

B.N. Rathi Securities Limited



**19th Annual Report
2004-2005**

**B.N.RATHI SECURITIES LIMITED****BOARD OF DIRECTORS**

Sri LAKSHMINIVAS SHARMA- Chairman
Sri B.N.RATHI
Sri K.HARISHCHANDRA PRASAD
Sri K.N.RATHI
Sri H.N.RATHI - Managing Director

AUDITORS

Kalyandas & Co.,
Chartered Accountants
15,Venkateshwara Colony,
Narayanguda,
Hyderabad - 500 029.

BANKERS

HDFC Bank Ltd.
Canara Bank
State Bank of Hyderabad

REGISTERED OFFICE

4-5-173, Hasmath Gunj,
Sultan Bazar.
Hyderabad - 500 095
Ph No 24755239,24755240

**STOCK EXCHANGES
(LISTED)**

The Hyderabad Stock Exchange Ltd .
3-6-275,
Himayatnagar,
Hyderabad - 500 029.

The Stock Exchange, Mumbai.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

**REGISTRARS & SHARE TRANSFER
AGENTS**

Karvy Computer Share Pvt.Ltd.,
46, Avenue 4, Street no 1,
Banjara Hills,
Hyderabad-500 034

DEMAT ISIN NUMBER IN NSDL &CDSL INE710D01010



B.N.RATHI SECURITIES LIMITED

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of B.N.Rathi Securities Limited will be held at Rajasthani Graduates Association Hall, 5-4-790/1, 1st Floor, Abids, Hyderabad-500001 on 29th September, 2005 at 10.00 a.m to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March. 2005 together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Shri Lakshminivas Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri K N. Rathi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors and fix their remuneration.

By Order of the Board
for **B.N. Rathi Securities Limited**

Date : 22.07.2005

Place : Hyderabad.

H.N. Rathi
Managing Director

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.
2. 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**.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 16.09.2005 to 29.09.2005 (Both days inclusive) for determining the names of members eligible for dividend, if approved, on equity shares. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership, as per details furnished by NSDL and CDSL, for this purpose.
4. Subject to the provisions of Section 206A of the Companies Act, 1956, dividend as recommended by the Board of Directors, if declared at the meeting, will be payable on or before 30.10.2005 to those members whose names appear on the Company's Register of Members as on 29.09.2005.
5. The valid transfer deeds should be lodged with the Registrar before the book closure date to determine entitlement of the dividend.
6. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copy of annual report to the Meeting.
7. Shareholders are requested to address all correspondence in relation to share matters to the Company's Registrars and Share Transfer Agents: Karvy Computer Share Pvt Limited
Unit : B.N.Rathi Securities Limited, 46, Avenue 4, Street no1, Banjara Hills, Hyderabad - 034.



B.N.RATHI SECURITIES LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 19th Annual Report together with Audited Statements of Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS

The Financial Results for the year ended 31st March, 2005 are summarised as under:

	(Rs In Lakhs)	
	2004-'05	2003-'04
Total Income	279.03	275.39
Total Expenditure	199.68	168.17
Profit before Tax	79.35	107.21
Provision for Taxation	28.43	43.96
Profit after Tax	50.92	63.25
Profit available for Appropriation	50.92	63.25
Provision for proposed Equity Dividend	15.00	15.00
Provision for Corporate Dividend Tax	2.10	1.92
Balance carried to Balance Sheet	33.82	46.33

DIVIDEND:

Your Directors are pleased to recommend a Dividend @10% on the Paid up Equity Share Capital of the Company in respect of the financial year 2004-05. The total outgo on account of dividend, inclusive of dividend tax @14.03% stands at Rs 17.10 lakhs, for which necessary provision has been made in the accounts.

OPERATIONS:

The performance of the Company during the year under review has been satisfactory with significant increase in Cash Market and Derivatives Market of National Stock Exchange of India Ltd. We are pleased to inform that in order to increase and upgrade technology. We have gone for pvt VSATs.

LISTING:

The Equity Shares of the Company are listed on The Hyderabad Stock Exchange Ltd., and The Stock Exchange, Mumbai (Stock Code 523019). The annual listing fees for the year 2005-2006 has been paid to both the Stock Exchanges.

DIRECTORS:

In accordance with the Articles and the provisions of the Companies Act, 1956, Shri Lakshminivas Sharma and Shri K.N.Rathi retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS:

The Auditors of the Company M/s.Kalyandas & Co. Chartered Accountants, Hyderabad retire at the ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The company has also received a certificate from them under Section 224 (1-B) of the Companies Act, 1956.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public.



B.N.RATHI SECURITIES LIMITED

PARTICULARS OF EMPLOYEES:

None of the employees are covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 and forming part of the Directors report for the year ended 31st March, 2005.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm :

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profits of the company for that period;
- (iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that they have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

The information pursuant to Section 217 (i) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Directors) Rules, 1988 has not been given as the same is not applicable. The particulars regarding income and expenditure in Foreign Currency is nil.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the valuable co-operation, support and assistance received from the Government departments and Local Authorities, Securities and Exchange Board of India, Financial Institutions, Banks, National Stock Exchange of India Limited, The Hyderabad Stock Exchange Limited and The Stock Exchange, Mumbai.

Your Directors also acknowledge the continued support given by the valued and esteemed customers and sub-brokers and the sincere and dedicated services of the employees of the Company at all levels.

Your Directors also like to express their thanks to the shareholders for the confidence which they reposed in them.

For and on behalf of the Board

Lakshminivas Sharma
Chairman

Date : 22.07.2005
Place : Hyderabad.



B.N.RATHI SECURITIES LIMITED

COMPLIANCE CERTIFICATE

Registration No of the Company : 5838 Nominal Capital : Rs 150 Lacs

To,
The Members
B. N. RATHI SECURITIES LIMITED,
HYDERABAD.

I have examined the registers, records, books and papers of M/s. B N RATHI SECURITIES LIMITED(Company) as required to be maintained under the Companies Act ,1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March ,2005. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company,its officers and agents, I certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and the returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being Public Limited Company, Comments are not required.
4. The Board of Directors duly met Four times on **29.01.2004, 23.04.2004, 20.07.2004 and 20.10.2004** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, and /or Debentureholder's from **16.08. 2004 to 31.08.2004** and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on **31.03.2004** was held on **31.08.2004** after giving due notice to the members of the company and resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to Directors or persons or firms or Companies referred to U/s 295 of the Act.
9. The Company has duly complied with the provisions of the Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.



B.N.RATHI SECURITIES LIMITED

12. The Board of Directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates.
13. The Company has;
 - i) delivered all the certificates on allotment of securities and on lodgement thereof for transfer / transmission or any purpose in accordance with the provisions of the Act;
 - ii) deposited the amount of dividend declared including interim dividend in a separate bank account on 05.09.2004 which is within five days from the date of declaration of such dividend.
 - iii) paid/posted warrants for dividends to all the members within a period of 30 days (Thirty) days from the date of declaration.
 - iv) transferred the amounts in unpaid dividend account, application money due for refund, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
Not Applicable
 - v) duly complied with the requirements of Section 217 of the Act:-
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancies during the financial year.
15. The Company has not appointed any Managing Director / Whole Time Director / Manager during the financial year.
16. The Company has not appointed any sole - selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act, during the financial year.
18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Shares, Debentures or other Securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from Managing Director during the financial year ending March 31, 2005 is within the borrowing limits of the company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of Memorandum with respect to situation of the Company's registered office from one state to another during the financial year under scrutiny.
27. The Company has not altered the provisions of Memorandum with respect to the objects of the company during the year under scrutiny.