00	670624
	Nisha rathi	369829	4.40	0	0.00	369829
(b)	Central Government/State Government(s)	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks	0	0.00	0	0.00	0
(d)	Any Other	0	0.00	0	0.00	0
	<b>Sub-Total (A)(1)</b>	<b>4880298</b>	<b>58.10</b>	<b>0</b>	<b>0.00</b>	<b>4880298</b>
(2)	Foreign					
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0.00	0	0.00	0
(b)	Government	0	0.00	0	0.00	0
(c)	Institutions	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor	0	0.00	0	0.00	0
(e)	Any Other	0	0.00	0	0.00	0
	<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>4880298</b>	<b>58.10</b>	<b>0</b>	<b>0.00</b>	<b>4880298</b>

**SHAREHOLDING OF PUBLIC GROUP**

Category & Name of the Shareholder	No. of share holder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form(Not Applicable)
B1) Central Government/ State Government(s)/ President of India	0	0	0	0	0		
Non-Institutions	0	0	0	0	0		
Directors and their relatives (excluding independent directors and nominee directors)	4	144701	1,44,701	1.72	1,44,701	1.72	1,44,701
AMIT RATHI	1	115083	1,15,083	1.37	1,15,083	1.37	1,15,083
Investor Education and Protection Fund (IEPF)	1	179352	1,79,352	2.14	1,79,352	2.14	1,79,352
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	5017	1913635	19,13,635	22.78	19,13,635	22.78	17,58,675
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	13	1031328	10,31,328	12.28	10,31,328	12.28	10,31,328
AJESH DALAL	1	200893	2,00,893	2.39	2,00,893	2.39	2,00,893
MANJU GAGGAR	1	93593	93,593	1.11	93,593	1.11	93,593
MAHENDRA GIRDHARILAL	1	348314	3,48,314	4.15	3,48,314	4.15	3,48,314

Non Resident Indians (NRIs)	46	71586	71,586	0.85	71,586	0.85	71,586
Bodies Corporate	19	68150	68,150	0.81	68,150	0.81	67,950
Any Other (specify)	86	110950	1,10,950	1.32	1,10,950	1.32	1,10,950
HUF	82	109694	1,09,694	1.31	1,09,694	1.31	1,09,694
Clearing Members	4	1256	1,256	0.01	1,256	0.01	1,256
Sub Total B4	5186	3519702	35,19,702	41.90	35,19,702	41.90	33,64,542
B=B1+B2+B3+B4	5186	3519702	35,19,702	41.90	35,19,702	41.90	33,64,542

Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	Total no. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
Promoter & Promoter Group	4	48,80,298	48,80,298	58.10	48,80,298	58.10	48,80,298
Public	5,186	35,19,702	35,19,702	41.90	35,19,702	41.90	33,64,542
Shares underlying DRs	0	0	0	0	0	0	0
Shares held by Employes Trusts	0	0	0	0	0	0	0
Non Promoter-Non Public	0	0	0	0	0	0	0
<b>Total:</b>	5,190	84,00,000	84,00,000	100.00		100.00	82,44,840

**E. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2023**

Distribution Schedule - Consolidated As on 31-03-2023					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount in Rs.	% of Amount
1-5000	4,575	85.786612	5,37,783	53,77,830	6.402179
5001- 10000	393	7.369211	3,13,528	31,35,280	3.732476
10001- 20000	187	3.506469	2,80,830	28,08,300	3.343214
20001- 30000	48	0.900056	1,22,540	12,25,400	1.458810
30001- 40000	30	0.562535	1,06,315	10,63,150	1.265655
40001- 50000	21	0.393775	99,275	9,92,750	1.181845
50001- 100000	33	0.618789	2,53,028	25,30,280	3.012238
100001& Above	46	0.862554	66,86,701	6,68,67,010	79.603583
<b>Total</b>	<b>5,333</b>	<b>100.00</b>	<b>84,00,000</b>	<b>8,40,00,000</b>	<b>100.00</b>

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

Dematerialization and Liquidity of Shares:

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is 523019. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	14,36,888	17.10%
CDSL	68,07,952	81.05%
Physical	1,55,160	1.85%
<b>TOTAL</b>	<b>84,00,000</b>	<b>100.00</b>

**G. There are no outstanding global depository receipts or American Depository Receipts likely to impact on the Equity.**



**H. STOCK PERFORMANCE IN COMPARISON TO BSE SENSEX:**



Day Chart Period from April 2022 to March 2023

BNRSEC, BSE \_\_\_\_\_

S&P BSE Sensex \_\_\_\_\_

**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.

**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.

**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**

During the year under review, the Company has not issued any debt instrument or fixed deposit receipts etc. in India or abroad.

Plant Locations: Not Applicable

**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 from 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**

**Place: Hyderabad  
Date: 15.05.2023**

**Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968**

**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**

- 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	63,00,000	12:1
Mr. Chetan Rathi	54,00,000	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 2022-23	FY 2021-22	
Laminiwas Sharma	Director	-	-	0%
Hari Narayan Rathi	Managing Director	63,00,000	60,00,000	5.00%
Harishchandra Prasad Kanuri	Director	-	-	NIL
Chetan Rathi	Wholetime Director/CFO	54,00,000	48,00,000	12.50%
Shanti Sree Bolleni	Director	-	-	NIL
Gadila Sabitha Reddy	Company Secretary	10,04,000	5,37,000	86.96%

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

Particulars	Remuneration		Increase/ (Decrease) %
	FY 2022-23	FY 2021-22	
Median Remuneration of all the employees per annum*	5,36,650	5,38,200	0%

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

- 4.

Particulars	Number
The number of employees on the rolls of the company as on March 31, 2023	76

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>14.88%</b>
<b>Average Percentage increase in the Remuneration of Key Managerial Personnel</b>	
Mr. Hari Narayan Rathi (Managing Director)	<b>5.00%</b>
Mr. Chetan Rathi (Wholetime Director/CFO)	<b>12.50%</b>
Mrs. Gadila Sabitha Reddy (Company Secretary)	<b>86.96%</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 Managerial Personnel) Rules, 2014

**Top 10 employees of the Company based on Remuneration drawn for FY 2022-23:**

Sl.No	Name of the Employee	Designation of the Employee	Gross Remuneration	Nature 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	2511200	Permanent	MBA & 21 years	07 MAR 2015	43	CD EquiSearch Private Limited	0
2	B G ANIRUDH SHARMA	Senior Vice President	2467410	Permanent	B.Tech& 19 years	16 APR 2015	40	CD EquiSearch Private Limited	0
3	HARI KRISHNA C	Vice President	1924050	Permanent	B.com (CA) & 20 years	07 MAR 2015	43	CD EquiSearch Private Limited	0
4	PRANEETH SHARMA CH	Asst Vice President	1572750	Permanent	B.Tech& 17 years	01 APR 2015	39	CD EquiSearch Private Limited	0
5	P RAMAKRISHNA	Asst Vice President	1485300	Permanent	B.com & 15 years	07 MAR 2015	37	CD EquiSearch Private Limited	0
6	CHOPPALA RAJKUMAR	Manager	1194125	Permanent	B.com & 20 years	06 OCT 2015	45	CD EquiSearch Private Limited	0
7	SABITHA REDDY G	Company Secretary	1106850	Permanent	CS & 9 years	01 APR 2015	41		0
8	PEEDI SUDHAKAR	Asst Manager-Sales	1054500	Permanent	MBA & 13 years	07 MAR 2015	44	CD EquiSearch Private Limited	0
9	DAYANAND RAJU A	Sales Manager	1049400	Permanent	MBA & 14 years	01 APR 2015	38	CD EquiSearch Private Limited	0
10	MAHESH BABU V	Sales Manager	1002910	Permanent	MBA &	07 JAN 2014	37	CD EquiSearch Private Limited	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 23 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 We have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I 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

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

Sd/-  
Chetan Rathi  
CFO  
(DIN: 00536441)

Place: Hyderabad  
Date: 15.05.2023

**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: 01.04.2022 to 31.03.2023
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	406.94
3.	Total Assets	510.11
4.	Total Liabilities	510.11
5.	Investments	306.30
6.	Turnover (Income)	33.37
7.	Profit / loss before Taxation	18.41
8.	Provision for Taxation	7.41
9.	Profit / loss after Taxation	11.00
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 : B.N. Rathi Industries Private Limited was sold on 27.03.2023.

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

Sd/-  
T. Bharadwaj  
Partner

Place: Hyderabad  
Date: 15.05.2023

For and on behalf of the Board,

Sd/-  
Laxminiwas Sharma  
Chairman

Sd/-  
Chetan Rathi  
Executive Director  
cum CFO

Sd/-  
Hari Narayan Rathi  
Managing Director

Sd/-  
Sabitha Reddy  
Company Secretary

**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
  - a) Name(s) of the related party and nature of relationship : Not Applicable
  - b) Nature of contracts/arrangements/transactions : None
  - c) Duration of the contracts/arrangements/transactions : Not Applicable
  - d) Salient terms of the contracts or arrangements or Transactions including the value, if any : Not Applicable
  - e) Justification for entering into such contracts or Arrangements or transactions : Not Applicable
  - f) Date(s) of approval of the Board : Not Applicable
  - g) Amounts paid as advances, if any : None
  - h) Date on which the special resolution was passed in General meeting as required under first proviso to Section 188 : Not Applicable



**2. Details of material contracts or arrangement or transactions at arms length basis:**

S.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:
1	<b>Rent</b>				
	Chanda Devi Rathi	Office Premises on Rent	01/04/2022 to 31/08/2022	Rs. 4,00,000	18.05.2022
			01/09/2022 to 31/03/2023	Rs. 7,35,000	
2	<b>Remuneration Paid:</b>				
	Hari Narayan Rathi	Remuneration Paid	01/04/2022 to 30/09/2022	Rs. 30,00,000	18.05.2022
			01/10/2022 to 31/03/2023	Rs. 33,00,000	
	Chetan Rathi	Remuneration Paid	01/04/2022 to 31/03/2023	Rs.54,00,000	18.05.2022
	Nisha Rathi	Remuneration Paid	01/04/2022 to 31/03/2023	Rs. 9,00,000	18.05.2022

**3. Details of contracts or arrangements or transactions not in the ordinary course of business**

S.No	Particulars	Details
a)	Name(s) of the related party & nature of relationship	None
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	None
e)	Justification of entering into such contracts or arrangements or transactions	None
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188	Not Applicable

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

Sd/-  
T. Bharadwaj  
Partner

Place: Hyderabad  
Date: 15.05.2023

For and on behalf of the Board,

Sd/-  
Laxminiwas Sharma  
Chairman

Sd/-  
Chetan Rathi  
Executive Director  
cum CFO

Sd/-  
Hari Narayan Rathi  
Managing Director

Sd/-  
Sabitha Reddy  
Company Secretary

**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, 2023**

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, 2023, 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, 2023 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 2022-23: -



- 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; **Not 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 Private 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 5 meetings of the Board of Directors, 5 meetings of the Audit committee, 4 Meetings of Stakeholder Relationship Committee, 1 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 has Mr. Chetan Rathi as the Chief Financial Officer and Mrs. G. Sabitha Reddy as 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. 12611; C.P. No: 7478  
Peer Review Certificate No. 1450/2021  
UDIN NO: A012611E000304551**

**Place: Hyderabad  
Date: 15.05.2023**

**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. 12611; C.P. No: 7478  
Peer Review Certificate No. 1450/2021  
UDIN NO: A012611E000304551**

**Place: Hyderabad  
Date: 15.05.2023**

**MANAGEMENT DISCUSSION & ANALYSIS****Overview**

We always want to look ahead and push ourselves to reinvent and reinnovate. We took this opportunity to be introspective and realised our core strengths. We do not see these restrictions as a hurdle but an opportunity to explore new markets and new fields. We believe that with over 36 years of combined management experience in the capital markets and corporate space in India enable us to be competent in this field, its activities in Broking.

**Industry Structure and Developments**

The Company is a 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 Segment, Multi Commodity Exchange and the Company is a DP on CDSL.

The Company follows all the rules and regulations of the respective exchange for depository / SEBI.

**Opportunities and Threats**

The Company being a player in the financial market, the performance of the Company largely depends on the National and Global Capital Markets. The High volatility in the market along with higher inflation has intensified the competition. Your Company continues to achieve cost effectiveness through the application of technology. 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. Leverage technology to enable best practices and process.

**Threats**

1. Execution Risk
2. Slowdown in global liquidity flows
3. Intense competition from local and global players.
4. Unfavourable economic conditions

**Segment –wise or product wise performance**

The Company carries on 100% Stock Broking which is its core activity.

**Internal Control & Adequacy**

The company has adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition.

### Risk Management System

The company manages our business risk through strict compliance and internal control system.

### Risk and Concerns

Any adverse change in the financial services business or negative policy of Government will affect the company's sector adversely.

### Outlook

Company is focusing on service-based activities. We believe that with over 33 years of combined management experience in the capital markets and corporate space in India enable the company to be competent in this field The company has decided to venture into different business through investments in subsidiaries company.

### Details of significant changes

Particulars	As at March 31, 2023	As at March 31, 2022	% Change	Reason for Variance
(i) Current Ratio	1.31	1.27	3.54	-
(ii) Debt Equity Ratio	2.82	3.34	(15.72)	-
(iii) Interest Coverage Ratio	7.32	7.21	1.56	-
(iv) Debtors Turnover Ratio	4.39	4.14	6.26	-
(v) Net Capital turnover ratio	1.16	1.31	(11.57)	-
(v) Net Profit Ratio(%)	18.56%	12.31%	50.71	High profit margin due to increase in income
(vii) Return on Capital employed(%)	30.38%	21.95%	38.42	Improvement in operating profit due to increase in income
(iv) Return on networth(%)	18.78%	14.11%	33.09	Increase in profit margin is high due to increase in income

### Human Resource

Company has adequately trained and well experienced personnel. Our employees are highly motivated and work in line of the organizational goal.

### 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.



**Annexure – 8****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, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, 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, 2023.

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

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

**Sd/-**

**S. Sarveswara Reddy  
Practicing Company Secretary  
M.NO. 12611; C.P. No: 7478  
Peer Review Certificate No. 1450/2021  
UDIN NO: A012611E000304551**

**Place: Hyderabad  
Date: 15.05.2023**

**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, Kautilya Amrutha 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 31.03.2023.

**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. 12611; C.P. No: 7478  
Peer Review Certificate No. 1450/2021  
UDIN NO: A012611E000304551**

**Place: Hyderabad  
Date: 15.05.2023**

**Annexure – 8****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 2022-2023

**For B N Rathi Securities Limited**

**Place: Hyderabad  
Date: 15.05.2023**

**Sd/-  
Hari Narayan Rathi  
Managing Director  
DIN: 00010968**

**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 therespective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	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.
171452	NIL	NIL	179352

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

## **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, 2023, 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, 2023, 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, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
- 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, 2023 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: 23201042BHAKQQ7626**

**Place: Hyderabad,  
Date: May15, 2023**

**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, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

**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 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 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 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 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 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) 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: 23201042BHAKQW7626**

**Place: Hyderabad,  
Date: May15, 2023**

**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, 2023 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 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **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, 2023, 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 May 15, 2023 expressed an unqualified opinion.

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

**Sd/-**  
**T. Bharadwaj**  
**Partner**  
**Membership No.: 201042**  
**UDIN: 23201042BHAKQW7626**

**Place: Hyderabad,**  
**Date: May 15, 2023**



**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 selected 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 selected 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, 2023**

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

Particulars		Note	As at March 31, 2023	As at March 31, 2022
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	3	323.25	331.83
	(b) Intangible assets	4	4.92	12.61
	(c) Financial assets			
	- Investments	5	100.00	150.00
	- Loans	6	164.50	171.89
	(d) Deferred tax assets (Net)	7	31.47	32.08
	(e) Other non-current assets	8	26.20	25.21
	<b>Total non-current assets [A]</b>		<b>650.34</b>	<b>723.62</b>
<b>2</b>	<b>Current assets</b>			
	(a) Financial assets			
	- Investments	9	7.00	7.00
	- Loans	10	-	50.00
	- Trade receivables	11	778.86	1,055.41
	- Cash and cash equivalents	12	2,906.05	2,456.72
	- Bank balances other than above	13	9,128.21	9,788.14
	- Other current financial assets	14	1,650.32	163.84
	(b) Income taxes	15	12.01	32.59
	(c) Other current assets	16	61.04	96.26
	<b>Total current assets [B]</b>		<b>14,543.49</b>	<b>13,649.96</b>
	<b>TOTAL ASSETS [A+B]</b>		<b>15,193.83</b>	<b>14,373.58</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity share capital	17	840.00	840.00
	(b) Other Equity	18	3,141.32	2,471.30
	<b>Total equity [A]</b>		<b>3,981.32</b>	<b>3,311.30</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	- Borrowings	19	-	164.12
	(b) Provisions	20	51.08	52.38
	<b>Total non-current liabilities [B]</b>		<b>51.08</b>	<b>216.50</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	- Trade payables	21	11,068.58	10,756.04
	- Other current financial liabilities	22	-	4.86
	(b) Provisions	23	7.69	7.15
	(c) Other current liabilities	24	85.16	77.73
	<b>Total current liabilities [C]</b>		<b>11,161.43</b>	<b>10,845.78</b>
	<b>TOTAL EQUITY AND LIABILITIES [A+B+C]</b>		<b>15,193.83</b>	<b>14,373.58</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 and on behalf of the Board of Directors of  
 B. N. RATHI SECURITIES LIMITED

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

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

 Place: Hyderabad  
 Date: 15.05.2023

 Sd/-  
 Laminivas 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 year ended March 31, 2023**

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

Particulars		Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I</b>	<b>INCOME</b>			
	Revenue from operations (Gross)	25	4,030.80	3,795.49
	Other income	26	615.26	441.80
	<b>TOTAL INCOME [I]</b>		<b>4,646.06</b>	<b>4,237.28</b>
<b>II</b>	<b>EXPENSES</b>			
	Employee benefit expenses	27	640.28	561.69
	Finance costs	28	187.18	123.66
	Depreciation and amortization expense	3 & 4	35.67	30.62
	Other expenses	29	908.64	985.69
	Share of brokerage	-	1,829.61	1,909.62
	<b>TOTAL EXPENSES [II]</b>		<b>3,601.38</b>	<b>3,611.27</b>
<b>III</b>	<b>Profit before exceptional items &amp; tax[I-II]</b>		<b>1,044.68</b>	<b>626.01</b>
<b>IV</b>	<b>Exceptional items</b>	43	<b>25.00</b>	-
<b>V</b>	<b>Profit before tax[III-IV]</b>		<b>1,019.68</b>	<b>626.01</b>
<b>VI</b>	<b>Tax Expense:</b>			
	- Current tax	30	272.14	163.92
	- Adjustment of current tax relating to earlier years		-	-
	- Deferred tax credit	30	0.61	(5.21)
<b>VII</b>	<b>Profit for the period[V-VI]</b>		<b>746.93</b>	<b>467.31</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of post-employment benefit obligations		7.09	4.08
	- Remeasurements of financial assets		0.00	0.01
	- Recognition of borrowings using effective interest rate		-	-
	<b>Other comprehensive income for the year, net of tax</b>		<b>754.02</b>	<b>471.40</b>
<b>IX</b>	<b>Earnings per equity share Rs. 10/- each fully paid</b>			
	- Basic (In Rs.)	36	8.89	8.22
	- Diluted (In Rs.)	36	8.89	8.22
	Corporate information	1		
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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: 15.05.2023

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

 Sd/-  
Laminiwas 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 for the year ended March 31, 2023**

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

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) for the period		1,019.68	626.01
<b>Adjustment to reconcile profit before tax to net cash flows:</b>			
Depreciation and amortisation		35.67	30.62
Interest expense other than lease liability		165.35	100.78
Interest expense on account of lease liability		0.00	0.10
Remeasurement of post employee benefits		7.09	4.08
Remeasurement of lease		(0.40)	(2.38)
Income from disposal of scrapped asset		-	(0.15)
Dividend income		(0.51)	(0.13)
Interest income		(614.75)	(440.98)
<b>Cash generated before working capital changes</b>		<b>612.13</b>	<b>317.95</b>
<b>Movements in working capital:</b>			
Increase/(Decrease) in trade payables		312.54	2,326.63
Increase/(Decrease) in other current liabilities		7.42	(32.55)
Increase/(Decrease) in long term provisions		(1.30)	(0.57)
Increase/(Decrease) in short term provisions		0.55	(1.95)
(Increase)/Decrease in trade receivables		276.55	(275.54)
(Increase)/Decrease in other non-current financial assets		0.00	0.01
(Increase)/Decrease in non-current loans		7.39	(57.39)
(Increase)/Decrease in current loans		50.00	2,110.00
(Increase)/Decrease in other non-current assets		(0.99)	5.65
(Increase)/Decrease in other current financial assets		(1,486.83)	(77.06)
(Increase)/Decrease in other current assets		35.22	(30.23)
<b>Cash generated from operations</b>		<b>(187.30)</b>	<b>4,284.94</b>
Income taxes paid		(251.56)	(196.63)
<b>Net cash flow (used in)/from operating activities (A)</b>		<b>(438.86)</b>	<b>4,088.31</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net (Purchase) of property, plant and equipment, including intangible assets		(19.06)	(63.59)
Net (Purchase) of current investments		-	-
Net Sale of current investments		50.00	-
Dividend received		0.51	0.13
Interest received		614.75	440.98
<b>Net cash flow (used in)/from investing activities [B]</b>		<b>646.20</b>	<b>377.52</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment of)/Proceeds from long term borrowings		(168.59)	(4.15)
(Repayment of)/Proceeds from issue of shares [including premium]		-	739.20
(Investment)/Redemption of bank deposits		659.93	(2,836.50)
Dividends paid on equity shares and tax on equity dividend paid		(84.00)	(60.48)
Interest paid		(165.35)	(100.78)
<b>Net cash flow (used in)/from financing activities [C]</b>		<b>241.99</b>	<b>(2,262.71)</b>
<b>D. Net increase/(decrease) in cash and cash equivalents [A+B+C]</b>		<b>449.33</b>	<b>2,203.13</b>
<b>E. Cash and cash equivalents</b>			
at the beginning of the year	12	2,456.72	253.59
at the end of the year		<b>2,906.05</b>	<b>2,456.72</b>
<b>Components of cash and cash equivalents</b>			
Balance with banks			
- In current accounts		228.35	968.90
- Deposits with original maturity of less than 3 months		2,677.25	1,487.50
Cash on hand		0.45	0.32
<b>Cash and cash equivalents at the end of the year</b>	2(n)	<b>2,906.05</b>	<b>2,456.72</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: 15.05.2023

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

 Sd/-  
 Lamiwas 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 Changes in Equity for the year ended March 31, 2023**

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

**A. Equity share capital**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid up</b>		
Balance at the beginning of the reporting year	840.00	504.00
Changes in equity share capital during the year	-	336.00
<b>Balance at the end of the reporting year</b>	<b>840.00</b>	<b>840.00</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	-	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>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>

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: 15.05.2023

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

 Sd/-  
Laminivas 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

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

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

**Note 3: Property, Plant and Equipment**

Particulars	As at March 31, 2023	As at March 31, 2022
Buildings	276.28	276.28
Furniture and Fittings	2.19	2.95
Motor Vehicles	19.08	25.16
Computers and Data Processing Units	11.92	10.25
Office Equipment	13.79	17.19
<b>Total</b>	<b>323.25</b>	<b>331.83</b>

**For the year ended March 31, 2023**

Description of Assets	Buildings	Furniture and Fittings	Motor Vehicles	Computers and Data Processing Units	Office Equipment	Total
<b>I. Gross Carrying Amount</b>						
<b>As at April 01, 2022</b>	276.28	10.73	92.15	49.36	44.35	<b>472.87</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>10.73</b>	<b>93.46</b>	<b>61.97</b>	<b>49.49</b>	<b>491.93</b>
<b>II. Accumulated Amortization</b>						
<b>Upto April 01, 2022</b>	-	7.78	66.99	39.11	27.16	<b>141.04</b>
Depreciation expense for the period	-	0.76	7.39	10.94	8.54	<b>27.64</b>
Eliminated on disposal of assets	-	-	-	-	-	-
<b>Upto March 31, 2023</b>	-	<b>8.55</b>	<b>74.38</b>	<b>50.05</b>	<b>35.70</b>	<b>168.68</b>
<b>III. Net Carrying Amount [I-II]</b>						
<b>As at March 31, 2023</b>	<b>276.28</b>	2.19	<b>19.08</b>	<b>11.92</b>	<b>13.79</b>	<b>323.25</b>
<b>As at March 31, 2022</b>	<b>276.28</b>	2.95	<b>25.16</b>	<b>10.25</b>	<b>17.19</b>	<b>331.83</b>

**For the year 2021-22**

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, 2021	276.28	8.68	86.58	39.10	28.54	<b>439.17</b>
Additions	-	2.05	23.42	10.26	15.81	<b>51.54</b>
Disposals	-	-	17.84	-	-	<b>17.84</b>
<b>Balance as at March 31, 2022</b>	<b>276.28</b>	<b>10.73</b>	<b>92.15</b>	<b>49.36</b>	<b>44.35</b>	<b>472.87</b>
<b>II. Accumulated Amortization</b>						
Upto April 01, 2021	-	7.36	77.84	28.87	23.25	<b>137.33</b>
Depreciation expense for the period	-	0.42	6.09	10.23	3.91	<b>20.66</b>
Eliminated on disposal of assets	-	-	16.95	-	-	<b>16.95</b>
<b>Upto March 31, 2022</b>	<b>-</b>	<b>7.78</b>	<b>66.99</b>	<b>39.11</b>	<b>27.16</b>	<b>141.04</b>
<b>III. Net Carrying Amount [I-II]</b>						
As at March 31, 2022	<b>276.28</b>	<b>2.95</b>	<b>25.16</b>	<b>10.25</b>	<b>17.19</b>	<b>331.83</b>
As at March 31, 2021	<b>276.28</b>	<b>1.32</b>	<b>8.73</b>	<b>10.23</b>	<b>5.29</b>	<b>301.84</b>

**Note 4: Intangible Assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Computer Software	4.92	12.61
<b>Total</b>	<b>4.92</b>	<b>12.61</b>

**For the year ended March 31, 2023**

Particulars	Computer Software
<b>I. Gross Carrying Amount</b>	
<b>As at April 01, 2022</b>	33.91
Additions	-
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>33.91</b>
<b>II. Accumulated Amortization</b>	
<b>Upto April 01, 2022</b>	21.30
Amortization expense for the period	7.69
Eliminated on disposal of assets	-
<b>Upto March 31, 2023</b>	<b>28.99</b>
<b>III. Net Carrying Amount [I-II]</b>	
<b>As at March 31, 2023</b>	<b>4.92</b>
<b>As at March 31, 2022</b>	<b>12.61</b>

**For the year 2021-22**

Particulars	Computer Software
<b>I. Gross Carrying Amount</b>	
<b>As at April 01, 2021</b>	20.82
Additions	13.09
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>33.91</b>
<b>II. Accumulated Amortization</b>	
<b>Upto April 01, 2021</b>	13.42
Amortization expense for the period	7.88
Eliminated on disposal of assets	-
<b>Upto March 31, 2022</b>	<b>21.30</b>
<b>III. Net Carrying Amount [I-II]</b>	
<b>As at March 31, 2022</b>	<b>12.61</b>
<b>As at March 31, 2021</b>	<b>7.40</b>



**Note 5: Non-current investments**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in equity instruments (fully paid-up)</b>		
<b>(i) Unquoted investments</b>		
<b>(a) Subsidiaries: [Refer note 36(c)]</b>		
B.N.Rathi Comtrade Private Limited [10,00,000 (31.03.2022: 10,00,000) equity shares of par value Rs. 10 each]	100.00	100.00
B.N.Rathi Industries Private Limited [5,00,000 (31.03.2022: 5,00,000) equity shares of par value Rs. 10 each]	-	50.00
<b>Total</b>	<b>100.00</b>	<b>150.00</b>

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	100.00	150.00
Aggregate amount of impairment in the value of investments	-	-
Investments carried at cost	100.00	150.00
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 6: Non-current loans**

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good Security deposits - Security deposits with Stock Exchanges/Clearing Houses	164.50	171.89
<b>Total</b>	<b>164.50</b>	<b>171.89</b>

**Note 7: Deferred tax asset (net)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Depreciation	16.67	17.10
Employee benefits	14.79	14.98
<b>Total</b>	<b>31.47</b>	<b>32.08</b>

**Note 8: Other non-current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	14.75	14.75
Prepaid expenses	11.45	10.46
<b>Total</b>	<b>26.20</b>	<b>25.21</b>

**Note 9: Current investments**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in equity instruments (fully paid-up)</b>		
<b>(i) Unquoted investments</b>		
<b>(a) Other investments:</b>		
Mahesh Vidya Bhavan Limited [20,000 (31.03.2022: 20,000) equity shares of face value Rs. 10 each]"	2.00	2.00
Sevenhills Co-op Bank Limited [5,000 (31.03.2022: 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**

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security margin money with Stock Exchanges/ Clearing Houses	-	50.00
<b>Total</b>	<b>-</b>	<b>50.00</b>

**Note 11: Trade receivables**

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good [Refer Note 41 & 11A]	778.86	1,055.41
<b>Total</b>	<b>778.86</b>	<b>1,055.41</b>

**Note 11A: Trade Receivables Ageing Schedule  
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	-	-	-	-	-	-

**Trade Receivables Ageing Schedule as on 31 March 2022**

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	1,055.41	-	-	-	-	1,055.41
- Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

**Note 12: Cash and cash equivalents**

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks		
- In current accounts	228.35	968.90
- Deposits with original maturity of less than 3 months	2,677.25	1,487.50
Cash on hand	0.45	0.32
<b>Total</b>	<b>2,906.05</b>	<b>2,456.72</b>

**Note 13: Bank balances other than above**

Particulars	As at March 31, 2023	As at March 31, 2022
(i) In earmarked accounts		
- Unpaid dividend accounts	11.96	13.89
(ii) On deposit accounts		
- Remaining maturity for more than 12 months	81.25	39.25
- Remaining maturity for less than 12 months	9,035.00	9,735.00
<b>Total</b>	<b>9,128.21</b>	<b>9,788.14</b>

**Note 14: Other current financial assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	19.57	19.56
Additional Base Capital	1,455.00	25.00
Interest accrued but not due	163.00	109.02
Advance to suppliers	0.30	0.71
Advances to employees	12.45	9.20
Right to use	-	0.35
<b>Total</b>	<b>1,650.32</b>	<b>163.84</b>

**Note 15: Current tax asset [Net of provisions]**

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax	284.15	196.50
Current tax liabilities	272.14	163.92
<b>Total</b>	<b>12.01</b>	<b>32.59</b>

**Note 16: Other current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	12.68	6.13
Balances with government authorities (other than income taxes)	0.69	0.69
Other current assets	47.68	89.44
<b>Total</b>	<b>61.04</b>	<b>96.26</b>

**Note 17: Share capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised:</b>				
Equity shares of Rs.10 each	1,20,00,000	1,200.00	1,20,00,000	1,200.00
<b>Issued, subscribed and fully paid:</b>				
Equity shares of Rs.10 each	84,00,000	840.00	84,00,000	840.00
<b>Total</b>	<b>84,00,000</b>	<b>840.00</b>	<b>84,00,000</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, 2023</b>				
- Number of shares	84,00,000	-	-	84,00,000
- Amount	<b>840.00</b>	-	-	<b>840.00</b>
<b>Year ended March 31, 2022</b>				
- Number of shares	50,40,000	33,60,000	-	84,00,000
- Amount	<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) Issue of shares under right issue:**

The Company had, issued 33,60,000 equity shares of face value of Rs. 10/- each ('Rights Equity Shares') to the Eligible Equity Shareholders at an issue price of Rs. 22 per Rights Equity Share (including premium of Rs. 12 per Rights Equity Share). The rights were offered in ratio of 3:2.

**(d) Details of shares held by each shareholder holding more than 5% shares\***

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	29,24,955	34.82%	29,24,955	34.82%
Chetan Rathi	9,14,890	10.89%	9,14,890	10.89%
Chanda Devi Rathi	6,70,624	7.98%	6,70,624	7.98%

\*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, 2023	As at March 31, 2022
Capital Reserve	14.90	14.90
Securities Premium	629.36	629.36
General Reserve	9.67	9.67
Retained Earnings	2,487.38	1,817.36
<b>Total</b>	<b>3,141.32</b>	<b>2,471.30</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 19: Borrowings**

Particulars	As at March 31, 2023	As at March 31, 2022
Secured - at amortised cost		
<b>Term loan</b>		
- From bank	-	164.12
<b>Total</b>	-	<b>164.12</b>

Note: The term loan is secured by way of hypothecation of property purchased

**Note 20: Non-current provisions [Refer Note 32]**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Gratuity	51.08	52.38
<b>Total</b>	<b>51.08</b>	<b>52.38</b>

**Note 21: Trade payables**

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors - clients [Refer Note 38, 41 & 21A]	10,843.74	10,509.36
Sharing of brokerage payable	177.91	180.88
Outstanding liabilities	0.89	6.51
Other payables	46.03	59.28
<b>Total</b>	<b>11,068.58</b>	<b>10,756.04</b>

**Note 21A: Trade Payable Ageing Schedule**  
**Trade Payables 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 Payables</b>						
- MSME	-	-	-	-	-	-
- Others	10,843.74	-	-	-	-	10,843.74
<b>Disputed Trade Payables</b>						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

**Trade Payables Ageing Schedule as on 31 March 2022**

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 Payables</b>						
- MSME	-	-	-	-	-	-
- Others	10,509.36	-	-	-	-	10,509.36
<b>Disputed Trade Payables</b>						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

**Note 22: Current financial liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities	-	0.40
Current maturities of borrowings - Non current [Refer Note 19]	-	4.46
<b>Total</b>	-	<b>4.86</b>

Note: The term loan is secured by way of hypothecation of property purchased.

**Note 23: Current provisions**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits [Refer Note 32]		
- Gratuity	7.69	7.15
<b>Total</b>	<b>7.69</b>	<b>7.15</b>

**Note 24: Other current liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend	11.96	13.89
Statutory remittances	41.58	31.27
Client margin deposits	29.54	31.81
Other deposits - Sub brokers	2.08	0.76
<b>Total</b>	<b>85.16</b>	<b>77.73</b>

**Note 25: Revenue from operations (Gross)**

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Income from broking operations	3,199.04	3,081.00
Other operating revenue	831.76	714.49
<b>Total</b>	<b>4,030.80</b>	<b>3,795.49</b>

**Note 26: Other income**

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Dividend income	0.51	0.13
Interest income on deposits	614.75	440.98
Prior period income	-	0.54
Income from disposal of scrapped asset	-	0.15
<b>Total</b>	<b>615.26</b>	<b>441.80</b>

**Note 27: Employee benefit expense**

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Salaries, allowances and wages	597.89	531.66
Contribution to provident and other funds	34.21	25.12
Staff welfare expenses	8.18	4.90
<b>Total</b>	<b>640.28</b>	<b>561.69</b>

**Note 28: Finance costs**

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Interest expense on:		
- Working capital	-	1.02
- Secured loan	14.08	12.64
- Others	151.28	87.11
- Lease liability	0.00	0.10
- Delayed remittance of income tax	-	1.07
Other borrowing costs	21.82	21.71
<b>Total</b>	<b>187.18</b>	<b>123.66</b>

**Note 32: Other expenses**

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Operating expenses:		
Transaction charges	503.60	455.21
Other operating expenses	106.90	235.03
	-	-
Others:		
Power and fuel	17.74	14.04
Rent [Refer Note 35]	24.67	20.68
Repairs and maintenance	36.30	24.77
Insurance	4.52	4.71
Rates and taxes	50.52	55.14
Right issue expenses	-	35.38
Communication	21.93	28.78
Travelling and conveyance	11.88	1.48
Printing and stationary	4.63	8.14
Business promotion	10.89	9.25
Loss on sale of PPE	-	0.09
Donations	6.48	9.99
Legal and professional	28.96	17.94
Loss on sale of investments	-	-
Auditor's remuneration:	-	-
- Statutory audit	5.50	2.25
- Internal audit	2.00	2.00
- Tax audit	1.50	0.70
- Certification	3.00	2.20
General and other administration expenses	67.64	57.92
<b>Total</b>	<b>908.64</b>	<b>985.69</b>

**Note 30: Income tax expense**

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
<b>(a) Major components of income tax expense:</b>		
<b>(i) Current Income Tax</b>	-	-
- Current income tax charge	272.14	163.92
- Adjustments in respect of current income tax of previous year	-	-
	272.14	163.92
<b>(ii) Deferred Tax</b>		
- Relating to origination/reversal of temporary differences	0.61	-5.21
	0.61	-5.21
<b>Income tax expense reported in the statement of profit or loss</b>	<b>272.75</b>	<b>158.70</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	1,044.68	626.01
Indian tax rate	0.25	0.25
<b>Tax at the Indian tax rate</b>	<b>262.92</b>	<b>157.56</b>
<b>Effect of:</b>		
Non-Deductible expenses for tax purposes	16.59	13.54
Deferred tax	0.61	-5.21
Others	-7.38	-7.18
<b>Total Income Tax Expense</b>	<b>272.75</b>	<b>158.70</b>

**31. Contingent liabilities:**

Particulars	As at March 31, 2023	As at March 31, 2022
i) Bank Guarantees	3,000.00	2,490.00

Bank Guarantees have been issued by ICICI Bank to NSE, MCX & NSE-F&O on pledge of Fixed Deposits of Rs. 1500.00 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, 2023	March 31, 2022
Current service cost	7.39	6.03
Interest cost on benefit obligation	4.17	3.99
Expected return on plan assets	(2.53)	(2.20)
Net actuarial loss/(gain) recognized in the year	(7.09)	(4.08)
<b>Net benefit expense</b>	<b>1.94</b>	<b>3.74</b>

**Balance Sheet**
**Benefit liability**

Particulars	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	58.77	59.53
Fair value of plan assets	(41.28)	(33.66)
<b>Plan liability</b>	<b>17.49</b>	<b>25.87</b>

**Changes in the present value of the defined benefit obligation are as follows:**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Opening defined benefit obligation	59.53	62.05
Current service cost	7.39	6.03
Interest cost	4.17	3.99
Benefits paid directly by the company	(3.36)	-
Benefits paid	(2.02)	(8.63)
Actuarial gain/(losses) on obligation	(3.57)	(3.91)
<b>Closing defined benefit obligation</b>	<b>62.14</b>	<b>59.53</b>

**Changes in the fair value of plan assets are as follows:**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Opening fair value of plan assets	33.66	32.19
Adjustment to opening balance	(0.09)	0.04
Expected return	2.53	2.20
Contributions by employer	7.04	7.70
Benefits paid	(5.38)	(8.63)
Actuarial (losses)/gains	3.52	0.17
<b>Closing fair value of plan assets</b>	<b>41.28</b>	<b>33.66</b>

**The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Discount rate (%)	7.52%	7.34%
Expected rate of return on assets (%)	7.52%	7.34%
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

**b) Transactions with related parties:**

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
Rent Paid:	8.25	7.60
- Chanda Devi Rathi	8.25	7.20
- Govind Narayan Rathi HUF	-	0.4
Remuneration Paid:	<b>117.00</b>	<b>108.00</b>
- Hari Narayan Rathi	63.00	60.00
- Chetan Rathi	54.00	48.00
Dividend Paid:	<b>48.80</b>	<b>31.65</b>
- Hari Narayan Rathi	29.25	19.50
- Chetan Rathi	9.15	5.98
- Chanda Devi Rathi	6.71	2.42
- Nisha Rathi	3.70	3.75
Service Rendered – Brokerage Received:	<b>0.16</b>	<b>0.54</b>
- Hari Narayan Rathi	0.00	0.00
- Chetan Rathi	0.02	0.02
- Chanda Devi Rathi	0.01	0.01
- Nisha Rathi	0.00	0.01
- Govind Narayan Rathi	0.02	0.46
- Hari Narayan Rathi HUF	0.00	0.02
- Anuradha Pasari	0.09	-
- Chetan Rathi HUF	0.01	0.01
Rental Deposit Recovered:	-	<b>0.40</b>
- Govind Narayan Rathi HUF	-	0.40
Loan taken:	<b>590.00</b>	<b>330.00</b>
- Hari Narayan Rathi	-	90.00
- Chetan Rathi	590.00	240.00
Loan repaid:	<b>590.00</b>	<b>330.00</b>
- Hari Narayan Rathi	-	90.00
- Chetan Rathi	590.00	240.00
Interest paid:	<b>9.09</b>	<b>5.39</b>
- Hari Narayan Rathi	-	1.89
- Chetan Rathi	9.09	3.49

**c) Related party balances:**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Non-current investments:	100.00	150.00
-B. N. Rathi Industries Private Limited	-	50.00
-B. N. Rathi Comtrade Private Limited	100.00	100.00
Rent Deposit:	10.00	10.00
-Chanda Devi Rathi	10.00	10.00

**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;

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Operating Lease – Cancellable	24.67	20.68
<b>Total</b>	<b>24.67</b>	<b>20.68</b>

**36. Earnings per Share (EPS):**
**i. Reconciliation of earnings used in calculating earnings per share:**

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Profit after taxation as per statement of profit and loss (for basic EPS)	746.93	467.31
<b>Less:</b> Effect of dilutive potential ordinary shares	-	-
<b>Net Profit for dilutive earnings per share</b>	<b>746.93</b>	<b>467.31</b>

**ii. Reconciliation of basic and diluted shares used in computing earnings per share:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Number of weighted average equity shares considered for calculating of basic EPS	84,00,000	56,84,384
<b>Add:</b> Dilutive effect of potential ordinary shares	-	-
<b>Number of weighted average equity shares considered for calculating of diluted EPS</b>	<b>84,00,000</b>	<b>56,84,384</b>

**iii. Earnings per share:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- Basic (Rs.)	8.89	8.22
- Diluted (Rs.)	8.89	8.22

**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, 2023 and March 31, 2022 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, 2023	March 31, 2022
Fair Value Hierarchy	1	1
<b>Financial Assets</b>	-	-
Listed Equity Instruments		
Fair value Hierarchy level	3	3
<b>Financial Assets</b>		
Other Financial Assets – Security Deposits (Rs.in lakhs)	19.57	19.56
<b>Financial Liabilities</b>		
Borrowings		1.69

##### ii. Financial Instruments by category

For amortized cost instruments, carrying value represents the best estimate of fair value

Particulars	Mar-23			Mar-22		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Equity investments	-	-	-	-	-	-
Other investments	-	-	107.00	-	-	157.00
Trade Receivables	-	-	778.86	-	-	1,055.41
Loans	-	-	164.50	-	-	221.89
Cash & Cash Equivalents	-	-	2,906.05	-	-	2,456.72
Other bank balances	-	-	9,128.21	-	-	9,788.14
Others	-	19.57	1,633.82	-	19.56	144.28
<b>Total</b>	-	19.57	14,718.44	-	19.56	13,823.44
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	168.59
Trade Payables	-	-	11,068.58	-	-	10,756.04
<b>Total</b>	-	-	11,068.58	-	-	10,924.62

The Company's principal financial liabilities comprise loans and 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 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, 2023	March 31, 2022
Past due not impaired:	-	-
0-30 Days	708.86	968.44
31-90 Days	68.20	86.97
91-180 Days	1.80	-
Greater than 180 Days	-	-
<b>Total</b>	<b>778.86</b>	<b>1055.41</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, 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>
<b>March 31, 2022</b>				
Borrowings	168.59	-	-	<b>168.59</b>
Trade Payables	10,756.04	-	-	<b>10,756.04</b>
<b>Total</b>	<b>10,924.63</b>	-	-	<b>10,924.63</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-23	31-Mar-22
Non-Current borrowings	-	164.13
Current borrowings	-	4.46
<b>Total Debt</b>	-	<b>168.59</b>
As a percentage of total capital	0.00%	4.84%
<b>Equity</b>	<b>3,982.37</b>	<b>3,311.30</b>
As a percentage of total capital	100.00%	95.16%
<b>Total Capital [Debt and Equity]</b>	<b>3,982.37</b>	<b>3479.89</b>

#### 43. Exceptional Item

During the year, pursuant to Share Transfer Agreement dated March 25, 2023, the B.N. Rathi Securities Limited has sold its 100% shareholding in one of its subsidiaries i.e. B.N. Rathi Industries Private Limited, for total consideration amounting to Rs. 25.00 lakhs. The resultant loss of Rs. 25.00 lakhs, has been disclosed as an exceptional item in these standalone financial statements.

#### 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 15, 2023, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.



**45. Key Financial Ratio (as applicable)**

Particulars	Formulae	As at March 31, 2023	As at March 31, 2022	% Change	Reason for Variance
(i) Current Ratio	Current assets / current liabilities	1.31	1.27	3.54	-
(ii) Debt Equity Ratio	Total Debt / Share holder's Equity	2.82	3.34	(15.72)	-
(iii) Interest Coverage Ratio	EBIT / Interest Expense	7.32	7.21	1.56	-
(iv) Return on equity(%)	Net profit after tax/Share holder's Equity	18.78%	14.11%	33.09	Increase in profit margin is high due to increase in income
(v) Debtors Turnover Ratio	Credit Sales / Average Account Receivables	4.39	4.14	6.26	-
(vi) Net Capital turnover ratio	Credit Sales / Working Capital	1.16	1.31	(11.57)	-
(vii) Net Profit Ratio (%)	Net profit after tax/ Total Revenue	18.56%	12.31%	50.71	High profit margin due to increase in income
(viii) Return on Capital employed(%)	Operating Profit / Capital Employed [OP=EBIT]	30.38%	21.95%	38.42	Improvement in operating profit due to increase in income

**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: 15.05.2023

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

Sd/-  
Laminiwas 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

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**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 subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2023, 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 tous, 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, 2023, 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, 2023 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, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting 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, 2023 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, 2023;
- 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 subsidiaries 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 subsidiaries ("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 subsidiaries, 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 subsidiaries 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: 23201042BHAKQX7671**

**Place: Hyderabad,  
Date: May 15, 2023**



**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(xxii)** There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the Company and its subsidiary companies included in the Consolidated Financial Statements.

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

**Sd/-  
T. Bharadwaj  
Partner  
Membership No.:201042  
UDIN: 23201042BHAKQX7671**

**Place: Hyderabad,  
Date: May 15, 2023**

## **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, 2023, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 companies 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, 2023, 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: 23201042BHAKQX7671**

**Place: Hyderabad,**  
**Date: May 15, 2023**

**1. Group Information:**

The consolidated financial statements of B.N. Rathi Securities Limited (“the Company”) together with its subsidiaries (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 subsidiaries, 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 subsidiaries have 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, 2023	As at March 31, 2022
B. N. RathiComtrade Private Limited	India	100.00	100.00
B. N. Rathi Industries Private Limited	India	0.00	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 of 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:****d. 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.

**e. 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.

**f. 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. 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 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, 2023**  
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars		Note	As at March 31, 2023	As at March 31, 2022
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	3	324.38	333.63
	(b) Intangible assets	4	4.92	12.61
	(c) Financial assets			
	- Investments	5	45.26	40.25
	- Loans	6	306.50	235.89
	(d) Deferred tax assets (Net)	7	33.78	34.57
	(e) Other non-current assets	8	26.20	25.21
	<b>Total non-current assets [A]</b>		<b>741.04</b>	<b>682.17</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	9	-	28.39
	(b) Financial assets			
	- Investments	10	313.30	130.95
	- Loans	11	5.00	75.64
	- Trade receivables	12	778.86	1,055.41
	- Cash and cash equivalents	13	2,912.80	2,719.07
	- Bank balances other than above	14	9,128.21	9,788.14
	- Other current financial assets	15	1,650.32	175.84
	(b) Income taxes	16	12.01	32.59
	(c) Other current assets	17	62.39	99.86
	<b>Total current assets [B]</b>		<b>14,862.89</b>	<b>14,105.89</b>
	<b>TOTAL ASSETS [A+B]</b>		<b>15,603.93</b>	<b>14,788.05</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity share capital	18	840.00	840.00
	(b) Other Equity	19	3,548.26	2,826.12
	<b>Total equity [A]</b>		<b>4,388.26</b>	<b>3,666.12</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	- Borrowings	20	-	164.12
	(b) Provisions	21	51.08	52.38
	(c) Other non current liabilities	22	-	54.00
	<b>Total non-current liabilities [B]</b>		<b>51.08</b>	<b>270.50</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	- Trade payables	23	11,068.58	10,756.04
	- Other current financial liabilities	24	-	9.86
	(b) Provisions	25	7.69	7.15
	(c) Income taxes	26	3.05	0.60
	(d) Other current liabilities	27	85.27	77.79
	<b>Total current liabilities [C]</b>		<b>11,164.60</b>	<b>10,851.43</b>
	<b>TOTAL EQUITY AND LIABILITIES [A+B+C]</b>		<b>15,603.93</b>	<b>14,788.05</b>
	Corporate information	1		
	Summary of significant accounting policies	2		
	Accompanying notes forming an integral part of the financial statements	3 to 51		

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: 15.05.2023

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

Sd/-  
Laminiwas 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, 2023**  
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars		Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I</b>	<b>INCOME</b>			
	Revenue from Operations (Gross)	28	4,052.74	3,858.26
	Other Income	29	627.08	464.02
	<b>TOTAL INCOME [I]</b>		<b>4,679.83</b>	<b>4,322.28</b>
<b>II</b>	<b>EXPENSES</b>			
	Employee benefit expenses	30	649.91	586.44
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	-	(28.39)
	Finance costs	32	187.19	125.31
	Depreciation and amortization expense	3 & 4	36.34	31.11
	Other expenses	33	913.69	1,027.09
	Share of brokerage		1,829.61	1,909.62
	<b>TOTAL EXPENSES [II]</b>		<b>3,616.73</b>	<b>3,651.18</b>
<b>III</b>	<b>Profit before exceptional items &amp; tax[I-II]</b>		<b>1,063.09</b>	<b>671.10</b>
<b>IV</b>	<b>Exceptional item</b>	47	25.00	-
<b>V</b>	<b>Profit before tax[III-IV]</b>		<b>1,038.09</b>	<b>671.10</b>
<b>VI</b>	<b>Tax Expense:</b>			
	- Current tax	34	279.37	175.34
	- Adjustment of current tax relating to earlier years		(0.00)	0.02
	- MAT credit entitlement availed		-	(0.03)
	- Deferred tax credit		0.79	(4.93)
<b>VII</b>	<b>Profit for the year</b>		<b>757.93</b>	<b>500.71</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of post-employment benefit obligations		7.09	4.08
	- Remeasurements of financial assets		0.00	0.01
	- Recognition of borrowings using effective interest rate		-	-
	<b>Other comprehensive income for the year, net of tax</b>		<b>765.02</b>	<b>504.79</b>
<b>IX</b>	<b>Earnings per equity share Rs. 10/- each fully paid</b>			
	- Basic (in Rs.)	40	9.02	8.81
	- Diluted (in Rs.)	40	9.02	8.81
	Corporate information	1		
	Summary of significant accounting policies	2		
	Accompanying notes forming an integral part of the financial statements	3 to 51		

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: 15.05.2023

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

Sd/-  
Laminiwas 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, 2023**  
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit/(Loss) for the period</b>		<b>1,038.09</b>	<b>671.10</b>
<b>Adjustment to reconcile profit before tax to net cash flows:</b>			
Depreciation and amortisation		36.34	31.11
Interest expense other than lease liability		165.35	102.40
Interest expense on account of lease liability		0.00	0.10
Remeasurement of lease		(0.40)	(2.38)
Profit on sale of property, plant and equipment		-	(0.15)
Remeasurement of post employee benefits		7.09	4.08
Profit on sale of securities		-	(0.57)
Net Gain/(Loss) arising on financial assets measured at FVTPL		10.09	-
Dividend income		(0.74)	(0.75)
Interest income		(636.40)	(448.93)
<b>Cash generated before working capital changes</b>		<b>619.44</b>	<b>356.01</b>
<b>Movements in working capital:</b>			
Increase/(Decrease) in trade payables		312.54	2,326.63
Increase/(Decrease) in other financial liabilities		-	5.00
Increase/(Decrease) in other current liabilities		7.54	(32.49)
Increase/(Decrease) in long term provisions		(1.30)	(0.57)
Increase/(Decrease) in short term provisions		0.55	(1.95)
(Increase)/Decrease in inventories		-	(28.39)
(Increase)/Decrease in trade receivables		276.55	(164.54)
(Increase)/Decrease in other non-current financial assets		0.00	0.01
(Increase)/Decrease in non-current loans		(70.61)	(111.39)
(Increase)/Decrease in current loans		50.00	2,089.36
(Increase)/Decrease in other non-current assets		(0.99)	5.65
(Increase)/Decrease in other current financial assets		(1,486.83)	(89.06)
(Increase)/Decrease in other current assets		35.22	(26.46)
<b>Cash generated from operations</b>		<b>(257.88)</b>	<b>4,327.80</b>
Income taxes paid		(256.31)	(207.63)
<b>Net cash flow (used in)/from operating activities (A)</b>		<b>(514.19)</b>	<b>4,120.17</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment, including intangible assets		(19.06)	(65.58)
Net (Purchase)/Sale of current investments		(142.45)	(24.79)
(Investment)/Redemption of bank deposits		659.93	(2,629.00)
Proceeds from sale of property, plant and equipment		-	1.04
(Investment)/redemption in debentures		(5.01)	(15.00)
Dividend received		0.74	0.75
Interest received		636.40	448.93
<b>Net cash flow (used in)/from investing activities (B)</b>		<b>1,130.55</b>	<b>(2,283.66)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment of)/Proceeds from short term borrowings		(4.46)	0.32
(Repayment of)/Proceeds from long term borrowings		(164.12)	(4.46)
(Repayment of)/Proceeds from advance taken		-	54.00
(Repayment of)/Proceeds from issue of shares [including premium]		-	739.20
Dividends paid on equity shares and tax on equity dividend paid		(84.00)	(60.48)
Interest paid		(165.35)	(102.40)
<b>Net cash flow (used in)/from financing activities (C)</b>		<b>(417.94)</b>	<b>626.18</b>
<b>D. Net increase/(decrease) in cash and cash equivalents [A+B+C]</b>		<b>198.42</b>	<b>2,462.69</b>
<b>E. Cash and cash equivalents</b>			
at the beginning of the year	13	2,714.39	256.39
at the end of the year		<b>2,912.80</b>	<b>2,719.07</b>
<b>Components of cash and cash equivalents</b>	2(n)		
Balance with banks			
- In current accounts		235.03	1,226.54
- Deposits with original maturity of less than 3 months		2,677.25	1,487.50
Cash on hand		0.53	0.35
<b>Cash and cash equivalents at end of the year from continued operations</b>		<b>2,912.80</b>	<b>2,714.39</b>
Cash and cash equivalents pertaining to subsidiary sold		-	4.69
<b>Cash and cash equivalents at the end of the year</b>		<b>2,912.80</b>	<b>2,719.07</b>
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	3 to 51		

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: 15.05.2023

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

Sd/-  
Laminiwasi 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 Changes in Equity for the year ended March 31, 2023**

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

**A. Equity share capital**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid up</b>		
Balance at the beginning of the reporting year	840.00	504.00
Changes in equity share capital during the year	-	336.00
<b>Balance at the end of the reporting year</b>	<b>840.00</b>	<b>840.00</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>11.47</b>	<b>1,726.07</b>	<b>1,978.60</b>
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>



**Note 3: Property, plant and equipment**

Particulars	As at March 31, 2023	As at March 31, 2022
Building	276.28	276.28
Furniture and Fittings	2.68	3.54
Motor Vehicles	19.13	25.23
Computers and Data Processing Units	11.97	10.30
Office Equipment	14.32	18.28
<b>Total</b>	<b>324.38</b>	<b>333.63</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>						
<b>Opening Balance</b>	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>						
<b>Opening Balance</b>	-	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	-	-	-	-	-	-
<b>Upto March 31, 2023</b>	-	<b>30.89</b>	<b>74.99</b>	<b>55.73</b>	<b>41.45</b>	<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>

**For the year 2021-22**

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	31.53	87.24	44.83	33.88	<b>473.75</b>
Additions	-	2.05	23.42	10.26	16.76	<b>52.49</b>
Disposals	-	-	17.84	-	-	<b>17.84</b>
<b>Balance as at March 30, 2022</b>	<b>276.28</b>	<b>33.57</b>	<b>92.81</b>	<b>55.09</b>	<b>50.63</b>	<b>508.39</b>
<b>II. Accumulated Depreciation</b>						
Opening Balance	-	29.48	78.41	34.55	28.11	<b>170.56</b>
Depreciation expense for the year	-	0.55	6.12	10.23	4.25	<b>21.15</b>
Eliminated on disposal of assets	-	-	16.95	-	-	<b>16.95</b>
<b>Balance as at March 30, 2021</b>	<b>-</b>	<b>30.03</b>	<b>67.58</b>	<b>44.79</b>	<b>32.36</b>	<b>174.76</b>
<b>III. Net Block [I-II]</b>						
Carrying value as at March 30, 2022	<b>276.28</b>	<b>3.54</b>	<b>25.23</b>	<b>10.30</b>	<b>18.28</b>	<b>333.63</b>
Carrying value as at March 31, 2021	<b>276.28</b>	<b>2.04</b>	<b>8.83</b>	<b>10.28</b>	<b>5.77</b>	<b>303.19</b>

**Note 4: Intangible Assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Computer Software	4.92	12.61
<b>Total</b>	<b>4.92</b>	<b>12.61</b>

**For the year 2022-23**

Particulars	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>

**For the year 2021-22**

Particulars	Computer Software
<b>I. Gross Block</b>	
Opening Balance	20.82
Additions	13.09
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>33.91</b>
<b>II. Accumulated Amortization</b>	
Opening Balance	13.42
Amortization expense for the year	7.88
Eliminated on disposal of assets	-
<b>Balance as at March 31, 2022</b>	<b>21.30</b>
<b>III. Net Block [I-II]</b>	
<b>Carrying value as at March 31, 2022</b>	<b>12.61</b>
<b>Carrying value as at March 31, 2021</b>	<b>7.40</b>

**Note 5: Non-current investments**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Unquoted Investments</b>		
Propspace Square Private Limited [4 (31.03.2022: Rs. 20,00,000) debentures of par value Rs. 5,00,000 each]	20.00	20.00
Joule Consulting Private Limited - Callify [179 (31.03.2022: Rs. 5,00,000) 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 (31.03.2022: Rs. 5,00,102) 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 [525 (31.03.2022: 5,25,000) debentures of par value Rs. 1,000 each]	5.25	5.25
Bintix Waste Research Private Limited [347 (31.03.2022: 5,00,000) 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 [167 (31.03.2022: Nil) equity shares of face value of Rs. 1 each and issued at a premium of Rs. 2999 each]	5.01	-
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	45.26	40.25
Aggregate amount of impairment in the value of investments	-	-
Aggregate amount of fair value changes in the value of investments	-	-
Investments carried at cost	45.26	40.25
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 6: Non-current loans**

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advance to related parties	132.00	54.00
Security Deposits	-	-
- Security Deposits with Stock Exchanges/Clearing Houses	174.50	181.89
<b>Total</b>	<b>306.50</b>	<b>235.89</b>

**Note 7: Deferred Tax Asset (net)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Depreciation	18.99	19.59
Employee benefits	14.79	14.98
<b>Total</b>	<b>33.78</b>	<b>34.57</b>

**Note 8: Other non-current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	14.75	14.75
Prepaid expenses	11.45	10.46
<b>Total</b>	<b>26.20</b>	<b>25.21</b>

**Note 9: Inventories**

Particulars	As at March 31, 2023	As at March 31, 2022
Work-in-progress	-	28.39
<b>Total</b>	<b>-</b>	<b>28.39</b>

**Note 10: Current Investments**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in equity instruments (fully paid-up)</b>		
<b>(i) Quoted Investments</b>		
Quoted investments in shares and securities (valued at fair value through profit and loss account)		
Investment in shares	306.30	123.95
Quoted investments in mutual funds (valued at cost)		
<b>(ii) Unquoted Investments</b>		
<b>(a) Other Investments:</b>		
Mahesh Vidya Bhavan Limited [20,000 (31.03.2022: 20,000) equity shares of face value Rs. 10 each]	2.00	2.00
Sevenhills Co-op Bank Limited [5,000 (31.03.2022: 5,000) equity shares of face value Rs. 10 each]	5.00	5.00
<b>Total</b>	<b>313.30</b>	<b>130.95</b>

Aggregate amount of quoted investments and market value thereof	306.30	123.95
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	306.30	123.95

**Note 11: Current Loans**

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security margin money with Stock Exchanges/Clearing Houses	-	50.00
Security Deposits	5.00	5.00
Advance to others	-	20.64
<b>Total</b>	<b>5.00</b>	<b>75.64</b>

**Note 12: Trade Receivables**

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good [Refer Note 12A & 41]	778.86	1,055.41
<b>Total</b>	<b>778.86</b>	<b>1,055.41</b>

**Note 12A: Trade Receivables Ageing Schedule  
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	-	-	-	-	-	-

**Trade Receivables Ageing Schedule as on 31 March 2022**

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	1,055.41	-	-	-	-	1,055.41
- Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

**Note 13: Cash and cash equivalents**

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks		
- In current accounts	235.03	1,231.08
- Deposits with original maturity of less than 3 months	2,677.25	1,487.50
Cash on hand	0.53	0.50
<b>Total</b>	<b>2,912.80</b>	<b>2,719.07</b>



**Note 14: Bank balances other than above**

Particulars	As at March 31, 2023	As at March 31, 2022
(i) In earmarked accounts		
- Unpaid dividend accounts	11.96	13.89
(ii) On deposit accounts		
- Remaining maturity for more than 12 months	81.25	39.25
- Remaining maturity for less than 12 months	9,035.00	9,735.00
<b>Total</b>	<b>9,128.21</b>	<b>9,788.14</b>

**Note 15: Other current financial assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	19.57	19.56
Additional Base Capital	1,455.00	25.00
Deposit with others	-	12.00
Interest accrued but not due	163.00	109.02
Advance to suppliers	0.30	0.71
Advances to employees	12.45	9.20
Right to use	-	0.35
<b>Total</b>	<b>1,650.32</b>	<b>175.84</b>

**Note 16: Current tax asset [Net of provision]**

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Income Tax	284.15	196.50
Current Tax Liabilities	272.14	163.92
<b>Total</b>	<b>12.01</b>	<b>32.59</b>

**Note 17: Other current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	12.68	6.13
Balances with government authorities (other than income taxes)	1.62	3.85
MAT credit entitlement availed	-	0.03
Interest accrued on deposits with banks and others	0.41	0.41
Other current assets	47.68	89.44
<b>Total</b>	<b>62.39</b>	<b>99.86</b>

**Note 18: Share Capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised:</b>				
Equity shares of Rs.10 each	1,20,00,000	1,200.00	1,20,00,000	1,200.00
<b>Issued, subscribed and fully paid:</b>				
Equity shares of Rs.10 each	84,00,000	840.00	84,00,000	840.00
<b>Total</b>	<b>84,00,000</b>	<b>840.00</b>	<b>84,00,000</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, 2023				
- Number of shares	84,00,000	-	-	84,00,000
- Amount	<b>840.00</b>	-	-	<b>840.00</b>
Year ended March 31, 2022				
- Number of shares	50,40,000	33,60,000	-	84,00,000
- Amount	504.00	336.00	-	<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, 2023		As at March 31, 2022	
	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	29,24,955	34.82%	29,24,955	34.82%
Chetan Rathi	9,14,890	10.89%	9,14,890	10.89%
Chanda Devi Rathi	6,70,624	7.98%	6,70,624	7.98%

\*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, 2023	As at March 31, 2022
Capital Reserve	14.90	14.90
Securities Premium	629.36	629.36
General Reserve	11.47	11.47
Retained Earnings	2,892.53	2,170.38
<b>Total</b>	<b>3,548.26</b>	<b>2,826.12</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 Financial liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Secured - at amortised cost		
<b>Term loan</b>		
- From bank	-	164.12
<b>Total</b>	<b>-</b>	<b>164.12</b>

**Note 21: Non-Current Provisions**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits - Gratuity [Refer Note 36]	51.08	52.38
<b>Total</b>	<b>51.08</b>	<b>52.38</b>

**Note 22: Other non current liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from related parties	-	54.00
<b>Total</b>	<b>-</b>	<b>54.00</b>

**Note 23: Trade Payables**

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors - clients [Refer Note 23A, 41 & 42]	10,843.74	10,509.36
Sharing of Brokerage payable	177.91	180.88
Outstanding Liabilities	0.89	6.51
Other Payables	46.03	59.28
<b>Total</b>	<b>11,068.58</b>	<b>10,756.04</b>

**Note 23A: Trade Payable Ageing Schedule**  
**Trade Payables 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 Payables</b>						
- MSME	-	-	-	-	-	-
- Others	10,843.74	-	-	-	-	10,843.74
<b>Disputed Trade Payables</b>						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

**Trade Payables Ageing Schedule as on 31 March 2022**

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 Payables</b>						
- MSME	-	-	-	-	-	-
- Others	10,509.36	-	-	-	-	10,509.36
<b>Disputed Trade Payables</b>						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-

**Note 24: Current financial liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Current maturities of borrowings - Non current [Refer Note 20]	-	4.46
Advance from customers	-	5.00
Lease liabilities	-	0.40
<b>Total</b>	-	9.86

**Note 25: Current Provisions**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits - Gratuity [Refer Note 36]	7.69	7.15
<b>Total</b>	7.69	7.15

**Note 26: Current tax liability [Net of advance tax]**

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Income Tax	4.19	10.83
Current Tax Liabilities	7.23	11.42
<b>Total</b>	<b>3.05</b>	<b>0.60</b>

**Note 27: Other Current Liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend	11.96	13.89
Statutory remittances	41.70	31.33
Client margin deposits	29.54	31.81
Other deposits - Sub brokers	2.08	0.76
<b>Total</b>	<b>85.27</b>	<b>77.79</b>

**Note 28: Revenue from Operations (Gross)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from broking operations	3,199.04	3,081.00
Other operating revenue	853.71	777.26
<b>Total</b>	<b>4,052.74</b>	<b>3,858.26</b>



**Note 29: Other Income**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividend income	0.74	0.75
Interest income on deposits	614.75	447.29
Interest on loan	20.01	12.99
Interest received from mutual funds	-	0.02
Interest on debentures	1.64	1.64
Profit on sale of Property, plant and equipment	-	0.15
Profit on sale of securities	-	0.57
Prior period income	-	0.54
Miscellaneous income	0.04	0.07
Net Gain/(Loss) arising on financial assets measured at FVTPL	(10.09)	-
<b>Total</b>	<b>627.08</b>	<b>464.02</b>

**Note 30: Employee Benefit Expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, allowances and wages	607.52	556.41
Contribution to provident and other funds	34.21	25.12
Staff welfare expenses	8.18	4.90
<b>Total</b>	<b>649.91</b>	<b>586.44</b>

**Note 31: Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories [At Close]	-	28.39
Work-in-progress	-	
Inventories [At Commencement]		-
Work-in-progress		
<b>Total</b>	-	<b>(28.39)</b>

**Note 32: Finance Costs**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on:	-	-
- Working Capital	-	2.65
- Secured loan	14.08	12.64
- Others	151.28	87.11
- Lease liability	0.00	0.10
- Delayed remittance of Income tax	0.01	1.08
Other borrowing costs	21.82	21.73
<b>Total</b>	<b>187.19</b>	<b>125.31</b>

**Note 33: Other Expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Operating expenses:		
Transaction charges	503.60	455.21
Other operating expenses	106.90	235.03
Others:	-	-
Construction expenses	-	28.39
Power and fuel	17.74	13.81
Rent <b>[Refer Note 38(b) &amp; 39]</b>	27.77	23.08
Repairs and maintenance	36.35	25.07
Insurance	4.52	4.72
Rates and taxes	50.54	52.08
Right issue expenses	-	35.38
Communication	19.47	28.78
Travelling and conveyance	11.88	1.49
Printing and stationary	4.63	8.14
Business promotion	10.89	9.25
Donations	6.48	9.99
Loss on sale of PPE	-	0.09
Legal and professional	30.71	27.98
Auditor's remuneration:	-	-
- Statutory audit	5.62	2.49
- Internal audit	2.00	2.00
- Tax audit	1.50	0.70
- Certification	3.00	2.20
General and other administration expenses	70.10	61.21
<b>Total</b>	<b>913.69</b>	<b>1,027.09</b>

**Note 34: Income Tax Expense**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b><u>(a) Major components of income tax expense:</u></b>		
<b>(i) Current Income Tax</b>		
- Current income tax charge	278.95	175.31
- Adjustments in respect of current income tax of previous year	(0.00)	0.02
	<b>278.95</b>	<b>175.33</b>
<b>(ii) Deferred Tax</b>		
- Relating to origination/reversal of temporary differences	0.16	(4.93)
	0.16	(4.93)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>279.12</b>	<b>170.39</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	1,063.09	671.10
Indian tax rate	0.25	0.25
<b>Tax at the Indian tax rate</b>	<b>267.71</b>	<b>169.28</b>
<b>Effect of:</b>		
Non-Deductible expenses for tax purposes	16.68	13.71
Tax exempt income	-	-
Income taxed at special rates	(0.00)	(0.13)
Deferred Tax	0.16	(4.93)
Fair value changes	2.62	-
Others	(8.06)	(7.54)
<b>Total Income Tax Expense</b>	<b>279.12</b>	<b>170.39</b>

**35. Contingent liabilities:**

Particulars	As at March 31, 2023	As at March 31, 2022
i) Bank Guarantees	3,000.00	2,490.00

Bank Guarantees have been issued by ICICI Bank to NSE, MCX & NSE-F&O on pledge of Fixed Deposits of Rs. 1500.00 lakhs.

**36. 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, 2023	March 31, 2022
Current service cost	7.39	6.03
Interest cost on benefit obligation	4.17	3.99
Expected return on plan assets	(2.53)	(2.20)
Net actuarial loss/(gain) recognized in the year	(7.09)	(4.08)
<b>Net benefit expense</b>	<b>1.94</b>	<b>3.75</b>

**Balance Sheet**
**Benefit liability**

Particulars	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	58.77	59.53
Fair value of plan assets	(41.28)	(33.66)
<b>Plan liability</b>	<b>17.50</b>	<b>25.87</b>

**Changes in the present value of the defined benefit obligation are as follows:**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Opening defined benefit obligation</b>	<b>59.53</b>	<b>62.05</b>
Current service cost	7.39	6.03
Interest cost	4.17	3.99
Benefits paid directly by the company	(3.36)	-
Benefits paid	(2.02)	(8.63)
Actuarial gain/(losses) on obligation	(3.57)	(3.91)
<b>Closing defined benefit obligation</b>	<b>62.14</b>	<b>59.53</b>

**Changes in the fair value of plan assets are as follows:**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Opening fair value of plan assets	33.66	32.19
Adjustment to opening balance	(0.09)	0.04
Expected return	2.53	2.20
Contributions by employer	7.04	7.70
Benefits paid	(5.38)	(8.63)
Actuarial (losses)/gains	3.52	0.17
<b>Closing fair value of plan assets</b>	<b>41.28</b>	<b>33.66</b>

**The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Discount rate (%)	7.52%	7.34%
Expected rate of return on assets (%)	7.52%	7.34%
Salary escalation (%)	4.00%	4.00%
Attrition rate (%)	5.00%	5.00%

The estimates of future salary increases, 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.

### 37. 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 two reportable Segments in the group namely Broking activities and Property development under Indian Accounting Standard (IND AS) 108. Segment reporting has been disclosed as per para 13 of INDAS 108.

#### Information about the primary business segments

Particulars	For the year ended 31 March, 2023			For the year ended 31 March, 2022		
	Broking Activities	Property Development	Total	Broking Activities	Property Development	Total
Revenue	4,052.74	-	4,052.74	3,858.26	-	3,858.26
Inter-segment revenue	-	-	-	-	-	-
	<b>4,052.74</b>	-	<b>4,052.74</b>	<b>3,858.26</b>	-	<b>3,858.26</b>
Segment result	598.20	-	598.20	360.78	(28.39)	332.39
Interest Expense	187.19	-	187.19	125.31	-	125.31
<b>Operating income</b>	<b>411.01</b>	-	<b>411.01</b>	<b>235.47</b>	<b>(28.77)</b>	<b>207.08</b>
Other income			627.08			464.02
<b>Profit before taxes</b>			<b>1,038.10</b>			<b>671.10</b>
Tax expense			280.16			170.39
<b>Profit for the year</b>			<b>757.93</b>			<b>500.70</b>
Segment assets	15,702.08	-	15,702.08	14,687.50	67.97	14,755.47
Unallocable assets	12.43	-	12.43	32.59	-	32.59
<b>Total assets</b>	<b>15,714.51</b>	-	<b>15,714.51</b>	<b>14,720.09</b>	<b>67.97</b>	<b>14,788.05</b>
Segment liabilities	15,711.46	-	15,711.46	14,728.40	59.06	14,787.46
Unallocable liabilities	3.05	-	3.05	0.57	0.03	0.60
<b>Total liabilities</b>	<b>15,714.51</b>	-	<b>15,714.51</b>	<b>14,728.96</b>	<b>59.09</b>	<b>14,788.05</b>
<b>Other information</b>						
Capital expenditure- Tangible	19.06	-	19.06	290.08	-	290.08
Depreciation and amortisation	36.34	-	36.34	31.11	-	31.11
Unallocated amortisation	-	-	-	-	-	-
<b>Total Depreciation and amortisation</b>	<b>36.34</b>	-	<b>36.34</b>	<b>31.11</b>	-	<b>31.11</b>

IND AS 108 requires disclosure of segments which fall under para 13. Consequently, only broking activity has been reported as the other subsidiary does not meet the threshold limit

**38. 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 year ended March 31, 2023	For the year ended March 31, 2022
<b>Rent Paid:</b>	<b>11.35</b>	<b>10.00</b>
- Chanda Devi Rathi	11.35	9.60
- Govind Narayan Rathi HUF	-	0.40
<b>Remuneration Paid:</b>	<b>126.00</b>	<b>117.00</b>
- Hari Narayan Rathi	63.00	60.00
- Chetan Rathi	54.00	48.00
- Nisha Rathi	9.00	9.00
<b>Dividend Paid:</b>	<b>48.80</b>	<b>31.65</b>
- Hari Narayan Rathi	29.25	19.50
- Chetan Rathi	9.15	5.98
- Chanda Devi Rathi	6.71	2.42
- Nisha Rathi	3.70	3.75
<b>Service Rendered – Brokerage Received:</b>	<b>0.16</b>	<b>0.54</b>
- Hari Narayan Rathi	0.00	0.00
- Chetan Rathi	0.02	0.02
- Chanda Devi Rathi	0.01	0.01
- Nisha Rathi	0.00	0.01
- Govind Narayan Rathi	0.02	0.46
- Hari Narayan Rathi HUF	0.00	0.02
- Anuradha Pasari	0.09	-
- Chetan Rathi HUF	0.01	0.01
<b>Unsecured loan taken</b>	<b>590.00</b>	<b>330.00</b>
- Hari Narayan Rathi	-	90.00
- Chetan Rathi	590.00	240.00
<b>Unsecured loan repaid</b>	<b>590.00</b>	<b>330.00</b>
- Hari Narayan Rathi	-	90.00
- Chetan Rathi	590.00	240.00
<b>Interest on unsecured loan</b>	<b>9.09</b>	<b>5.39</b>
- Hari Narayan Rathi	-	1.89
- Chetan Rathi	9.09	3.49
<b>Rental Deposit recovered</b>	<b>-</b>	<b>0.40</b>
- Govind Narayan Rathi HUF	-	0.40



**c) Related party balances:**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Rent Deposit:</b>	<b>15.00</b>	<b>15.00</b>
- Chanda Devi Rathi	15.00	15.00
- Govind Narayan Rathi HUF	-	-

**39. 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, 2023	For the year ended March 31, 2022
Operating Lease – Cancellable	27.77	23.08
<b>Total</b>	<b>27.77</b>	<b>23.08</b>

**40. Earnings per Share (EPS):**
**i. Reconciliation of earnings used in calculating earnings per share:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after taxation as per statement of profit and loss (for basic EPS)	757.93	500.71
<b>Less:</b> Effect of dilutive potential ordinary shares	-	-
<b>Net Profit for dilutive earnings per share</b>	<b>757.93</b>	<b>500.71</b>

**ii. Reconciliation of basic and diluted shares used in computing earnings per share:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Number of weighted average equity shares considered for calculating of basic EPS	84,00,000	56,84,384
<b>Add:</b> Dilutive effect of potential ordinary shares	-	-
<b>Number of weighted average equity shares considered for calculating of diluted EPS</b>	<b>84,00,000</b>	<b>56,84,384</b>

**iii. Earnings per share:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- Basic (Rs.)	9.02	8.88
- Diluted (Rs.)	9.02	8.88

**41. 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.

**42. Due to Micro and Small Enterprises**

The Group has no dues to Micro and Small Enterprises as at March 31, 2023 and March 31, 2022 in the financial statements based on information received and available with the group.

43. 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.

**44. 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, 2023	March 31, 2022
Fair Value Hierarchy Level	1	1
Financial Assets		
Listed Equity Instruments (Rs. in lakhs)	306.30	123.95
Investments in Mutual Funds	-	-
Fair Value Hierarchy Level	3	3
Financial Assets		
Other Financial Assets – Security Deposits (Rs. in lakhs)	19.57	19.56
Other Investments (Rs. in lakhs)	7.00	7.00
Financial Liabilities		
Borrowings (Rs. in lakhs)	-	168.59

**iii. Financial Instruments by category**

For amortized cost instruments, carrying value represents the best estimate of fair value:

Particulars	Mar-23			Mar-22		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Equity investments	306.30	-	-	123.95	-	-
Other investments	-	-	52.26	-	-	47.25
Trade Receivables	-	-	778.86	-	-	1,055.41
Loans	-	-	311.50	-	-	311.53
Cash & Cash Equivalents	-	-	2,912.80	-	-	2,719.07
Other bank balances	-	-	9,128.21	-	-	9,788.14
Others	-	19.57	1,633.82	-	19.56	156.28
<b>Total</b>	<b>306.30</b>	<b>19.57</b>	<b>14,817.46</b>	<b>123.95</b>	<b>19.56</b>	<b>14,077.69</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	168.59
Trade Payables	-	-	11,068.58	-	-	10,756.04
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11,068.58</b>	<b>-</b>	<b>-</b>	<b>10,924.62</b>

The Group's principal financial liabilities comprise loans and borrowings, 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.

**45. 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, 2023	March 31, 2022
Past due not impaired:	-	-
0-30 Days	708.86	968.44
31-90 Days	68.20	86.97
91-180 Days	1.80	-
Greater than 180 Days	-	-
<b>Total</b>	<b>778.86</b>	<b>1055.41</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, 2023</b>				
Borrowings	-	-	-	-
Trade Payables	11,068.58	-	-	<b>11,068.58</b>
Total	<b>11,068.58</b>	-	-	<b>11,068.58</b>
<b>March 31, 2022</b>				
Borrowings	168.59	-	-	<b>168.59</b>
Trade Payables	10,756.04	-	-	<b>10,756.04</b>
Total	<b>10,924.63</b>	-	-	<b>10,924.63</b>

#### 46. 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:

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Non-Current borrowings	-	164.12
Current borrowings	-	4.46
Total Debt	-	168.59
As a percentage of total capital	0.00%	4.40%
Equity	4,389.31	3,666.12
As a percentage of total capital	100.00%	95.60%
<b>Total Capital [Debt and Equity]</b>	<b>4,389.31</b>	<b>3,834.70</b>

#### **47. Exceptional Item**

During the year, pursuant to Share Transfer Agreement dated March 25, 2023, the B.N. Rathi Securities Limited has sold its 100% shareholding in one of its subsidiaries i.e. B.N. Rathi Industries Private Limited, for total consideration amounting to Rs. 25.00 lakhs. The resultant loss of Rs. 25.00 lakhs, has been disclosed as an exceptional item in these standalone financial statements.

#### **48. 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 15, 2023, there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

**49. Key Financial Ratio (as applicable)**

<b>Particulars</b>	<b>Formulae</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	<b>% Change</b>	<b>Reason for Variance</b>
(i) Current Ratio	Current assets / current liabilities	1.33	1.30	2.41	
(ii) Debt Equity Ratio	Total Debt / Share holder's Equity	2.56	3.03	(15.77)	
(iii) Interest Coverage Ratio	EBIT / Interest Expense	7.43	7.55	(1.57)	
(iv) Return on equity(%)	Net profit after tax/Share holder's Equity	17.29%	13.66%	26.61	Increase in profit margin is high due to increase in income
(v) Debtors Turnover Ratio	Credit Sales / Average Account Receivables	4.42	4.20	5.10	
(vi) Net Capital turnover ratio	Credit Sales / Working Capital	1.10	1.19	(7.58)	
(vii) Net Profit Ratio(%)	Net profit after tax/ Total Revenue	18.73%	12.98%	44.31	High profit margin due to increase in income
(viii) Return on Capital employed(%)	Operating Profit / Capital Employed [OP=EBIT]	27.99%	21.10%	32.63	Improvement in operating profit due to increase in income



**50. 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).
51. 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: 15.05.2023

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

Sd/-  
Laminiwas 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 15th Annual report together with Audited accounts for the year ended 31st March, 2023.

#### 1. FINANCIAL RESULTS:

(Rs. In Lakhs)

Particulars	2022-23	2021-22
Revenue from operations	21.94	62.77
Other income	11.82	21.65
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	19.09	47.05
Less: Depreciation/ Amortisation/ Impairment	0.67	0.49
Profit /loss before Finance Costs, Exceptional items and Tax Expense	18.42	46.56
Less: Finance Costs	0.01	1.66
Profit /loss before Exceptional items and Tax Expense	18.41	44.90
Add/(less): Exceptional items	-	-
Profit /loss before Tax Expense	18.41	44.90
Less: Tax Expense (Current & Deferred)	7.41	11.69
Profit /loss for the year (1)	11.00	33.20
Total Comprehensive Income/loss (2)		-
Total (1+2)	11.00	33.20
Balance of profit /loss for earlier years	-	-
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	-	-
Less: Dividend Distribution Tax	-	-
Balance carried forward	-	-

**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 2022-23 was Rs.33.77 lakhs as against Rs. 84.43 lakhs for the previous financial year. The company earned a profit of Rs. 11.00 lakhs as against the net profit of Rs. 33.20 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, 2023 and the date of Board's Report. (i.e. 13.05.2023)

**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 2023.

**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 five times during the year on 16.05.2022, 06.08.2022, 05.11.2022, and 04.02.2023 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 2022-23, 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 22 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. Sesachalam & 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.

**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**

**Place: Hyderabad  
Date: 13.05.2023**

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

## **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, 2023, 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, 2023, and profit/loss, 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'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**

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, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 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: 23201042BHAKQY7457**

**Place: Hyderabad,  
Date: May 13, 2023**

### **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, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

**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 provided loans to companies as follows.

Particulars	Balance as at opening of financial year	Granted during the year	Received during the year	Balance as at closing of financial year
Loan to Related Party	54.00	78.00	-	132.00

The company has not provided advances in the nature of loans, stood guarantee or provided security to any other companies, firms, Limited Liability Partnerships or any other parties.

- (b) As per the information and explanations given to us, terms and conditions of the loans and advances are not prejudicial to the interest of the company.
- (c) However, on verification of records, no interest is being paid on the above loan & repayment of principal in the above case is being extended from time to time.
- (d) In the above case total amount of Rs. 132.00 lakhs is overdue for a period of more than 90 days.

We have been informed by the company that they are confident of receiving the principal in the ensuing period without any further delay.

- (e) On the basis of our examination of books of accounts the details of the loans renewed and fresh loans granted in addition to existing loans already to the same party, are as mentioned below:

Aggregate of loans renewed(A)	Rs. 54.00 lakhs
Fresh loans other than renewals(B)	Rs. 78.00 lakhs
% of loans renewed over fresh loans issued during the year $[A/(A+B)]$	40.91%

- (f) On the basis of our examination of books of accounts and records, company has not granted loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

**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: 23201042BHAKQY7457**

**Place: Hyderabad,  
Date: May 13, 2023**



**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, 2023 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **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, 2023, 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 May 13, 2023 expressed an unqualified opinion.

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

**Sd/-  
T. Bharadwaj  
Partner**

**Membership No.:201042  
UDIN: 23201042BHAKQY7457**

**Place: Hyderabad,  
Date: May 13, 2023**

**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 all dilutive potential equity shares.



**Balance Sheet as at March 31, 2023**

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

Particulars		Note	As at March 31, 2023	As at March 31, 2022
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, plant and equipment	3	1.13	1.80
	(b) Financial Assets			
	- Investments	4	45.26	40.25
	- Loans	5	142.00	64.00
	(c) Deferred tax assets (Net)	6	2.31	2.49
	<b>Total Non-Current Assets [A]</b>		<b>190.70</b>	<b>108.54</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Financial Assets			
	- Investments	7	306.30	123.95
	- Loans	8	5.00	5.00
	- Cash and cash equivalents	9	6.76	257.67
	(b) Other current assets	10	1.34	1.34
	<b>Total Current Assets [B]</b>		<b>319.40</b>	<b>387.96</b>
	<b>TOTAL ASSETS [A+B]</b>		<b>510.11</b>	<b>496.51</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	11	100.00	100.00
	(b) Other Equity	12	406.94	395.94
	<b>Total Equity [A]</b>		<b>506.94</b>	<b>495.94</b>
<b>2</b>	<b>Current Liabilities</b>			
	(a) Provisions	13	3.05	0.57
	(b) Other current liabilities	14	0.12	-
	<b>Total Current Liabilities [B]</b>		<b>3.17</b>	<b>0.57</b>
	<b>TOTAL EQUITY AND LIABILITIES [A+B]</b>		<b>510.11</b>	<b>496.51</b>
	Corporate information	1		
	Summary of significant accounting policies	2		
	Accompanying notes forming an integral part of the financial statements	1 to 32		

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: May 13, 2023

 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 Profit and Loss for the year ended March 31, 2023**

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

Particulars		Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I</b>	<b>REVENUE</b>			
	Revenue from Operations (Gross)	15	21.94	62.77
	Other Income	16	11.82	21.65
	<b>TOTAL REVENUE [I]</b>		<b>33.77</b>	<b>84.43</b>
<b>II</b>	<b>EXPENSES</b>			
	Employee benefit expenses	17	9.63	24.75
	Finance costs	18	0.01	1.66
	Depreciation and amortization expense	3	0.67	0.49
	Other expenses	19	5.05	12.63
	<b>TOTAL EXPENSES [II]</b>		<b>15.35</b>	<b>39.52</b>
<b>III</b>	<b>Profit Before Tax [I-II]</b>		<b>18.41</b>	<b>44.90</b>
<b>IV</b>	<b>Tax Expense</b>			
	<b>Income tax expense</b>			
	- Current year	20	7.23	11.39
	- Earlier year		(0.00)	0.02
	- Deferred tax credit		0.18	0.28
<b>V</b>	<b>Profit for the period</b>		<b>11.00</b>	<b>33.20</b>
<b>VI</b>	<b>Earnings per equity share Rs. 10/- each fully paid</b>			
	- Basic	24	1.10	3.32
	- Diluted	24	1.10	3.32
	Corporate information	1		
	Summary of significant accounting policies	2		
	Accompanying notes forming an integral part of the financial statements	1 to 32		

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: May 13, 2023

 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

**Cash Flow Statement for the year ended March 31, 2023**

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

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		18.41	44.90
<b>Adjustments:</b>			
Depreciation		0.67	0.49
Net gain/(Loss) arising on financial assets measured at FVTPL		10.09	
Dividend Income		(0.23)	(0.62)
Interest on loan		(20.01)	(12.99)
Interest expense		-	1.62
Interest income		(1.64)	(7.97)
<b>Cash generated before working capital changes</b>		<b>7.31</b>	<b>25.43</b>
<b>Movements in working capital:</b>			
(Decrease)/Increase in trade payables		-	-
(Decrease)/Increase in other current liabilities		0.12	-
Decrease/(Increase) in trade receivables		-	111.00
Decrease/(Increase) in loans and advances		(78.00)	(54.00)
Decrease/(Increase) in other current assets		(0.00)	1.02
Decrease/(Increase) in current loans		-	-
<b>Cash generated from operations</b>		<b>(70.58)</b>	<b>83.44</b>
Direct taxes paid (Net of refunds received)		(4.75)	(11.02)
<b>Net cash flow (used in)/from operating activities [A]</b>		<b>(75.33)</b>	<b>72.42</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of office equipment		-	(0.95)
(Investment)/redemption in debentures		(5.01)	(10.00)
(Investment) in shares		(192.45)	(33.82)
Dividend Income		0.23	0.62
Interest on Loan		20.01	12.99
Interest received		1.64	7.97
<b>Net cash flow (used in)/from investing activities [B]</b>		<b>(175.58)</b>	<b>(23.18)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Investment)/redemption of bank deposits		-	207.50
Interest paid		-	(1.62)
<b>Net cash flow (used in)/from financing activities [C]</b>		<b>-</b>	<b>205.88</b>
<b>D. Net increase/(decrease) in cash and cash equivalents [A+B+C]</b>		<b>(250.91)</b>	<b>255.11</b>
<b>E. Cash and cash equivalents</b>			
at the beginning of the year	9	257.67	2.56
at the end of the year		<b>6.76</b>	<b>257.67</b>
<b>Components of cash and cash equivalents</b>			
Balance with banks			
- In current accounts		6.68	257.64
Cash on hand		0.08	0.03
<b>Cash and cash equivalents at the end of the year</b>	2(m)	<b>6.76</b>	<b>257.67</b>
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 32		

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: May 13, 2023

 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, 2023**  
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

**A. Equity share capital**

Particulars	As at March 31, 2023	As at March 31, 2022
<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:					
As at April 01, 2021	-	-	1.80	360.94	362.74
Profit for the year	-	-		33.20	33.20
Premium on account of shares issued under right issue	-	-		-	-
Equity dividend	-	-		-	-
Other comprehensive income for the year	-	-		-	-
As at March 31, 2022	-	-	1.80	394.14	395.94
Profit for the year	-	-		11.00	11.00
Share issue expenses	-	-		-	-
Equity dividend	-	-		-	-
Other comprehensive income for the year	-	-		-	-
As at March 31, 2023	-	-	1.80	405.14	406.94

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: May 13, 2023

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

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

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

**Note 3: Property, Plant and Equipment**

Particulars	As at March 31, 2023	As at March 31, 2022
Furniture's and Fittings	0.49	0.59
Motor Vehicles	0.05	0.07
Computers and Data Processing Units	0.05	0.05
Office Equipments	0.53	1.09
<b>Total</b>	<b>1.13</b>	<b>1.80</b>

**For the year ended March 31, 2023**

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, 2022</b>	22.84	0.66	5.73	6.29	35.52
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>22.84</b>	<b>0.66</b>	<b>5.73</b>	<b>6.29</b>	<b>35.52</b>
<b>II. Accumulated Amortization</b>					
Upto April 01, 2022	22.25	0.59	5.68	5.20	33.72
Depreciation expense for the period	0.10	0.02	-	0.56	0.67
Eliminated on disposal of assets	-	-	-	-	-
<b>Upto March 31, 2023</b>	<b>22.35</b>	<b>0.61</b>	<b>5.68</b>	<b>5.75</b>	<b>34.39</b>
<b>III. Net Carrying Amount [I-II]</b>					
<b>As at March 31, 2023</b>	0.49	0.05	0.05	0.53	1.13
<b>As at March 31, 2022</b>	0.59	0.07	0.05	1.09	1.80

**Note 4: Non-Current Investments [Refer Note 27(iii)]**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Unquoted Investments</b>		
Propspace Square Private Limited [4 (31.03.2022: Rs. 20,00,000) debentures of par value Rs. 5,00,000 each]	20.00	20.00
Joule Consulting Private Limited - Callify [179 (31.03.2022: Rs. 5,00,000) 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 (31.03.2022: Rs. 5,00,102) 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 [525 (31.03.2022: 5,25,000) debentures of par value Rs. 1,000 each]	5.25	5.25
Bintix Waste Research Private Limited [347 (31.03.2022: 5,00,000) 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 [167 (31.03.2022: Nil) equity shares of face value of Rs. 1 each and issued at a premium of Rs. 2999 each]	5.01	-
<b>Total</b>	<b>45.26</b>	<b>40.25</b>

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	45.26	40.25
Aggregate amount of impairment in the value of investments	-	-
Investments carried at cost	45.26	40.25
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	-	-

**Note 5: Non-Current Loans [Refer Note 28(iii)]**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
Security deposits		
- Security Deposits with Stock Exchanges/Clearing Houses	10.00	10.00
Advance to related parties [Refer Note 22(c)]	132.00	54.00
<b>Total</b>	<b>142.00</b>	<b>64.00</b>

**Note 6: Deferred Tax Asset (net)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Depreciation	2.31	2.49
<b>Total</b>	<b>2.31</b>	<b>2.49</b>

**Note 7: Current Investments [Refer Note 27(iii)]**

Particulars	As at March 31, 2023	As at March 31, 2022
"Quoted investments in shares and securities [valued at fair value through profit and loss account]"		
Investment in shares	306.30	123.95
<b>Total</b>	<b>306.30</b>	<b>123.95</b>

Aggregate amount of quoted investments and market value thereof	306.30	123.95
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-
Investments carried at cost	-	-
Investments carried at amortized cost	-	-
Investments carried at fair value through profit and loss	306.30	123.95

**Note 8: Current Loans [Refer Note 28(iii)]**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
Security Deposits [Refer Note 22(c)]	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**Note 9: Cash and cash equivalents**

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks		
- In current accounts	6.68	257.64
- Deposits with original maturity of less than 3 months	-	-
Cash on hand	0.08	0.03
<b>Total</b>	<b>6.76</b>	<b>257.67</b>

**Note 10: Other current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with government authorities	0.93	0.93
Interest accrued on deposits with banks and others	0.41	0.41
<b>Total</b>	<b>1.34</b>	<b>1.34</b>



**Note 11: Share Capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	Opening Balance	Issued during the year
Equity shares				
Year ended March 31, 2023				
- Number of shares	10,00,000	-	10,00,000	-
<b>- Amount</b>	<b>1,00,00,000</b>	-	<b>1,00,00,000</b>	-
Year ended March 31, 2022				
- Number of shares	10,00,000	-	10,00,000	-
<b>- Amount</b>	<b>1,00,00,000</b>	-	<b>1,00,00,000</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) Details of shares held by Holding Company**

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	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, 2023		As at March 31, 2022	
	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 12: Other Equity**

Particulars	As at March 31, 2023	As at March 31, 2022
General Reserve	1.80	1.80
Retained Earnings	405.14	394.14
<b>Total</b>	<b>406.94</b>	<b>395.94</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 13: Provisions - current**

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax liability [Net of advance tax]		
Advance Income Tax	4.19	10.83
Current Tax Liabilities	7.23	11.39
<b>Total</b>	<b>3.05</b>	<b>0.57</b>

**Note 14: Other current liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Other current liabilities	0.12	-
<b>Total</b>	<b>0.12</b>	<b>-</b>

**Note 15: Revenue from Operations (Gross)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from broking operations	-	-
Other operating revenue	21.94	62.77
<b>Total</b>	<b>21.94</b>	<b>62.77</b>

**Note 16: Other income**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on deposits with bank	-	6.31
Interest on deposits with others	-	-
Interest on debentures	1.64	1.64
Interest on loan	20.01	12.99
Dividend income	0.23	0.62
Interest received from mutual funds	-	0.02
Interest on income tax refund	-	-
Net Gain/(Loss) arising on financial assets measured at FVTPL	(10.09)	-
Miscellaneous income	0.04	0.07
<b>Total</b>	<b>11.82</b>	<b>21.65</b>

**Note 17: Employee Benefit Expenses**

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries and bonus [Refer Note 22(b)]	9.63	24.75
<b>Total</b>	<b>9.63</b>	<b>24.75</b>

**Note 18: Finance Costs**

Particulars	As at March 31, 2023	As at March 31, 2022
Interest expense on:		
- Working Capital	-	1.62
- Delayed remittance of Income tax	0.01	0.01
- Interest on Income tax	0.00	-
Other borrowing costs	0.00	0.02
<b>Total</b>	<b>0.01</b>	<b>1.66</b>

**Note 19: Other Expenses**

Particulars	As at March 31, 2023	As at March 31, 2022
Others:		
Rent [Refer Note 23]	3.10	2.40
Repairs and maintenance	0.05	0.04
Insurance	-	0.01
Rates and taxes	0.03	0.03
Legal and professional	1.75	10.02
Auditor's remuneration:		
- Statutory audit	0.12	0.12
Other expenses	-	0.01
<b>Total</b>	<b>5.05</b>	<b>12.63</b>

**Note 20: Income Tax Expense**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(a) Major components of income tax expense:</b>		
<b>(i) Current Income Tax</b>		
- Current income tax charge	7.23	11.39
- Adjustments in respect of current income tax of previous year	(0.00)	0.02
	<b>7.23</b>	<b>11.42</b>
<b>(ii) Deferred Tax</b>		
- Relating to origination/reversal of temporary differences	0.18	0.28
	<b>0.18</b>	<b>0.28</b>
<b>Income tax expense reported in the statement of profit or loss</b>	<b>7.41</b>	<b>11.70</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	18.41	44.90
Indian tax rate	0.26	0.26
<b>Tax at the Indian tax rate</b>	<b>4.79</b>	<b>11.67</b>
<b>Effect of:</b>		
Non-Deductible expenses for tax purposes	0.17	0.13
Tax exempt income	-	-
Fair value loss on investments	2.62	
Income tax expense of prior years	(0.00)	0.02
Deferred tax relating to origination / reversal of temporary differences	0.18	0.28
Others	(0.35)	(0.41)
<b>Total Income Tax Expense</b>	<b>7.41</b>	<b>11.70</b>

## 21. 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.

## 22. 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
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:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Remuneration Paid:</b>	<b>9.00</b>	<b>9.00</b>
- Nisha Rathi	9.00	9.00
<b>Rent Paid:</b>	<b>3.10</b>	<b>2.40</b>
- Chanda Devi Rathi	3.10	2.40
<b>Loan given:</b>	<b>78.00</b>	<b>54.00</b>
- B N Rathi Industries Private Limited	78.00	54.00

c) Related party balances:

Particulars	As at March 31, 2023	As at March 31, 2022
<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>132.00</b>	<b>54.00</b>
- B N Rathi Industries Private Limited	132.00	54.00

**23. 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, 2023	For the year ended March 31, 2022
Cancellable	3.10	2.40
<b>Total</b>	<b>3.10</b>	<b>2.40</b>

**24. Earnings per Share (EPS):**
**i. Reconciliation of earnings used in calculating earnings per share:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after taxation as per statement of profit and loss (for basic EPS)	11.00	33.20
<b>Less:</b> Effect of dilutive potential ordinary shares	-	-
<b>Net Profit for dilutive earnings per share</b>	<b>11.00</b>	<b>33.20</b>

**ii. Reconciliation of basic and diluted shares used in computing earnings per share:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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, 2023	For the year ended March 31, 2022
- Basic (Rs.)	1.10	3.32
- Diluted (Rs.)	1.10	3.32



**25. 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.

**26. Due to Micro and Small Enterprises**

The Company has no dues to Micro and Small Enterprises as at March 31, 2023 and March 31, 2022 in the financial statements based on information received and available with the company.

**27. 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**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Fair Value Hierarchy Level	1	1
<b><i>Financial Assets</i></b>		
Listed instruments (Rs. In lakhs)	306.30	123.95

**iii. Financial Instruments by category**

For amortized cost instruments, carrying value represents the best estimate of fair value:

Particulars	March 31, 2023			March 31, 2022		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>FINANCIAL ASSETS</b>						
Equity instruments	306.30	-	-	123.95	-	-
Other Investments	-	-	45.26	-	-	40.25
Trade Receivables	-	-	-	-	-	-
Loans	-	-	147.00	-	-	69.00
Cash and cash equivalents	-	-	6.76	-	-	257.67
Other bank balances	-	-	-	-	-	-
<b>TOTAL</b>	<b>306.30</b>	<b>-</b>	<b>199.02</b>	<b>123.95</b>	<b>-</b>	<b>366.92</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.

**28. 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, 2023	March 31, 2022
Past due not impaired:		
0-30 Days	-	-
31-60 Days	-	-
61-90 Days	-	-
91-180 Days	-	-
Greater than 180 Days	-	-
<b>Total</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, 2023</b>				
Borrowings	-	-	-	-
Trade Payables	-	-	-	-
<b>Total</b>	-	-	-	-
<b>March 31, 2022</b>				
Borrowings	-	-	-	-
Trade Payables	-	-	-	-
<b>Total</b>	-	-	-	-

## 29. 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, 2023	March 31, 2022
Current Borrowings	-	-
<b>Total Debt</b>	-	-
As a percentage of total capital	0.00%	0.00%
<b>Equity</b>	<b>506.94</b>	<b>495.94</b>
As a percentage of total capital	100.00%	100.00%
<b>Total Capital [Debt and Equity]</b>	<b>506.94</b>	<b>495.94</b>

**30. Key Financial Ratios (as applicable)**

Particulars	Formulae	As at March 31, 2023	As at March 31, 2022	% Change	Reason for Variance
(i) Current Ratio	Current Assets/ Current Liabilities	100.90	683.52	(85.24)	Current ratio decreased due to decrease in bank balance during the year
(ii) Return on Equity Ratio (%)	Net profit after taxes/ Share holder's Equity	2.17%	6.70%	(67.59)	Return on equity ratio decreased due to decrease in operating revenue during the year.
(iii) Net Capital Turnover Ratio	Revenue from Operations/ Working capital	0.07	0.16	(57.18)	Return on equity ratio decreased due to decrease in operating revenue during the year.
(iv) Net Profit Ratio (%)	Net profit after taxes/ Revenue from Operations	50.14%	52.90%	(5.22)	-
(v) Return on Capital Employed (%)	Earnings before Interest & Tax/ Capital Employed	3.63%	8.72%	(58.38)	Return on equity ratio decreased due to decrease in operating revenue during the year.

**31. 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).

**32. 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: May 13, 2023

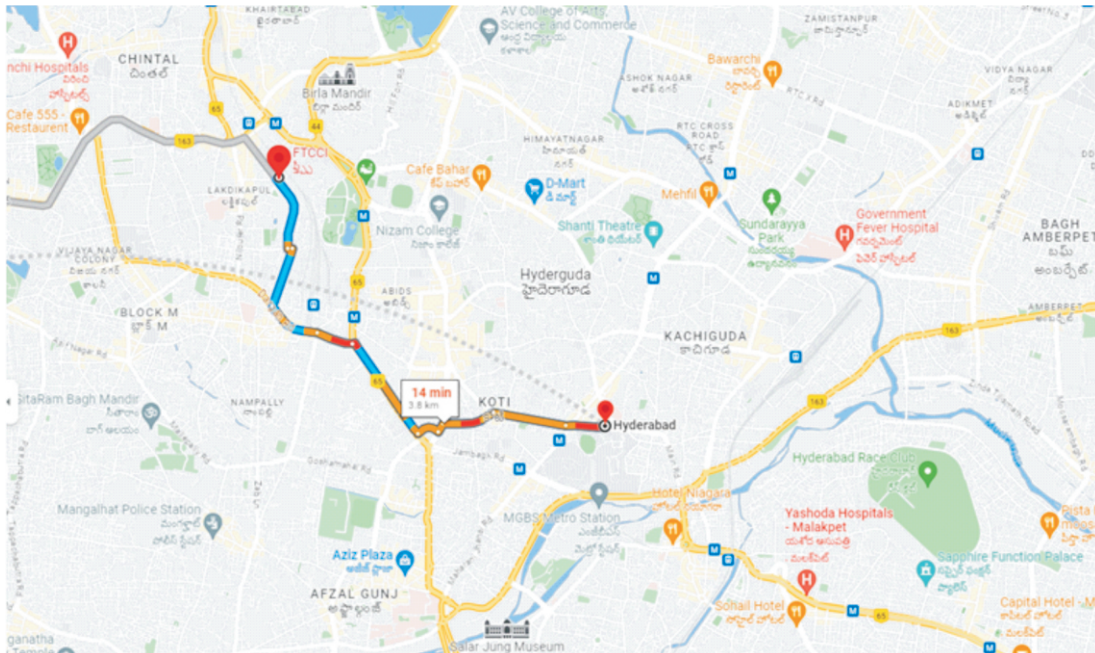
For and on behalf of the Board of Directors of  
B. N. RATHI COMTRADE PRIVATE LIMITED

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 37th Annual General Meeting of the Company, to be held on Friday, 30th June, 2023 at 10.00A.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. Approval of financial statements for the year ended 31.03.2023.
2. Declaration of Dividend for the financial year 2022-23.
3. Appointment of Mr. Chetan Rathi as Director who retires by rotation.

Signed this ..... day of ..... 2023

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 37th Annual General Meeting of the members of the company to be held on Friday, 30th June, 2023 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.