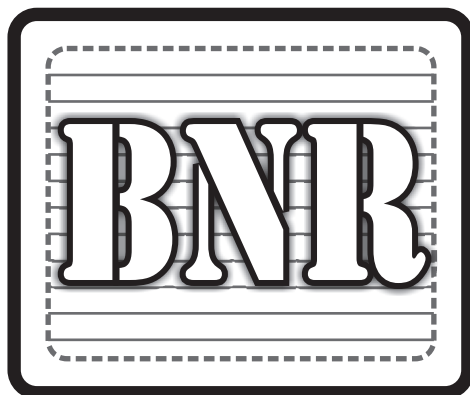


# B.N. Rath Securities Limited



## 28th Annual Report 2013-2014



**CORPORATE INFORMATION**

**1. BOARD OF DIRECTORS**

Mr. Laxminiwas Sharma	- Non-Executive Chairman	(DIN: 00010899)
Mr. Hari Narayan Rathi	- Managing Director	(DIN: 00010968)
Mr. Chetan Rathi	- Executive Director cum CFO	(DIN: 00536441)
Mr. K. Harishchandra Prasad	- Non Executive & Independent Director	(DIN: 00012564)
Mr. T. S. Suryanarayana Murthy	- Non Executive & Independent Director	(DIN: 01736083)

**2. COMPANY SECRETARY**

Ms. C. Sharda Shastry

**3. REGISTERED OFFICE**

6-3-652, IV Floor, Kautilya,  
Amrutha Estates, Somajiguda,  
Hyderabad, Andhra Pradesh -500082.  
Ph. : 040-30527777, Fax : 040-30526283

**4. AUDIT COMMITTEE**

Mr. Laxminiwas Sharma	- Chairman
Mr. K. Harishchandra Prasad	- Member
Mr. T. S. Suryanarayana Murthy	- Member

**5. NOMINATION & REMUNERATION COMMITTEE**

Mr. K. Harishchandra Prasad	- Chairman
Mr. Laxminiwas Sharma	- Member
Mr. T. S. Suryanarayana Murthy	- Member

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. T. S. Suryanarayana Murthy	- Chairman
Mr. Laxminiwas Sharma	- Member
Mr. K. Harishchandra Prasad	- Member
Mr. Chetan Rathi	- Member

**7. AUDITORS**

Kalyandas & Co.,  
Chartered Accountants  
15, Venkateshwara Colony,  
Narayanguda, Hyderabad - 500029.

**8. BANKERS**

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

**9. REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Karvy Computer Share Pvt. Ltd.  
Plot No. 17-24, Vittal Rao Nagar,  
Madhapur, Hyderabad-500 081  
Tel No.040-44655000, Fax No.040-23420814

**10. LISTED AT**

BSE Limited

**11. DEMAT ISIN NUMBER IN NSDL& CDSL**

INE710D01010

**12. WEBSITE**

[www.bnrsecurities.com](http://www.bnrsecurities.com)

**13. INVESTOR E-MAIL ID**

[investorgrievances@bnrsecurities.com](mailto:investorgrievances@bnrsecurities.com)

**14. CORPORATE IDENTITY NUMBER**

L65993AP1985PLC005838



## **NOTICE**

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Shareholders of B.N. Rathi Securities Limited will be held on Saturday, 12<sup>th</sup> day of July, 2014 at 10.00 a.m. at Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad - 500082 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Chetan Rathi, who retires by rotation and being eligible, offers himself for re-appointment
4. To appoint the Auditors and fix their remuneration.

### **SPECIAL BUSINESS:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Laxminiwas Sharma (holding DIN 00010899), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K. Harishchandra Prasad (holding DIN 00012564), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory



modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. T. S. Suryanarayana Murthy (holding DIN 01736083), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

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

Place : Hyderabad  
Date : 27.05.2014

**Laxminivas Sharma**  
Chairman



## **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 Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 09.07.2014 to 12.07.2014 (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 the Companies Act, dividend as recommended by the Board of Directors, if declared at the meeting, will be payable to those members whose names appear on the Company's Register of Members as on 12.07.2014.
5. The Company is presently using National – ECS (NECS) for dividend remittance. Members holding shares in physical form are requested to notify/send any change in their address/mandate/bank details; and particulars of their bank account, in case the same have not been sent earlier to the Company's Registrar and Transfer Agent.
6. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants. The address/bank mandate as furnished to the Company by the respective Depositories viz., NSDL and CDSL will be printed on the dividend warrants.
7. 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.
8. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
9. In terms of Companies Act, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, in the year 2013-14, the Company would be transferring the unclaimed or unpaid Final Dividend for the year 2006-2007 to the IEPF on or before October 14<sup>th</sup>, 2014. Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF.
10. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares



in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

11. 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.
12. 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. Karvy Computershare Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.
13. Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(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 2013-2014 is being sent in the permitted mode.
14. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com) for their 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. Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited.

The instructions for e-voting are as under:

**(A) In case of members receiving e-mail:**

- i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Form. Your folio/DP Client ID will be your User-ID.



User-ID	For Members holding shares in Demat Form: a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form: Event no. followed by Folio Number registered with the Company
Password	Your Unique password is printed on the Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact our toll free No. 1-800-34-54-001 for any further clarifications.
- iv) Members can cast their vote online from 06.07.2014 at 9.00 A.M. and ends on 08.07.2014 at 6.00.P.M
- v) After entering these details appropriately, click on “LOGIN”.
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z).one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- ix) If you are holding shares in Demat form and had logged on to “https://evoting.karvy.com” and casted your vote earlier for any company, then your existing login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- xi) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.



- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (Corporate / Fls / Flls / Trust / Mutual Funds / Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [scrutinizerpcs@gmail.com](mailto:scrutinizerpcs@gmail.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
- (B) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:**
- (i) Please follow all steps from sl. no. (i) to sl. no. (xii) above, to cast vote.
- (C)** The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 30.05.2014.
- (D)** Mr. S. Sarveswar Reddy, Practicing Company Secretary, C.P. No. 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.
- (E)** The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (F)** The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.bnrsecurities.com](http://www.bnrsecurities.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- (G)** Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of May 30, 2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

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

Place : Hyderabad  
Date : 27.05.2014

**Laxminivas Sharma**  
Chairman





## EXPLANATORY STATEMENT

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

### ITEM NO.5

Mr. Laxminiwas Sharma is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 1990. Mr. Laxminiwas Sharma is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. **Laxminiwas Sharma** is a graduate in Commerce and C.A. He is the Senior Partner of Laxminiwas & Jain, Chartered Accountants, Auditor in several private sector undertaking and Public Sector Undertaking.

Mr. **Laxminiwas Sharma** retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. **Laxminiwas Sharma** being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. **Laxminiwas Sharma** as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. **Laxminiwas Sharma** fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. **Laxminiwas Sharma** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. **Laxminiwas Sharma** as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. **Laxminiwas Sharma**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

### ITEM NO.6

Mr. K. Harishchandra Prasad is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in June, 1994. Mr. K. Harishchandra Prasad is the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee, Stakeholders Relationship Committee of the Company.

Mr. **K. Harish Chandra Prasad** did MBA and M.S. He is the Managing Director in Lakshmi Finance & Industrial Corporation Limited. He is also Director in several other public Companies like Healthy Investments Ltd., Andhra Printers Ltd., KLN Holdings Pvt. Ltd., Uni Jolly Investments Ltd., etc.

Mr. **K. Harish Chandra Prasad** is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. **K. Harish Chandra Prasad** being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. **K. Harish Chandra Prasad** as a candidate for the office of Director of the Company.



In the opinion of the Board, **Mr. K. Harish Chandra Prasad** fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Mr. K. Harish Chandra Prasad** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Mr. K. Harish Chandra Prasad** as an Independent Director, for the approval by the shareholders of the Company.

Except **Mr. K. Harish Chandra Prasad**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

#### **ITEM NO. 7**

Mr. T. S. Suryanarayana Murthy is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May, 2013. Mr. T. S. Suryanarayana Murthy is the Chairman of the Stakeholders Relationship Committee and member of the Audit Committee and Nomination and Remuneration Committee of the Company.

Mr. T. S. Suryanarayana Murthy is a Fellow member of the Institute of Chartered Accountants of India.

Mr. T. S. Suryanarayana Murthy is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. T. S. Suryanarayana Murthy being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. T. S. Suryanarayana Murthy as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. T. S. Suryanarayana Murthy fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. T. S. Suryanarayana Murthy as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. T. S. Suryanarayana Murthy as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. T. S. Suryanarayana Murthy, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

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

Place : Hyderabad  
Date : 27.05.2014

**Laxminivas Sharma**  
Chairman