



B.N.RATHI SECURITIES LIMITED

BOARD OF DIRECTORS

Sri LAXMINIVAS SHARMA	- Chairman
Sri BADRI NARAYAN RATHI	- Director
Sri K.HARISHCHANDRA PRASAD	- Director
Sri VIJAY KUMAR TAORI	- Director
Sri HARI NARAYAN RATHI	- Managing Director
Sri CHETAN RATHI	- Executive Director

AUDITORS

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

BANKERS

HDFC Bank Ltd.
AXIS Bank Ltd
ICICI Bank Ltd
State Bank Of India
Andhra Bank

REGISTERED OFFICE

6-3-652,Kautilya, Amrutha Estates,
Somajiguda, Hyderabad-500082
Phones : 040-30527777,30727777
e-mail : support@bnrsecurities.com
Web : www.bnrsecurities.com

**STOCK EXCHANGES
(LISTED)**

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

**REGISTRARS & SHARE
TRANSFER AGENTS**

Karvy Computershare Pvt. Ltd.
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081
Tel No.040-44655000 Fax No.040-23420814,
Toll Free No.1800-3454-001
E-mail : einward.ris@karvy.com
Web Site : www.karvy.com
Regd.Office : Karvy House 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 25th Annual General Meeting of the Members of B N Rathi Securities Limited will be held on 14th September 2011 at 10.00 A.M. at Quality Inn Residency, Public Garden Road, Nampally, Hyderabad-500 001. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2011 together with the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Laxminivas Sharma, 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 Mr Vijay Kumar Taori, who was appointed as additional director of the company pursuant to the provisions of section 260 of the Companies Act, 1956 by the board of directors w.e.f 30.04.2011 and who holds the office up-to date of the ensuing annual general meeting and in respect of whom the company has received a notice in writing under section 257 read with section 190 of the said Act, along with requisite deposit proposing him as candidate for the office of director of the company, be and is hereby appointed as a director of the company whose period of office is liable to be determined by retirement of directors by rotation."

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 Section 16 and Section 94 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the members of the company, the authorised share capital of the company be and is hereby increased from Rs. 5,00,00,000/- (Rs. Five Crores only) divided into 50,00,000 (Fifty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each to Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each and consequently the existing Clause V of the Memorandum of Association of the company be and is hereby altered by deleting the same and substituting in its place and instead thereof, the following as new Clause V:

"The Authorised Capital of the Company is Rs.6,00,00,000/- (Rupees Six crores only) divided into 60,00,000 (Sixty Lakhs) Equity Shares of Rs.10/- (Rupees ten) each in respect of which the company has powers to consolidate, convert, subdivide, reduce or increase the capital and to issue any new shares with any preferential or special rights and conditions attached thereto subject to provisions of the Companies Act, 1956."

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to take all such necessary steps / actions as may be deemed expedient to give effect to this resolution including signing and filing of all such necessary documents as may be required in this regard."

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the members of the company, the Articles of Association of the company be and is hereby altered by deleting the existing Article 5 and substituting in its place and instead thereof, the following as new Article 5:

"The Authorised share capital of the company shall be such as given in the Clause V of the Memorandum of Association "

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to take all such necessary steps / actions as may be deemed expedient to give effect to this resolution including signing and filing of all such necessary documents as may be required in this regard."

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

"RESOLVED THAT pursuant to the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of Memorandum and Articles of Association of the Company and subject to the ICDR Regulations issued by the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999, Stock Exchange(s) and any other appropriate authority(ies) and subject further to such approvals, consents, permissions or sanctions as may be necessary and subject further to such conditions and modifications as may be prescribed in granting such approvals,



B.N.RATHI SECURITIES LIMITED

permissions and sanctions, which may be agreed to by the Board of Directors of the Company (herein after referred to as "the Board" which term shall be deemed to include any committee thereof), at its sole discretion, the consent of the company be and is hereby accorded to the Board of Directors to create, offer and issue (on such terms as is permitted by applicable law), to the Equity shareholders of the Company as on the record date (to be fixed for the purpose) or to such other persons who may or may not be the shareholders of the Company, upto Rs.5 crores (Rupees Five crores only) or such sum as may be determined by the Board of Directors in this regard, in the ratio to be determined by the Board (the "Rights Issue) and on such other terms and conditions as may be mentioned in the draft letter of offer to be issued by the Company in respect of the Rights Issue".

RESOLVED FURTHER THAT the equity shares to be offered on rights basis shall rank pari passu in all respects with the existing shares of the Company.

RESOLVED FURTHER THAT the Board shall be entitled to issue, in consultation with and subject to the acknowledgement by the SEBI and subject to the approval, if necessary, of any concerned authority, appropriate Letter Of Offer (LOO) to the holders of equity share and to such other persons containing the terms and conditions of such issue as the Board may as its absolute discretion think fit and the Board be and is hereby expressly authorized and empowered to accept such variations and modifications and the SEBI or any other concerned authority may stipulate in that behalf and also, as its discretion, to amend, modify, vary or alter all or any of the issue including the right to increase, decrease or recalculate the number of equity shares to be created, offered and issued.

RESOLVED FURTHER THAT the unoffered/ unsubscribed portion, if any, of the proposed Rights Issue may be disposed of by the Board, in such manner as it may deem most beneficial to the Company and the Board is hereby authorized accordingly.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such action as it may deem most beneficial to the company in disposing of any shares remaining unapplied for including the rights and authority to offer such shares and disposing of any shares arising out of the fractions involved in the offer of the said shares in proportion aforesaid including the right to allot them to such persons who may be applying for any additional shares.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to constitute a committee of the Board, to consider, inter-alia, accept on behalf of the company, any modifications to these terms which may be proposed by SEBI, Stock Exchanges and such other authorities and which the directors in their discretion think fit and proper and the aforesaid committee be authorized and delegated with necessary powers to do all the activities required for the purpose of the proposed Rights Issue.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to determine the other terms and conditions of the Offer including but not limiting to determining the type, form and manner of the issue, rights period, appointment of Registrars/Bankers, Advisors and all other agencies or intermediaries, and to enter into or execute such agreements/arrangements/Memorandum of Understandings/documents with any authorities/agencies as the Board may in its sole discretion deem fit and proper and to do all such acts, deeds, matters or things as it may deem necessary for the purpose of giving effect to this resolution."

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

Date : 28.07.2011
Place : Hyderabad.

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

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 Corporate 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 05.09.2011 to 14.09.2011 (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, 1956, dividend as recommended by the Board of Directors, if declared at the meeting, will be payable on or before 14.10.2011 to those members whose names appear on the Company's Register of Members as on 14.09.2011.
5. 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. 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.
8. Shareholders are requested to address all correspondence relating to their shareholding/Change of address if any to the Company's Registrar and Share Transfer Agents M/s Karvy Computershare Pvt Ltd., quoting their folio number.

Explanatory Statement

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO.5

The members may note that Mr Vijay Kumar Taori, was inducted into Board as Additional Director of the company, with effect from 30.04.2011 pursuant to the provisions of section 260 of the Companies Act, 1956 and holds the office as such up to the date of ensuing Annual General Meeting. The company has received notice in writing from a member of the company along with the requisite deposit under Section 257 read with section 190 of the Companies Act, 1956 proposing the candidature of the above said person for the Office of Director whose period of office is determinable by retirement of Directors by rotation.

As per the provisions of section 257 of the Act, any such proposal ought to be approved by the members in their General Meeting. Hence, the Board recommends the resolution for your approval.

None of Directors except Mr Vijay Kumar Taori may be deemed to be concerned or interested in the resolution.

ITEM NO.6 & 7

The present authorised share capital of the company is Rs. 5,00,00,000/- divided into 50,00,000 equity shares of Rs. 10/- each. The company is proposing to issue further shares. Considering the further issue, the Board has approved, subject to the shareholders' approval, an increase in the authorised share capital of the Company to Rs. 6,00,00,000/- divided into 60,00,000 equity shares of Rs.10/- each.

Pursuant to the provisions of Sections 16, 31 and 94 of the Companies Act, 1956, an increase in the authorised share capital of the company and consequent amendments in the capital clause of the Memorandum and Articles of Association of the company requires approval of the members. Approval of the members is, therefore, sought in terms of the said sections.

None of the directors of the company is in any way concerned or interested in the above resolution.

ITEM NO. 8

The Company proposes to raise funds upto Rs. 5 crores by way of issue of equity shares with or without premium on a rights basis to meet its working capital requirements and for its further expansion, upgradation of technology, expansion of trading terminals, to increase net worth so as to become eligible for participation in institutional business etc. The ratio, price and other terms of the proposed rights issue will be decided at a later date by the Board or Committee thereof formed for the purpose.



B.N.RATHI SECURITIES LIMITED

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges under the provision of the Listing Agreement.

The detailed terms and conditions of offer will be determined by the Board in consultation with the Merchant Bankers and such other authority as may be required to be consulted by the Company from time to time and in acceptance with applicable laws, rules regulations etc.

The Special Resolution, if passed, will have the effect of authorizing the Board to issue and allot Securities to the investors who may or may not be the existing shareholders of the Company.

The directors of the Company may be deemed to be concerned or interested in the proposed resolution to the extent of Securities to be issued / allotted to them, if any. under the proposed Right Issue.

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

Date : 28.07.2011
Place : Hyderabad.

HARI NARAYAN RATHI
MANAGING DIRECTOR

Important Communication to Members

The ministry of corporation affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliance by the companies by the companies and has issued circulars stating that service of notice/documents including annual report can be sent by e-mail to its members. To support this green initiative of the government, members who have not registered their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with company's Registrars & Share Transfer Agents, Karvy Computershare Pvt. Ltd.



B.N.RATHI SECURITIES LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 25th Annual Report together with Audited Statements of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

The Financial Results for the year ended 31st March, 2011 are summarised as under:

	(Rs. In Lakhs)	
	2010-11	2009-10
Total Income	696.90	696.41
Total Expenditure	608.23	563.49
Profit before Tax	88.67	132.92
Provision for taxation	28.02	46.46
Profit after Tax	60.65	86.46
Transfer to General Reserves	1.51	2.16
Profit available for Appropriation	59.14	84.30
Provision for proposed Equity Dividend	30.24	30.24
Provision for Corporate Dividend Tax	4.91	5.02
Balance carried to Balance Sheet	23.99	49.04

DIVIDEND:

Your Directors are pleased to recommend a Dividend @ 12% on the Paid up Equity Share Capital of the Company in respect of the financial year 2010-11. The total outgo on account of dividend, inclusive of dividend tax @ 16.225% stands at Rs. 35.15 lakhs, for which necessary provision has been made in the accounts.

OPERATIONS:

During the year the Company got broker empanelment with two of the Banks for carrying out Trading for them and some more empanelments are in the process. The company opened a Branch at Chennai which will take care of expansion of terminals in Tamilnadu where the presence of the company was not there earlier. With this it is expected that there will be a marked improvement in turnover of the Company. The company is also in the process of expansion in other areas also. The Company acquired through its subsidiary company the Membership of National Spot Exchange.

INSURANCE:

The assets of the company are adequately insured. The Company has also taken Stock Brokers Indemnity Insurance to cover the exposure arising from NSE, BSE & MCX-SX operations, and also a Liability insurance Policy for Central Depository Services (India) Limited.

LISTING:

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited (Stock Code 523019). The annual listing fees for the year 2011- 2012 was paid to the Stock Exchange.

DIRECTORS:

Mr. Laxminivas Sharma, retire by rotation and being eligible offers himself 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.

AUDITORS' REPORT:

The Board has duly reviewed the Statutory Auditors 'Report on the Accounts for the year ended March 31, 2011 and has noted that the same does not have any reservation, qualification or adverse remarks.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public.



B.N.RATHI SECURITIES LIMITED

PARTICULARS OF EMPLOYEES:

None of the employees is 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, 2011.

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

Date : 28.07.2011
Place : Hyderabad.

LAXMINIVAS SHARMA
CHAIRMAN

ANNEXURE TO THE DIRECTORS REPORT: 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 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 as at the end of the financial year 31.03.2011 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 safeguarding 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.

STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

UN PAID / UN CLAIMED DIVIDEND:

In terms of the provisions of Section 205C of the Companies Act, 1956 the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the date of 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 2003-2004 will expire on August 31st, 2011 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.

COMPLIANCE CERTIFICATE:

The Compliance Certificate referred as per the provision to Sub - Section (1) of Section 383A of the Companies Act, 1956 is obtained.

CREDIT & GUARANTEE FACILITIES:

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

SUBSIDIARY COMPANY:

B N Rathi Comtrade Private Limited, the Wholly owned subsidiary of your Company, recorded net profit Rs.41.65 Lakhs as against Rs.15172/- in the previous year, registering a good growth in value and volume terms.

CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Accounting Standards AS-21, notified by Companies (Accounting Standards) Rule, 2006, the consolidated financial statements covered in this annual report by the Company include financial information of its subsidiary B N Rathi Comtrade Private Limited and forms part of this annual report.



B.N.RATHI SECURITIES LIMITED

INTERNAL AUDIT:

M/s. T.R.Chadha & Co., Chartered Accountants, Hyderabad are the internal Auditors of the Company, and are the Concurrent and Internal Auditors for CDSL Operations also.

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, Bombay Stock Exchange Limited and Central Depository Services (India) Limited.

Your Directors also acknowledge the continued support given by the valued and esteemed Clients 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 continued confidence reposed in the management of the Company.

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

Date : 28.07.2011
Place : Hyderabad.

LAXMINIVAS SHARMA
CHAIRMAN



B.N.RATHI SECURITIES LIMITED

AUDITOR'S REPORT

To.
The Members of B.N.Rathi Securities Limited,

We have audited the attached Balance Sheet of **M/s B.N.RATHI SECURITIES LIMITED** as at 31st March, 2011 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We report that:

- a) We have 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 the same.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report, are in agreement with the Books of Account of the Company.
- d) In our Opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 subject to Notes on Accounts.
- e) As per the representations made by the Company and all its Directors, no Director is disqualified from being appointed as Director U/s 274(1)(g) of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes on the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) in the case of the Balance Sheet, of the State of Affairs of the Company, as at 31st March, 2011 and
 - (ii) in case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.
- g) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we further report the matters to the extent applicable as under:



B.N.RATHI SECURITIES LIMITED

- 1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets of the Company have been physically verified by the management at the year end and no serious discrepancies were noticed on such verification. Fixed Assets disposed off during the year are not material and therefore do not affect the going concern assumption.
- 2) The stock of inventory has been physically verified by the management at reasonable intervals. In our opinion, and according to the information given to us, the procedure for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. In our opinion the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3)
 - a) The Company has not granted secured or unsecured loan to companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - b) The Company has not obtained unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- 4) In our opinion there are internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of stock (shares) and services requires Improvement. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control systems.
- 5) In our opinion and according to the explanation given to us, the particulars of Contracts or arrangements required to be entered in the register under Section 301 of the Companies Act, 1956 have been entered and transactions aggregating during the Financial year to Rupees Five Lakhs or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such securities or the prices at which transactions for similar securities or services have been made with other parties.
- 6) The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant Provisions of the Companies Act, 1956 and the Rules framed there under.
- 7) In our opinion the Company has a system of internal audit which commensurate with its size and nature of its business.
- 8) The Central Government has not prescribed the maintenance of cost records under clause (d) of the sub-section (1) of Section 209 of the Act for any of its products.
- 9)
 - a) The Company is regular in depositing with appropriate authorities undisputed amount of Provident Fund, Investor Education and Protection Fund, Income Tax, Service Tax and other statutory dues as applicable and no undisputed amounts payable are outstanding as at 31st March, 2011 for a period of more than six months from the date they become payable.
 - b) The Company has disputed Income Tax Demand Rs. 1,44,656/- for the Assessment year 2006- 07 and Rs. 79,900 for the Asst.year 2007-08 and the first appeal is pending disposal.
- 10) The Company has no accumulated losses as at 31st March, 2011 and it has not incurred cash losses in the financial year under report or in the immediately preceeding financial year.
- 11) The Company has not defaulted in repayment of dues to any financial institutions or banks.



B.N.RATHI SECURITIES LIMITED

- 12) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company is not a chit fund, nidhi or mutual benefit fund/society.
- 14) The Company is a Member of NSE and BSE and MCX-SX, renders services for investors in purchase and sale of shares and securities and also deals in shares and securities. The Company has maintained proper records of the transactions and contracts of purchases and sale of shares and other securities and timely entries have been made therein. The Company has held the shares in the name of the Company.
- 15) According to the information and explanations given to us and the representations made by the management, the Company has not given any guarantee for Loans taken by others from Banks or Financial Institutions.
- 16) The Company has not obtained any term loans during the year.
- 17) On the basis of our examinations of the books of account and the information and explanations given to us, in our opinion the funds raised on short-term basis have not been used for long term investment.
- 18) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- 19) The Company has not issued any debentures during the year.
- 20) The Company has not raised any money by public issues during the year.
- 21) According to the explanation and information given to us, based upon the audit procedures performed and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our Audit.

For **KALYANDAS & Co.**
Firm Regd. No. 001677S
Chartered Accountants.

Date : 28.07.2011
Place : Hyderabad

(G.KALYANDAS)
Partner
Membership No.:7102

**B.N.RATHI SECURITIES LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule	(Rupees)	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS				
a) Share Capital	1		2,52,00,000	2,52,00,000
B) Reserves and Surplus	2		5,42,08,075	5,16,36,650
2. LOAN FUNDS				
Secured Loan	3		-	2,22,940
		Total	<u>7,94,08,075</u>	<u>7,70,59,590</u>
APPLICATION OF FUNDS				
1. Fixed Assets				
Gross Block	4	1,98,63,230		1,83,70,673
Less : Depreciation		<u>1,22,51,667</u>		<u>98,54,177</u>
Net Block			76,11,563	85,16,496
2. Investments				
	5		99,99,800	99,99,800
3. Current Assets, Loans and Advances				
Current Assets	6	22,48,65,443		15,10,01,651
Loans and Advances	7	<u>2,23,03,635</u>		<u>2,40,32,049</u>
		24,71,69,078		17,50,33,700
Less : Current Liabilities				
Provisions	8	17,90,79,885		10,84,87,757
		<u>63,14,568</u>		<u>80,26,249</u>
		18,53,94,453		11,65,14,006
Net Current Assets			6,17,74,627	5,85,19,694
4. Deferred Tax Assets				
			22,085	23,600
		Total	<u>7,94,08,075</u>	<u>7,70,59,590</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS				
	11			

vide our separate report of even date

For **KALYANDAS & CO.**,

Firm Regd. No. 001677S

Chartered Accountants

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN**G. KALYANDAS**

Membership No.7102

Partner

Date : 28.07.2011

Place: Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
INCOME			
Income from Operations		6,26,00,059	6,10,45,070
Other Income		11,89,028	18,10,616
Interest Income (TDS Rs.5,79,238)		59,01,031	67,85,164
Total		<u>6,96,90,118</u>	<u>6,96,40,850</u>
EXPENDITURE			
Personnel	9	1,01,96,928	91,48,330
Administrative expenses	10	1,17,94,906	1,07,43,268
Brokerage		3,40,62,308	3,17,84,805
Interest		23,71,293	25,56,654
Depreciation		23,97,490	21,15,852
Total		<u>6,08,22,925</u>	<u>5,63,48,909</u>
Profit Before Taxation		88,67,193	1,32,91,941
Less: Provision for Taxation - Current Tax		28,00,000	45,00,000
- Deferred Tax		(1,515)	1,45,933
Profit After Taxation		<u>60,65,678</u>	<u>86,46,008</u>
Transfer to General Reserves		1,51,642	2,16,150
Proposed Dividend		30,24,000	30,24,000
Tax on Dividend		4,90,568	5,02,249
Balance carried to Balance Sheet		<u>23,99,468</u>	<u>49,03,609</u>

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS

11

vide our separate report of even date

For **KALYANDAS & CO.**,
Firm Regd. No. 001677S
Chartered Accountants

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

G. KALYANDAS
Membership No.7102
Partner

Date : 28.07.2011
Place: Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011 (Amount in Rs '000)

PARTICULARS	2010-2011	2009-2010
A.CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	8867	13292
Adjustments for:		
Depreciation	2398	2116
Interest expenses	2371	2556
Interest Income	(5901)	(6785)
Profit on sale of land	-	(98)
Operating profit before working capital changes	7735	11081
Trade and other Receivable	(55913)	(28154)
Inventories	(2765)	255
Trade payable	70592	37093
Cash generated from operations	19649	20275
Less : Direct Tax paid(Net of Refunds)	(2634)	(4070)
NET CASH FLOW FROM OPERATING ACTIVITIES	17015	16205
B.CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(1493)	(3081)
Sale of Fixed Asset	-	4450
Interest Received	7785	6251
Investment in equity shares of subsidiary company	-	(10000)
Advance to Subsidiary Company	38	(38)
NET CASH FLOW FROM INVESTING ACTIVITIES	6330	(2418)
C.CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(2371)	(2556)
Proceeds from preferential issue of warrants	-	-
Proceeds from preferential issue of equity Shares	-	1622
Share Premium	-	2496
Proceeds /(Repayment) of secured Loan	(223)	(243)
Payment of Dividend & Taxes	(3526)	(2948)
Net cash used in financing activities	(6120)	(1629)
Net cash flow during the year A+B+C	17225	12158
Add : Cash and Cash equivalents as at 01-4-2010	66524	54366
*Cash and Cash equivalents as at 31-3-2011	83749	66524

Note : Previous Year's figures have been re-arranged and re-grouped where ever necessary.

* Includes balances in unpaid dividend bank accounts, which are not available for the Company

vide our seperate report of even date

For **KALYANDAS & CO.,**

Firm Regd. No. 001677S

Chartered Accountants

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

G. KALYANDAS

Membership No.7102

Partner

Date : 28.07.2011

Place: Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
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SCHEDULE NO.1

SHARE CAPITAL

Authorised :

5000000 Equity Shares Rs.10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
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Issued, Subscribed and paid up :

2520000 Equity Shares Rs.10/- each	<u>2,52,00,000</u>	<u>2,52,00,000</u>
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Total	<u>2,52,00,000</u>	<u>2,52,00,000</u>
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SCHEDULE NO.2

RESERVES AND SURPLUS

Capital Reserve	14,90,400	14,90,400
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Share Premium Account	1,22,40,000	1,22,40,000
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General Reserve	3,67,792	2,16,150
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Opening balance - P & L A/c	3,76,90,100	3,27,50,836
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Add / (Less): Income Tax of earlier years	<u>20,315</u>	<u>35,655</u>
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	<u>3,77,10,415</u>	<u>3,27,86,491</u>
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Add : Transfer from Profit & Loss A/c	<u>23,99,468</u>	<u>49,03,609</u>
---------------------------------------	------------------	------------------

Total	<u>4,01,09,883</u>	<u>3,76,90,100</u>
-------	--------------------	--------------------

	<u>5,42,08,075</u>	<u>5,16,36,650</u>
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SCHEDULE NO.3

SECURED LOAN

Vehicle Loan	-	2,22,940
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(Bearing Interest Secured on hypothecation of Vehicle)

Total	<u>-</u>	<u>2,22,940</u>
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B.N.RATHI SECURITIES LIMITED

SCHEDULE NO.4

FIXED ASSETS

Description	Gross Block			Depreciation			Net Block		
	As at 01.04.'10 Rs.	Addition Rs.	Deletion Rs.	As at 31.3.'11 Rs.	Upto 01.04.'10 Rs.	For the year Rs.	Deletion Rs.	As At 31.3.'11 Rs.	As At 31.3.'10 Rs.
1.Plant & Machinery									
a) Computers & Software	6861119	1119463	-	7980582	4200416	1320211	-	2459955	2660703
b) Air Conditioner	506735	203650	-	710385	263506	46438	-	400441	243229
c) Photo Copier	127000	-	-	127000	70262	11348	-	45390	56738
d) VSATs	3231324	-	-	3231324	1250652	275511	-	1705161	1980672
2.Furniture & Fixtures									
	3633314	30915	-	3664229	2344990	234781	-	1084458	1288324
3.Office Equipment									
	1967260	138529	-	2105789	1069915	177134	-	858740	897345
4.Vehicles									
	1748001	-	-	1748001	589487	299939	-	858575	1158514
5.Generator									
	295920	-	-	295920	64949	32128	-	198843	230971
Total	18370673	1492557	-	19863230	9854177	2397490	-	7611563	8516496
Previous year	19641826	3080847	4352000	18370673	7738325	2115852	24396	8516496	11903501



B.N.RATHI SECURITIES LIMITED

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)		
SCHEDULE NO.5				
INVESTMENT				
999980 Fully paid equity shares of Rs.10/- each of M/s. B N Rathi Comtrade Private Limited	99,99,980	99,99,980		
SCHEDULE NO.6				
A) CURRENT ASSETS				
1. Accrued Interest	12,39,184	31,22,877		
2. Cash on hand	23,558	16,771		
3. Balances with Scheduled Banks	1,51,29,440	2,08,33,463		
4. Fixed Deposits (FDRs with Banks for Bank Guarantees)	2,00,00,000	2,11,42,508		
5. Fixed Deposit (FDRs with HDFC Bank for OD against FD)	1,50,00,000	2,27,31,694		
6. Fixed Deposits (FDRs with NSEIL-CD)	8,00,000	8,00,000		
7. Fixed Deposits (FDRs with BSE)	10,00,000	10,00,000		
8. Fixed Deposits (FDRs with NSCCL/IL&FS)	3,17,96,120	-		
9. Additional Base Capital with NSE &BSE	50,00,000	10,29,000		
10. Initial Margin Deposits with IL&FS for F&O	7,52,70,762	3,39,63,762		
11. Initial Margin Deposits with IL&FS-CD	15,00,000	15,00,000		
TOTAL	16,67,59,064	10,61,40,075		
	No. of Shares (Qty)	As at 31.03.2011 (Rupees)	No. of Shares (Qty)	As at 31.03.2010 (Rupees)
B) STOCK-IN-TRADE (Listed)				
(Stock In Trade valued at cost)				
Sterlite Technologies Ltd	20000	10,07,800	-	-
Sree Asta Vinayaka Cine Vision Ltd	100000	6,65,000	-	-
Rohit Ferro Tech Ltd	10000	4,42,500	-	-
		<u>21,15,300</u>		
UN-LISTED				
Mahesh Vidya Bhavan Ltd	20000	2,00,000	20000	2,00,000
Hyderabad Stock Exchange Ltd	10000	10,000	10000	10,000
Bombay Stock Exchange Ltd	400	1,00,000	-	-
Seven Hills Co-op Bank Ltd	5000	5,00,000	-	-
Share Application Money (HSE Ltd)	10000	50,000		
TOTAL		<u>29,75,300</u>		<u>2,10,000</u>
Aggregate Market Value of Listed Shares		22,46,000		-
C) Amount Receivable from Clients & Stock Exchanges				
(Considered good, Secured against Shares and outstanding for a period) less than Six months				
		5,51,31,079		4,46,51,576
TOTAL		<u>5,51,31,079</u>		<u>4,46,51,576</u>



B.N.RATHI SECURITIES LIMITED

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SCHEDULE NO.7		
LOANS AND ADVANCES		
(Unsecured, considered good and outstanding for a period of more than six months receivable in cash or kind for value to be received)		
I) Receivable from Subsidiary Company B.N. Rathi Comtrade Private Limited	-	37,500
II) Staff Advances	1,70,368	2,34,500
III) Income Tax & TDS	22,79,238	40,69,663
IV) Income Tax Refundable	3,74,690	3,54,089
V) Deposits		
a) NSEIL & NSCCL (Interest Free)	41,00,000	41,00,000
b) NSEIL Membership Deposit	9,00,000	9,00,000
c) NSEIL Future Segment Deposit	8,00,000	8,00,000
d) BSE Membership Deposit	1,00,00,000	1,00,00,000
e) Lease Line Deposit	2,40,959	2,40,959
f) BSE Membership Security Deposit	5,00,000	5,00,000
g) BSE Base Capital adequacy Deposit	5,00,000	5,00,000
h) BSE Brokers contingency Fund	2,50,000	2,50,000
i) Rent Deposit	5,10,000	5,00,000
j) BSE VSAT Deposit	2,50,000	2,50,000
k) NSE Currency Derivatives Segment Deposit	2,00,000	2,00,000
l) Other Deposits	7,64,664	6,14,828
VI) Prepaid Expenses	4,63,716	4,80,510
TOTAL	<u>2,23,03,635</u>	<u>2,40,32,049</u>
SCHEDULE NO.8		
CURRENT LIABILITIES		
1) Sundry Creditors-Clients	4,70,11,912	5,60,47,912
2) VSATs Deposits	20,25,182	23,25,182
3) Creditors - Suppliers & Services	36,66,245	15,43,327
4) Outstanding Liabilities	7,26,072	10,51,177
5) Initial Margin IL&FS	9,13,11,834	1,44,36,336
6) Clients Margin Deposits	3,30,77,362	3,20,50,066
7) Un-Paid Dividend	12,61,276	10,33,757
PROVISIONS:		
1) Income Tax	28,00,000	45,00,000
2) Proposed Dividend	30,24,000	30,24,000
3) Tax on Dividend	4,90,568	5,02,249
TOTAL	<u>18,53,94,453</u>	<u>11,65,14,006</u>
SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT		
	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
SCHEDULE NO.9		
PERSONNEL EXPENDITURE		
1. Managerial Remuneration	16,80,000	12,60,000
2. Salaries & allowances	73,56,468	68,99,859
3. Medical reimbursement	92,882	83,296
4. Staff Welfare	99,012	1,52,760
5. Bonus & Gratuity	4,51,642	3,33,410
6. Provident Fund Contribution	5,16,924	4,19,005
TOTAL	<u>1,01,96,928</u>	<u>91,48,330</u>



B.N.RATHI SECURITIES LIMITED

	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
SCHEDULE NO. 10		
ADMINISTRATIVE EXPENSES		
Rent, Rates & Taxes	23,50,704	14,49,072
Printing & Stationery	8,21,284	7,25,655
Postage & Courier Charges	7,98,892	6,04,680
Conveyance	23,336	23,171
Travelling Expenditure	1,87,168	1,10,702
Telephone Charges	4,59,576	3,75,414
Advertisement Expenses	1,02,267	54,234
Remuneration to Auditors:		
Statutory Audit Fee	36,000	36,000
Other Services	1,09,487	1,76,085
Internal Audit fee	1,10,000	1,56,626
Registrar & Share Transfer agency Charges	36,618	37,854
VAST Charges	7,60,053	2,58,943
Demat & Other Transaction Charges	10,69,554	4,04,426
Subscription & Membership Fee	2,70,625	1,75,448
Annual Maintenance Charges	2,80,410	5,00,898
Professional Fee & Consultancy Fee	5,25,945	4,26,197
Listing, Filing/Reg. & Renewals	1,22,251	2,06,734
Directors' Sitting Fee	47,000	40,500
Electricity Charges	4,47,982	3,91,960
Generator Maintainance Charges	67,546	21,484
Vehicle Maintenance	3,56,001	3,08,873
Office Maintenance	1,66,569	2,06,670
Repairs & Maintenance	1,03,666	86,235
Stock Exchange Charges & SEBI Fee (includes Fines Rs.1,67,934)	5,51,266	3,76,263
Bank Commission & Charges	5,93,921	12,56,724
Business Promotion	2,85,346	4,61,344
Insurance	49,482	1,58,341
Legal Expenses	71,276	31,390
Leased Line Charges	7,43,636	10,19,756
Bad debts written off	32,644	3,33,775
Donations	21,000	71,000
CTCL Net work Charges	1,62,952	2,20,404
Other expenses	30,449	36,410
TOTAL	1,17,94,906	1,07,43,268



B.N.RATHI SECURITIES LIMITED

SCHEDULE NO.11

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES:

1. **GENERAL** : The financial statements are prepared on historical cost convention, on basis of a going concern, on an accrual basis and in accordance with the applicable accounting standards.
2. **FIXED ASSETS** : Fixed Assets are stated at cost less accumulated depreciation.
3. **DEPRECIATION** : Depreciation has been provided on written down value of the Assets as per the rates specified in Schedule XIV of the Companies Act, 1956. Depreciation on Fixed assets added/disposed off during the year on pro-rata basis.
4. **VALUATION OF STOCK OF SECURITIES** : Securities disclosed under Stock in Trade are stated at cost.
5. **RETIREMENT BENEFITS** : The Company contributes to Group policy with Life Insurance Corporation of India to cover its liabilities towards Employees Gratuity.
6. **RECOGNITION OF INCOME AND EXPENDITURE** : Items of Income and Expenditure are on accrual basis subject to the notes on accounts.
7. **INVESTMENTS**: B N Rathi Comtrde Private Limited is the 100% subsidiary of the Company.

II. NOTES ON ACCOUNTS

1. Information required to be furnished pursuant to clause 4-A, 4-C and 4-D of part-II Schedule VI to the Companies Act, 1956 is not provided as the same is not applicable to the Company.
2. The Company has not paid remuneration to any of it's employees exceeding Rs. 24,00,000/- per annum or Rs. 2,00,000 per month as the case may be.
3. Contingent Liability :
 - (i) On behalf of the company, HDFC Bank & AXIS Bank have given Bank Guarantees of Rs 450.00 Lakhs (Previous Year Rs.400.00 Lakhs) to NSCCL and IL&FS.
 - (ii) The Company has disputed Income Tax demand Rs.1,44,656/- for the Assessment year 2006-07 and Rs 79,900/- for the Asst Year 2007-08 and appeals are pending disposal.
 - (iii) In the absence of information Income tax contingent Liability in respect other appeal could not be quantified.
4. Taxes on Income: Current tax is determined on taxable income for the period . Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets on difference between WDV of assets as per Companies Act and Income Tax Act is Rs.23,600/-
5. The Company has incurred a net loss of Rs 10096/- in share Trading. The aggregate value of shares purchased worked out Rs. 581.65 Lakhs and the sale thereof worked out to Rs.581.75 Lakhs. The above loss has been included in other income. The above profit has been included in other income.
6. Provision for Income Tax is Rs 27,49,801/- made for the year.
7. During the year an amount of Rs. 1,51,642/- has been transferred to General Reserves from out of profits.
8. Subsidiary company M/s. B N Rathi Comtrade Private Limited is member of MCX & NCDEX Exchanges.
9. Bad Debts written off Rs 32,644/- during the year.



B.N.RATHI SECURITIES LIMITED

10. Related Party Disclosure: Key Management Personnel : Sri HARI NARAYANRATHI

Relatives of Key Management Personnel

Sri. Badri Narayan Rathi father of Sri. **HARI NARAYANRATHI**
Smt. Basanthi Devi Rathi Mother of Sri. **HARI NARAYANRATHI**
Sri. Govind Narayan Rathi brother of Sri. **HARI NARAYANRATHI**
Smt. Chanda Devi Rathi wife of Sri. **HARI NARAYANRATHI**
Smt. Kamala Devi Rathi Sister-in-law of Sri. **HARI NARAYANRATHI**
Sri. Chetan Rathi Son of Sri. **HARI NARAYANRATHI**
Smt. Nisha Rathi Daughter-in-law of Sri. **HARI NARAYANRATHI**
Smt. Neetha Rathi Sister-in-law of Sri. **HARI NARAYANRATHI**
Smt. Sunita Rathi Sister-in-law of Sri. **HARI NARAYANRATHI**
Smt. Anuradha Pasari Daughter of Sri. **HARI NARAYANRATHI**

Related Party Transactions during the the year 2010-2011

(Rs in Lakhs)

	Enterprises having common key Management Personnel	Key Management personnel	Relatives of Key management personnel	Total
Rent paid	---	-	6.00	6.00
Remuneration	--	12.00	4.80	16.80
Services rendered	--	0.60	1.54	2.14

11. As required by Accounting Standard 20 Earnings Per Share issued by Institute of Chartered Accountants of India (ICAI), basic earning per share has been calculated by dividing net profit after tax by weighted average number of equity shares outstanding during the year as per details given below:

	Current Year 2010-2011	Previous Year 2009-2010
Profit as per Profit and Loss Account	60,65,678	86,46,008
Weighted average number of shares used in computing basic earning per equity share	2520000	2520000
Basic & Diluted earnings per share (Rs) (on nominal value of Rs 10/- per share)	2.41	3.43

12. Figures of the Previous Year have been re-grouped or re-arranged wherever considered necessary.

Signatures to Schedule 1 to 11

vide our separate report of even date

For **KALYANDAS & CO.,**
Firm Regd. No. 001677S
Chartered Accountants

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

G. KALYANDAS
Membership No.7102
Partner

Date : 28.07.2011
Place: Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (Submitted in terms of Part IV of Schedule VI of the Companies Act, 1956)

I. REGISTRATION DETAILS

Registration No. **L65993AP1985PLC05838** B/Sheet Date **31 03 2011**
Date Month Year

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. '000)

Public Issue	Rights Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. '000)

Total Liabilities	Total Assets
82923	82923
SOURCES OF FUNDS	
Paid up Capital	Reserves & Surplus
25200	NIL
Secured Loans	
57723	

APPLICATION OF FUNDS

Net Fixed Assets	Investments
7612	10000
Net Current Assets	Deferred Tax Asset
65290	22
Accumulated Losses	Misc. Expenditure
NIL	NIL

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. '000)

Turnover (Income)	Total Expenditure
69690	60823
+ -	+ -
+ Profit /Loss Before Tax	+ Profit/Loss After Tax
8867	6066
Earnings per Share in Rs.	Dividend Rate %
2.40	12

V. GENERIC NAME OF PRINCIPAL SERVICES OF THE COMPANY (as per monetary terms)

Item Code No. (ITC Code) :	NIL
Product Description :	Dealing in Securities

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

Date : 28.07.2011

Place : Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

STATEMENT REGARDING SUBSIDIARY COMPANY PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956.

01. Name of the subsidiary	:	B N RATHI COMTRADE PRIVATE LIMITED
02. The financial year of the subsidiary ended on	:	31.03.2011
03. B N Rathi Securities Limited shareholding in subsidiary as on		
Number of Equity Shares of Rs 10/- each	:	9,99,980
Percentage of holding	:	100%
04. The net aggregate profit/ (Loss) of subsidiary company so far as it concerns the holding company		
1) Not dealt with in the accounts B N Rathi Securities Limited	:	Rs. 41,65,053
a) For the subsidiary financial year ended on 31st March 2011	:	Rs. 41,65,053
b) For the previous financial year of B N Rathi Comtrade Private Limited since it became a subsidiary of B N Rathi Securities Limited	:	NA
2) Dealt with in the holding company accounts by way of dividends on shares held in the subsidiary		
a) For the subsidiary financial year ended on 31st March 2011	:	NA
b) For the previous financial year of B N Rathi Comtrade Private Limited since it became a subsidiary of B N Rathi Securities Limited	:	NA
Note : Charges in the interest of B N Rathi Comtrade Private Ltd and B N Rathi Securities Limited between the end of the subsidiary's financial year ended 31st March, 2011	:	NA

vide our separate report of even date

For **KALYANDAS & CO.,**
Firm Regd. No. 001677S
Chartered Accountants

G. KALYANDAS
Membership No.7102
Partner

Date : 28.07.2011
Place: Hyderabad

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF M/s B.N.RATHI SECURITIES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2011.

We have audited the attached consolidated Balance Sheet of **M/s B.N.RATHI SECURITIES LIMITED** and its Subsidiary Company as at 31st March, 2011, the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated financial statements are the responsibility of the M/s.B.N.RATHI SECURITIES LIMITED's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 on consolidated Financial Statements issued by the Institute of Chartered Accountants of India, on the basis of the individual financial statements of M/s. B.N.RATHI SECURITIES LIMITED and its Subsidiary M/s.B.N.RATHI COMTRADE PRIVATE LIMITED included in the consolidated financial statements.

In our opinion and to the best of our information and according to the explanations given to us and on consideration of the separate audit reports on individual audited financial statements of M/s. B.N.RATHI SECURITIES LIMITED and its Subsidiary M/s.B.N.RATHI COMTRADE PRIVATE LIMITED, in our opinion, the consolidated financial statements read with Significant Accounting Policies and Notes on the consolidated accounts give a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Company and its subsidiary, as at 31st March, 2011 and
- (ii) in case of the Consolidated Profit and Loss Account, of the Profit of the Company and its subsidiary for the year ended on that date and
- (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Company and its subsidiary for the year ended on that date.

For **KALYANDAS & Co.**
Firm Regd. No. 001677S
Chartered Accountants.

Date : 28.07.2011
Place : Hyderabad

(G.KALYANDAS)
Partner
Membership No.:7102

**B.N.RATHI SECURITIES LIMITED****CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule	(Rupees)	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS				
a) Share Capital	1		2,52,00,000	2,52,00,000
b) Reserves and Surplus	2		5,70,74,386	5,16,37,729
2. MINORITY INTEREST				
			259	201
3. LOAN FUNDS				
Secured Loan	3		-	2,22,940
		Total	<u>8,22,74,645</u>	<u>7,70,60,870</u>
APPLICATION OF FUNDS				
1. Fixed Assets				
Gross Block	4	2,09,10,716		1,85,22,203
Less : Depreciation		<u>1,23,11,678</u>		<u>98,58,491</u>
Net Block			85,99,038	86,63,712
2. Current Assets, Loans and Advances				
Current Assets	5	25,62,08,661		16,09,15,688
Loans and Advances	6	<u>2,89,44,902</u>		<u>2,96,45,653</u>
		28,51,53,563		19,05,61,341
Less : Current Liabilities				
Provisions	7	20,38,81,253		11,41,47,441
		<u>76,01,935</u>		<u>80,36,249</u>
		21,14,83,188		12,21,83,690
Net Current Assets			7,36,70,375	6,83,77,651
3. Deferred Tax Assets				
			5,232	19,507
		Total	<u>8,22,74,645</u>	<u>7,70,60,870</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	10			

vide our separate report of even date

For **KALYANDAS & CO.,**
Firm Regd. No. 001677S
Chartered Accountants

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

G. KALYANDAS
Membership No.7102
Partner
Date : 28.07.2011
Place: Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR

**B.N.RATHI SECURITIES LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

	Schedule	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
INCOME			
Income from Operations		7,86,02,774	6,12,81,443
Other Income		13,48,727	18,89,311
Interest Income (TDS Rs.6,52,911)		66,37,768	68,31,935
Total		<u>8,65,89,269</u>	<u>7,00,02,689</u>
EXPENDITURE			
Personnel	8	1,11,03,428	91,48,330
Administrative expenses	9	1,56,32,175	1,09,40,558
Brokerage		4,19,54,253	3,19,28,785
Interest		24,13,980	25,57,738
Depreciation		24,53,187	21,20,166
Total		<u>7,35,57,023</u>	<u>5,66,95,577</u>
Profit Before Taxation		1,30,32,246	1,33,07,112
Less: Provision for Taxation - Current Tax		40,87,001	45,10,000
- Deferred Tax		14,275	1,50,026
Profit for the year before Minority Interest		<u>89,30,970</u>	<u>86,47,086</u>
Minority Interest		58	1
Profit for the year		<u>89,30,912</u>	<u>86,47,085</u>
Transfer to General Reserves		1,51,642	2,16,150
Proposed Dividend on Equity Share		30,24,000	30,24,000
Corporate Dividend Tax			
Tax on Dividend		4,90,568	5,02,249
Balance carried to Balance Sheet		<u>52,64,702</u>	<u>49,04,687</u>

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS

11

vide our separate report of even date
For **KALYANDAS & CO.,**
Firm Reg. No. 00167S
Chartered Accountants

For and on behalf of the Board**LAXMINIVAS SHARMA**
CHAIRMAN

G. KALYANDAS
Membership No.7102
Partner
Date : 28.07.2011
Place: Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR



B.N.RATHI SECURITIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011 (Amount in Rs '000)

PARTICULARS	2010-2011	2009-2010
A.CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	13032	13307
Adjustments for:		
Depreciation	2453	2120
Interest expenses	2414	2558
Interest Income	(6638)	(6832)
Absorbed Preliminary Expenses written off	(76)	76
Loss on Sale of Fixed Assets	-	(98)
Operating profit before working capital changes	11185	11131
Trade and other Receivable	(60771)	(34913)
Inventories	(2765)	255
Trade payable	89734	42752
Cash generated from operations	37383	19225
Less : Direct Tax paid	(3699)	(4073)
NET CASH FLOW FROM OPERATING ACTIVITIES	33684	15152
B.CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(2389)	(3232)
Sale of Fixed Asset	-	4450
Interest Received	8187	6274
Investment in equity shares of subsidiary company (BNRCPL)	-	(500)
NET CASH FLOW FROM INVESTING ACTIVITIES	5798	6992
C.CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(2328)	(2558)
Proceeds from preferential issue of warrants	-	-
Proceeds from preferential issue of equity Shares	-	1622
Share Premium	-	2496
Proceeds /(Repayment) of secured Loan	(223)	(243)
Payment of Dividend & Taxes	(3526)	(2948)
Net cash used in financing activities	(6077)	(1631)
Net cash flow during the year A+B+C	33405	20513
Add : Cash and Cash equivalents as at 01-4-2010	74903	54390
*Cash and Cash equivalents as at 31-3-2011	108308	74903

Note : Previous Year's figures have been re-arranged and re-grouped where ever necessary.

* Includes balances in unpaid dividend bank accounts, which are not available for the Company.

vide our separate report of even date

For **KALYANDAS & CO.,**

Firm Regd. No. 001677S

Chartered Accountants

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

G. KALYANDAS

Membership No.7102

Partner

Date : 28.07.2011

Place: Hyderabad

HARI NARAYAN RATHI
MANAGING DIRECTOR

**B.N.RATHI SECURITIES LIMITED****SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET**

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SCHEDULE NO.1		
SHARE CAPITAL		
Authorised :		
5000000 Equity Shares Rs.10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, Subscribed and paid up :		
2520000 Equity Shares Rs.10/- each	<u>2,52,00,000</u>	<u>2,52,00,000</u>
Total	<u>2,52,00,000</u>	<u>2,52,00,000</u>
 SCHEDULE NO.2		
RESERVES AND SURPLUS		
Capital Reserve	14,90,400	14,90,400
Share Preimum Account	1,22,40,000	1,22,40,000
General Reserve		2,16,150
Opening Balance	2,16,150	
Add : Transfer from Current yaer	<u>1,51,642</u>	3,67,792
Opening balance - P & L A/c	<u>3,76,91,177</u>	<u>3,27,50,836</u>
Add / (Less): Income Tax of earlier years	<u>20,315</u>	<u>35,655</u>
	<u>3,77,11,492</u>	<u>3,27,86,491</u>
Add : Transfer from Profit & Loss A/c	52,64,702	49,04,686
Total	<u>4,29,76,194</u>	<u>3,76,91,177</u>
	<u>5,70,74,386</u>	<u>5,16,37,727</u>
 SCHEDULE NO.3		
SECURED LOAN		
Vehicle Loan	-	2,22,940
(Bearing Interest Secured on hypothecation of Vehicle)	-	-
Total	<u>-</u>	<u>2,22,940</u>



B.N.RATHI SECURITIES LIMITED

SCHEDULE NO.4 FIXED ASSETS

Description	Gross Block			Depreciation			Net Block		
	As at 01.04.'10 Rs.	Addition Rs.	Deletion Rs.	As at 31.3.'11 Rs.	Upto 01.04.'10 Rs.	For the year Rs.	Deletion Rs.	As At 31.3.'11 Rs.	As At 31.3.'10 Rs.
1.Plant & Machinery									
a) Computers & Software	6888649	1144834	-	8033483	4200808	1331928	-	2500747	2687841
b) Air Conditioner	506735	218527	-	725262	263506	46614	-	415142	243229
c) Photo Copier	127000	-	-	127000	70262	11348	-	45390	56738
d) VSATs	3355324	-	-	3355324	1254574	292214	-	1808536	2100750
2.Furniture & Fixtures									
	3633314	218146	-	3851460	2344990	237659	-	1268811	1288324
3.Office Equipment									
	1967260	197790	-	2165050	1069915	178045	-	917090	897345
4.Vehicles									
	1748001	609216	-	2357217	589487	323251	-	1444479	1158514
5.Generator									
	295920	Nil	-	295920	64949	32128	-	198843	230971
Total	18522203	2388513	-	20910716	9858491	2453187	-	8599038	8663712
Previous year	19641826	3232377	4352000	18522203	7738325	2120166		8663712	11903501



B.N.RATHI SECURITIES LIMITED

SCHEDULE NO.5

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)		
A) CURRENT ASSETS				
1. Accrued Interest	15,74,055	31,46,169		
2. Cash on hand	28,158	16,771		
3. Balances with Scheduled Banks	1,71,83,434	2,67,11,860		
4. Fixed Deposits (FDRs with Banks for Bank Guarantees)	3,15,00,000	2,36,42,508		
5. Fixed Deposit (FDRs with HDFC Bank for OD against FD)	2,00,00,000	2,27,31,694		
6. Fixed Deposits (FDRs with NSEIL-CD)	8,00,000	8,00,000		
7. Fixed Deposits (FDRs with BSE)	10,00,000	10,00,000		
8. Fixed Deposits (FDRs with NSCCL/IL&FS)	3,17,96,120	-		
9. Additional Base Capital with NSE & BSE	50,00,000	10,29,000		
10. Initial Margin Deposits with IL&FS for F&O	7,52,70,762	3,39,63,762		
11. Initial Margin Deposits with IL&FS-CD	15,00,000	15,00,000		
12. MCX Additional Margin	40,00,000	-		
13. NCDEX Additional Margin	20,00,000	-		
TOTAL	19,16,52,529	11,45,41,764		
	No. of Shares (Qty)	As at 31.03.2011 (Rupees)	No. of Shares (Qty)	As at 31.03.2010 (Rupees)
B) STOCK-IN-TRADE (Listed)				
(Stock In Trade valued at cost)				
Sterlite Technologies Ltd	20000	10,07,800	-	-
Sree Asta Vinayaka Cine Vision Ltd	100000	6,65,000	-	-
Rohit Ferro Tech Ltd	10000	4,42,500	-	-
		<u>21,15,300</u>		
UN-LISTED				
Mahesh Vidya Bhavan Ltd	20000	2,00,000	20000	2,00,000
Hyderabad Stock Exchange Ltd	10000	10,000	10000	10,000
Bombay Stock Exchange Ltd	400	1,00,000	-	-
Seven Hills Co-op Bank Ltd	5000	5,00,000	-	-
Share Application Money (HSE Ltd)	10000	50,000		
TOTAL		<u>29,75,300</u>		<u>2,10,000</u>
Aggregate Market Value of Listed Shares		22,46,000		-
C) Amount Receivable from Client & Stock Exchanges				
(Considered good, Secured against share and outstanding for a period) less than Six months		6,15,80,832		4,61,63,924
TOTAL		<u>6,15,80,832</u>		<u>4,61,63,924</u>



B.N.RATHI SECURITIES LIMITED

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SCHEDULE NO.6		
LOANS AND ADVANCES		
(Unsecured, considered good and outstanding for a period of more than six months receivable in cash or kind for value to be received)		
I) Staff Advances	1,70,368	2,34,500
II) Income Tax & TDS	33,53,051	40,73,484
III) Income Tax Refundable	3,74,690	3,54,089
IV) Deposits		
a) NSEIL & NSCCL (Interest Free)	41,00,000	41,00,000
b) NSEIL Membership Deposit	9,00,000	9,00,000
c) NSEIL Future Segment Deposit	8,00,000	8,00,000
d) NSE Currency Derivatives Segment Deposit	2,00,000	2,00,000
e) BSE Membership Deposit	1,00,00,000	1,00,00,000
f) Lease Line Deposit	2,40,959	2,40,959
g) BSE Membership Security Deposit	5,00,000	5,00,000
h) BSE Base Capital adequacy Deposit	5,00,000	5,00,000
i) BSE Brokers contingency Fund	2,50,000	2,50,000
j) BSE VSAT Deposit	2,50,000	2,50,000
k) MCX (Interest Free) Security Deposit	15,00,000	15,00,000
l) MCX Membership	20,00,000	20,00,000
m) NCDEX (Interest Free) Security Deposit	15,00,000	15,00,000
n) NCDEX Membership	5,00,000	5,00,000
o) Rent Deposit	5,10,000	5,00,000
p) Other Deposits	7,64,664	6,14,828
V) Prepaid Expenses	5,31,170	6,27,793
TOTAL	<u>2,89,44,902</u>	<u>2,96,45,653</u>
SCHEDULE NO.7		
CURRENT LIABILITIES		
1) Sundry Creditors-Clients	7,08,01,628	6,15,46,307
2) VSATs Deposits	20,25,182	23,25,182
3) Creditors - Suppliers & Services	40,31,652	16,76,393
4) Outstanding Liabilities	11,17,784	10,79,400
5) Initial Margin IL&FS	9,13,11,834	1,44,36,336
6) Clients Margin Deposits	3,33,31,897	3,20,50,066
7) Un-Paid Dividend	12,61,276	10,33,757
PROVISIONS:		
1) Income Tax	40,87,367	45,10,000
2) Proposed Dividend	30,24,000	30,24,000
3) Tax on Dividend	4,90,568	5,02,249
TOTAL	<u>21,14,83,188</u>	<u>12,21,83,690</u>
SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT		
	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
SCHEDULE NO.8		
PERSONNEL EXPENDITURE		
1. Managerial Remuration	17,30,000	12,60,000
2. Salaries & allowances	81,82,468	68,99,859
3. Medical reimbursement	92,882	83,296
4. Staff Welfare	99,012	1,52,760
5. Bonus & Gratuity	4,82,142	3,33,410
6. Provident Fund Contribution	5,16,924	4,19,005
TOTAL	<u>1,11,03,428</u>	<u>91,48,330</u>



B.N.RATHI SECURITIES LIMITED

	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
SCHEDULE NO. 9		
ADMINISTRATIVE EXPENSES		
Rent, Rates & Taxes	25,73,557	14,49,072
Printing & Stationery	9,08,234	7,42,105
Postage & Courier Charges	7,98,892	6,04,683
Conveyance	23,336	23,171
Travelling Expenditure	1,87,168	1,10,702
Telephone Charges	5,18,521	3,75,414
Advertisement Expenses	1,02,267	54,234
<u>Remuneration to Auditors:</u>		
Statutory Audit Fee	50,000	50,000
Other Services	1,09,487	1,81,600
Internal Audit fee	1,10,000	1,56,626
Registrar & Share Transfer agency Charges	36,618	37,854
VAST Charges	7,89,883	2,58,943
Demat & Other Transaction Charges	38,45,573	4,07,735
Subscription & Membership Fee	3,92,480	2,73,886
Annual Maintenance Charges	2,80,410	5,00,898
Professional Fee & Consultancy Fee	5,91,945	4,38,697
Listing, Filing/Reg. & Renewals	1,24,251	2,40,484
Directors' Sitting Fee	47,000	40,500
Electricity Charges	4,47,982	3,91,960
Generator Maintenance Charges	67,546	21,484
Vehicle Maintenance	3,60,687	3,08,873
Office Maintenance	1,66,569	2,06,670
Repairs & Maintenance	1,03,666	86,235
Stock Exchange Charges & SEBI Fee	5,57,971	3,76,263
Bank Commission & Charges	6,71,670	12,62,578
Business Promotion	2,87,231	4,61,344
Insurance	49,482	1,60,911
Legal Expenses	71,276	31,390
Leased Line Charges	7,43,636	10,24,659
Bad debts written off	32,644	3,33,775
Donations	21,000	71,000
CTCL Net work Charges	5,17,483	2,20,404
Other expenses	43,709	36,410
TOTAL	1,56,32,174	1,09,40,560

SCHEDULE 10

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED ACCOUNTS:

- Basis of Preparation :** The consolidated financial statements of B.N. Rathi Securities Limited and its subsidiary company B N Rathi Comtrade Private Limited are prepared under the historical cost convention, applicable Accounting Standards and in accordance with the requirements of the Companies Act, 1956.



B.N.RATHI SECURITIES LIMITED

2. Principles of consolidation :

The financial statements of B N Rathi Comtrade Private Limited are drawn up to the same reporting date as of the company. Comparative Previous year figures in the consolidated financial statements include the figures of B N Rathi Comtrade Private Limited.

The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary M/s. B N Rathi Comtrade Private Limited have been prepared on a line-by-line consolidation by adding together like items of assets, liabilities, income and expenses as per the audited financial statements of the respective companies.
- Inter-company balances, transactions and unrealized profits / losses (if any) have been eliminated.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's individual financial statement.
- Minority interest consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary company and further movements (if any) in their share in equity subsequent to the dates of investments.
- There is no short/ excess of cost to the Company of its investment in subsidiary company over its share of the equity of the subsidiary company. Hence there is no Goodwill or Capital Reserve on account of consolidation in the consolidated financial statements.

3. Taxes on Income:

Current tax is determined on taxable income for the period Rs 40.37 Lakhs. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets on difference between WDV of assets as per Companies Act and Income tax Act is Rs 5,232/-

4. Contingent Liability:

on behalf of the company and its subsidiary, HDFC Bank & AXIS Bank have given Bank Guarantees of Rs 540 Lakhs (Previous Year Rs 435 Lakhs) to NSCCL ,BSE, IL&FS, MCX and NCDEX.

- As required by Accounting Standard 20 Earning Per Share issued by Institute of Chartered accountants of India (ICAI) ,basic earning per share has been calculated by dividing net profit after tax weighted average number of equity shares outstanding during the year as per details given below:

	Current Year	Previous Year
	2010-2011	2009-2010
Profit as per Profit and Loss Account	89,30,970	86,47,084
Weighted average number of shares used in computing basic earnings per equity share	2520200	2520000
Basic & Diluted earnings per share (Rs) (on nominal value of Rs 10/- per share)	3.54	3.43

- Other Significant Accounting Policies & Notes to Accounts:

These are set out in the Significant Accounting policies and Notes to Accounts of the Financial Statements of the Company and its Subsidiary Company.

- Figures of the previous year have been regrouped or re-arranged wherever considered necessary.

Signatures to Schedule 1 to 10

vide our separate report of even date

For **KALYANDAS & CO.,**

Firm Regd. No. 001677S

Chartered Accountants

G. KALYANDAS

Membership No.7102

Partner

Date : 28.07.2011

Place: Hyderabad

For and on behalf of the Board

LAXMINIVAS SHARMA
CHAIRMAN

HARI NARAYAN RATHI
MANAGING DIRECTOR



B N RATHI COMTRADE PRIVATE LIMITED

DIRECTORS' REPORT

To
The Members of
M/s. B N RATHI COMTRADE PRIVATE LIMITED

Your Directors are pleased to present the 3rd Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2011

FINANCIAL RESULTS:

The Financial Results for the year ended 31st March, 2011 are summarised as under:

	(Rs. 000).	
	2010-11	2009-10
Total Income	168.99	3.62
Total Expenditure	127.34	3.47
Profit before Tax	41.65	0.15
Provision for taxation	13.00	0.14
Profit after Tax	28.65	0.01
Balance carried to Balance Sheet	28.65	0.01

OPERATIONS:

The performance of the Company during the year under review has been satisfactory with significant increase in turnover and income. The Company is presently operating on commodities business through MCX and NCDEX .National Spot Exchange membership is in the process and the company is awaiting NSEL Registration.

DIVIDEND:

Your directors have not recommended any dividend for the financial year 2010-2011.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

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.

PARTICULARS OF EMPLOYEES:

As the Company is not having any employee during the year under review, the disclosures required to be made under section 217 (2A) of the Companies Act, 1956 and the rules made there under are not applicable.

AUDITORS:

M/s. Kalyandas & Co., Statutory Auditors, retire at the conclusion of the Third Annual General Meeting and being eligible offers themselves for re-appointment for the financial year 2011-2012.

DIRECTORS:

During the year Mrs. Nisha Rathi was appointed as Executive Director on the Board of the Company with a remuneration of Rs 25000/- Per month.



B N RATHI COMTRADE PRIVATE LIMITED

DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 217 (2AA) of the Companies Act, 1956, Directors of your Company hereby state and confirm that:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) That 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 loss of the company for that period.
- (iii) That 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.
- (iv) That the directors had prepared the annual accounts on a going concern basis.

PERSONNEL:

The relations between the management and the staff were very cordial throughout the year.

ACKNOWLEDGMENT:

The Board desires to place on record its sincere appreciation for the support and co-operation that the company received from the strategic partners, bankers, auditors, and all others associated with the company. The company has always looked upon them as partners in its progress. It will be the company's endeavour to build and nurture strong links with trade based on mutuality, respect and co-operation.

FOR B N RATHI COMTRADE PRIVATE LIMITED

Place : Hyderabad
Date : 28.07.2011

NISHA RATHI
EXECUTIVE DIRECTOR

CHETAN RATHI
DIRECTOR



B N RATHI COMTRADE PRIVATE LIMITED

AUDITOR'S REPORT

To.
The Members of B N Rathi Comtrade Private Limited,

We have audited the attached Balance Sheet of **M/s B N RATHI COMTRADE PRIVATE LIMITED** as at 31st March, 2011 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We report that:

- a) We have 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 the same.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report, are in agreement with the Books of Account of the Company.
- d) In our Opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 subject to Notes on Accounts.
- e) As per the representations made by the Company and all its Directors, no Director is disqualified from being appointed as Director U/s 274(1)(g) of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes on the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) in the case of the Balance Sheet, of the State of Affairs of the Company, as at 31st March, 2010 and
 - (ii) in case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.
- g) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we further report the matters to the extent applicable as under:



B N RATHI COMTRADE PRIVATE LIMITED

- 1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets of the Company have been physically verified by the management at the year end and no serious discrepancies were noticed on such verification. Fixed Assets disposed off during the year are not material and therefore do not affect the going concern assumption.
- 2) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets of the Company have been physically verified by the management at the year end and no serious discrepancies were noticed on such verification. No Fixed Assets disposed off during the year are not material and therefore do not affect the going concern assumption.
- 3) a) The Company has not granted secured or unsecured loan to companies, firms or other parties covered in the register maintained under section 301 of the Act.
b) The Company has not obtained unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- 4) In our opinion there are internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of stock (shares) and services requires Improvement. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control systems.
- 5) In our opinion and according to the explanation given to us, the particulars of Contracts or arrangements required to be entered in the register under Section 301 of the Companies Act, 1956 have been entered and transactions aggregating during the Financial year to Rupees Five Lakhs or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such securities or the prices at which transactions for similar securities or services have been made with other parties.
- 6) The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant Provisions of the Companies Act, 1956 and the Rules framed there under.
- 7) The Company does not have system of internal audit.
- 8) The Central Government has not prescribed the maintenance of cost records under clause (d) of the sub-section (1) of Section 209 of the Act for any of its products.
- 9) The Company is regular in depositing with appropriate authorities undisputed amount of Provident Fund, Investor Education and Protection Fund, Income Tax, Service Tax and other statutory dues as applicable and no undisputed amounts payable are outstanding as at 31st March, 2010 for a period of more than six months from the date they become payable.
- 10) The Company has no accumulated losses as at 31st March, 2011 and it has not incurred cash losses in the financial year under report or in the immediately preceeding financial year.
- 11) The Company has not defaulted in repayment of dues to any financial institutions or banks.
- 12) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



B N RATHI COMTRADE PRIVATE LIMITED

- 13) The Company is not a chit fund, nidhi or mutual benefit fund/society.
- 14) The Company is a Member of MCX and NCDEX, renders services for investors in purchase and sale of commodities. The Company has maintained proper records of the transactions and timely entries have been made therein.
- 15) According to the information and explanations given to us and the representations made by the management, the Company has not given any guarantee for Loans taken by others from Banks or Financial Institutions.
- 16) The Company has not obtained any term loans during the year.
- 17) On the basis of our examinations of the books of account and the information and explanations given to us, in our opinion the funds raised on short-term basis have not been used for long term investment.
- 18) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- 19) The Company has not issued any debentures during the year.
- 20) The Company has not raised any money by public issues during the year.
- 21) According to the explanation and information given to us, based upon the audit procedures performed and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our Audit.

For **KALYANDAS & Co.**
Firm Regd. No. 001677S
Chartered Accountants.

Date : 28.07.2011
Place : Hyderabad

(G.KALYANDAS)
Partner
Membership No.:7102

**B N RATHI COMTRADE PRIVATE LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule	(Rupees)	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS				
a) Share Capital	1		1,00,00,000	1,00,00,000
b) Reserves and Surplus	2		28,66,371	1,079
2. LOAN FUNDS				
Secured Loan			-	-
3. DEFERRED TAX LIABILITY				
			16,853	4,093
		Total	<u>1,28,83,224</u>	<u>1,00,05,172</u>
APPLICATION OF FUNDS				
1. Fixed Assets				
Gross Block	3	10,47,486		1,51,530
Less : Depreciation		60,011		4,314
Net Block			9,87,475	1,47,216
2. Investments				
			-	-
3. Current Assets, Loans and Advances				
Current Assets	4	3,13,43,221		99,14,037
Loans and Advances	5	66,41,266		56,51,104
		3,79,84,487		1,55,65,141
Less : Current Liabilities	6	2,48,01,370		56,97,185
Provisions		12,87,368		10,000
		2,60,88,738		57,07,185
Net Current Assets			1,18,95,749	98,57,956
	Total		<u>1,28,83,224</u>	<u>1,00,05,172</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS				
	9			

vide our separate report of even date
For **KALYANDAS & CO.**,
Firm Registration No. 00167S
Chartered Accountants

G. KALYANDAS
Membership No.7102
Partner
Date : 28.07.2011
Place: Hyderabad

For and on behalf of the Board

NISHA RATHI
EXECUTIVE DIRECTOR

CHETAN RATHI
DIRECTOR

**B N RATHI COMTRADE PRIVATE LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

Schedule	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
INCOME		
Income from Operations	1,60,02,715	2,36,373
Other Income	1,59,698	78,695
Interest Income (TDS Rs.73,673/-)	7,36,738	46,771
Total	1,68,99,151	3,61,839
EXPENDITURE		
Personnel	9,06,500	-
Administrative expenses	38,37,269	1,97,289
Brokerage	78,91,945	1,43,980
Interest	42,687	1,084
Depreciation	55,697	4,314
Total	1,27,34,098	3,46,667
Profit Before Taxation	41,65,053	15,172
Less: Provision for Taxation - Current Tax	12,87,001	10,000
- Deferred Tax	12,760	4,093
Profit After Taxation	28,65,292	1,079
Balance carried to Balance Sheet	28,65,292	1,079

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS

9

vide our separate report of even date

For **KALYANDAS & CO.**,
Firm Registration No. 00167S
Chartered Accountants

For and on behalf of the Board

NISHA RATHI
EXECUTIVE DIRECTOR**G. KALYANDAS**
Membership No.7102
Partner
Date : 28.07.2011
Place: Hyderabad**CHETAN RATHI**
DIRECTOR

**B N RATHI COMTRADE PRIVATE LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011 (Amount in Rs.000)**

PARTICULARS	2010-2011	2009-2010
A.CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	4165	15
Adjustments for:		
Depreciation	56	5
Interest expenses	43	1
Interest Income	(737)	(47)
Operating profit before working capital changes	3527	(26)
Trade and other Receivable	(4858)	(6760)
Inventories	-	-
Trade payable	19142	5660
Cash generated from operations	17811	(1126)
Less : Direct Tax paid	(1065)	(4)
NET CASH FLOW FROM OPERATING ACTIVITIES	(16745)	(1130)
B.CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(896)	(151)
Interest Received	402	23
NET CASH FLOW FROM INVESTING ACTIVITIES	(494)	(128)
C.CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	43	(1)
Proceeds from issue of Equity Shares	-	9500
Preliminary Epenses absorbed by B N Rathi Securities Ltd.	(76)	76
Advance received from B N Rathi Securities Ltd.	(38)	38
Net cash used in financing activities	(71)	9613
Net cash flow during the year A+B+C	16180	8355
Add : Cash and Cash equivalents as at 01-4-2010	8378	23
Cash and Cash equivalents as at 31-3-2011	24559	8378

Note : Previous Year's figures have been re-arranged and re-grouped where ever necessary.

vide our seperate report of even date

For **KALYANDAS & CO.,**

Firm Regd. No. 001677S

Chartered Accountants

G. KALYANDAS

Membership No.7102

Partner

Date : 28.07.2011

Place: Hyderabad

For and on behalf of the Board

NISHA RATHI

EXECUTIVE DIRECTOR

CHETAN RATHI

DIRECTOR



B N RATHI COMTRADE PRIVATE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SCHEDULE NO.1		
SHARE CAPITAL		
Authorised :		
1000000 Equity Shares Rs.10/- each	<u>1,00,00,000</u>	<u>1,00,00,000</u>
Issued, Subscribed and paid up :		
1000000 Equity Shares Rs.10/- each	<u>1,00,00,000</u>	<u>1,00,00,000</u>
Total	<u>1,00,00,000</u>	<u>1,00,00,000</u>

SCHEDULE NO.2

RESERVES AND SURPLUS

Opening balance - P & L A/c	1,079	1,079
Add : Transfer from P & L A/c	28,65,292	
	<u>28,66,371</u>	
Total	<u>28,66,371</u>	<u>1,079</u>

SCHEDULE NO.3

FIXED ASSETS

Description	Gross Block			Depreciation			Net Block	
	As at 01.04.'10 Rs.	Addition Rs.	As at 31.3.'11 Rs.	Upto 01.04.'10 Rs.	For the year Rs.	As At 31.3.'11 Rs.	As At 31.3.'11 Rs.	As At 31.3.'10 Rs.
1.Plant & Machinery								
a) Computers & Software	27530	25371	52901	392	11717	12109	40792	27138
b) VSATs	124000		124000	3922	16703	20625	103375	120078
c) Air Conditioner	-	14877	14877	-	176	176	14701	-
2.Furniture & Fixtures	-	187231	187231	-	2878	2878	184353	-
3.Office Equipment	-	59261	59261	-	911	911	58350	-
4.Vehicles	-	609216	609216	-	23312	23312	585904	-
Total	151530	895956	1047486	4314	55697	60011	987475	147216
Previous year	-	151530	151530	-	4314	4314	147216	-

**B N RATHI COMTRADE PRIVATE LIMITED**

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
SCHEDULE NO.4		
A) CURRENT ASSETS		
1. Accrued Interest	3,34,871	23,292
2. Cash on hand	4,600	Nil
3. Balances with Non Scheduled Banks	20,53,995	23,78,397
4. Fixed Deposits (FDRs with Banks for Bank Guarantees)	1,15,00,000	35,00,000
5. Fixed Deposit (FDRs with HDFC Bank for OD against FD)	50,00,000	25,00,000
6. MCX Additional Margin	40,00,000	-
7. NCDEX Additional Margin	20,00,000	-
TOTAL	<u>2,48,93,466</u>	<u>84,01,689</u>
B) Amount Receivable from Clients & Stock Exchanges (Considered good, unsecured and outstanding for a period less than Six months)		
	64,49,755	15,12,347
TOTAL	<u>64,49,755</u>	<u>15,12,347</u>
SCHEDULE NO.5		
LOANS AND ADVANCES (Unsecured, considered good and outstanding for a period of more than six months receivable in cash or kind for value to be received)		
I) Income Tax &TDS	10,73,812	3,821
II) Deposits		
a) MCX (Interest Free) Security Deposit	15,00,000	15,00,000
b) MCX Membership	20,00,000	20,00,000
c) NCDEX (Interest Free) Security Deposit	15,00,000	15,00,000
d) NCDEX Membership	5,00,000	5,00,000
III) Prepaid Expenses	67,454	1,47,283
TOTAL	<u>66,41,266</u>	<u>56,51,104</u>
SCHEDULE NO.6		
CURRENT LIABILITIES		
1) Sundry Creditors-Clients	2,37,89,718	54,98,396
2) VSATs Deposits	2,54,535	1,33,066
3) Creditors - Suppliers & Services	3,65,407	37,500
4) Outstanding Liabilities	3,91,710	28,223
	<u>2,48,01,370</u>	<u>56,97,185</u>
PROVISIONS:		
1) Income Tax	12,87,368	10,000
TOTAL	<u>2,60,88,738</u>	<u>57,07,185</u>
SCHEDULE NO.7		
PERSONNEL EXPENDITURE		
1. Remuneration to ED	50,000	-
2. Bonus	30,500	-
3. Salaries	8,26,000	-
TOTAL	<u>9,06,500</u>	<u>-</u>



B N RATHI COMTRADE PRIVATE LIMITED

	For the Year ended 31.03.2011 (Rupees)	For the Year ended 31.03.2010 (Rupees)
SCHEDULE NO.8		
ADMINISTRATIVE EXPENSES		
Rent, Rates & Taxes	2,22,854	-
Printing & Stationery	86,950	16,450
Telephone Charges	58,945	-
Audit Fee	14,000	14,000
V-SAT Rent Charges	29,830	4,903
Transaction Charges	27,82,724	-
Subscription & Membership Fee	1,21,855	98,438
Professional & Consultancy Fee	66,000	18,015
Listing & Filing Fee	2,000	33,750
Vehicle Maintenance Exp.	4,686	-
Bank Guarantee Commission	77,749	5,854
Business Promotion Expenses	1,885	-
ODIN Licenses Fee	3,54,531	-
Insurance	-	2,570
Misc. Expenses	13,260	-
TOTAL	38,37,269	1,93,980

SCHEDULE : 9

Significant Accounting Policies and Notes forming part of Accounts for the Year ending 31-3-2011

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS.

The Financial Statements are prepared on historical cost convention, on going concern basis, on accrual basis and in accordance with the applicable accounting standards.

2. INCOME/ EXPENSES:

Items of Income and Expenditure are on accrual basis subject to notes on accounts.

3. FIXED ASSETS :

Fixed Assets are valued at cost less accumulated depreciation

4. DEPRECIATION :

Depreciation on fixed assets has been provided on Written Down Value Method as per the rates and in the manner prescribed under schedule XIV of the Companies Act, 1956. Depreciation on fixed assets additions during the year on pro-rata basis

5. INVESTMENTS:

The company has not made any Investments during the period.



B N RATHI COMTRADE PRIVATE LIMITED

6. SUBSIDIARY:

The Company is the subsidiary of B N Rathi Securities Limited.

B. NOTES FORMING PART OF ACCOUNTS

1. Information required to be furnished pursuant to clauses 4A, 4C and 4D of Para II Schedule VI of the Companies Act, 1956 is not provided as the same is not applicable to the Company.
2. The Company has made a provision for Income Tax of Rs.10,000/-.
3. Contingent Liability:
on behalf of the company HDFC Bank have given Bank Guarantees of Rs 95 Lakhs (Previous Year Rs 35 Lakhs to MCX and NCDEX.

vide our separate report of even date
For **KALYANDAS & CO.**,
Firm Regd. No. 001677S
Chartered Accountants

For and on behalf of the Board

NISHA RATHI
EXECUTIVE DIRECTOR

G. KALYANDAS
Membership No.7102
Partner
Date : 28.07.2011
Place: Hyderabad

CHETAN RATHI
DIRECTOR



B N RATHI COMTRADE PRIVATE LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (Submitted in terms of Part IV of Schedule VI of the Companies Act, 1956)

I. REGISTRATION DETAILS

Registration No. U74900AP2008PTC060088 B/Sheet Date 31 03 2011
Date Month Year

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs.)

Public Issue <u>NIL</u>	Rights Issue <u>NIL</u>
Bonus Issue <u>NIL</u>	Private Placement <u>NIL</u>

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs.'000)

Total Liabilities <u>12883</u>	SOURCES OF FUNDS	Total Assets <u>12883</u>
Paid up Capital <u>10000</u>		Reserves & Surplus <u>2866</u>
Deferred Tax Liability <u>17</u>		Secured Loans <u>NIL</u>

APPLICATION OF FUNDS

Net Fixed Assets <u>987</u>	Net Current Assets <u>11896</u>
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IV. PERFORMANCE OF COMPANY (AMOUNT IN RS.)

Turnover (Income) <u>16899</u>	Total Expenditure <u>12734</u>
+ - <u>+</u> Profit /Loss Before Tax <u>4165</u>	+ - <u>+</u> Profit/Loss After Tax <u>2865</u>
Earnings per Share in Rs. <u>2.86</u>	Dividend Rate % <u>NIL</u>

V. GENERIC NAME OF PRINCIPAL SERVICES OF THE COMPANY (as per monetary terms)

Item Code No. (ITC Code) : NIL
Product Description : Dealing in Commodities

For and on behalf of the Board

NISHA RATHI
EXECUTIVE DIRECTOR

CHETAN RATHI
DIRECTOR

Date : 28.07.2011
Place : Hyderabad



B.N.RATHI SECURITIES LIMITED

B.N.RATHI SECURITIES LIMITED

Regd. Off : 6-3-652,IV Floor "Kautilya" Amrutha Estates, Somajiguda,Hyderabad - 500082

ATTENDANCE SLIP

25th Annual General Meeting :

DP ID : _____

Name of Attending Member (Block Letters)

Client ID : _____

Regd.Folio No. _____

I Certify that I am a registered shareholder/proxy for the registered shareholder of the Company I hereby record my presence at the 25th ANNUAL GENERAL MEETING of the Company on 14th September 2011 at 10.00 A.M. at Quality Inn Residency, Public Garden Road, Nampally, Hyderabad-500 001.

Member's / Proxy's name in Block Letters

Member's / Proxy's Signature

Note : Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL.

----- (TEAR HERE) -----

B.N.RATHI SECURITIES LIMITED

Regd. Off : 6-3-652, IV Floor "Kautilya" Amrutha Estates, Somajiguda,Hyderabad - 500082

FORM OF PROXY

I/We.....of.....

in the district ofbeing a member/members of the above named company hereby appointor failing himof

.....in the district ofas my/our proxy to vote for me/us on my/our behalf at the 25thANNUAL GENERAL MEETING of the Company to be held on 14th September 2011 at 10.00 A.M. at Quality Inn Residency, Public Garden Road, Nampally, Hyderabad-500 001.

Signed thisday2011

Signature.....

Regd. Folio No.....



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