

# SWARNA SECURITIES LIMITED

(CIN: L52520AP1990PLC011031)

Ph: 0866 - 2575928

Date: 04/06/2024

To

**Corporate Relationship Department  
BSE Limited, P.J. Towers, Dalal Street  
Mumbai - 400001**

Dear Sirs,

**SUB: Submission of Annual Report for the F.Y 2023-24 in compliance with  
Regulation 34 of SEBI (LODR) Regulations 2015**

**Ref: ISIN - INE595G01018 & SYMBOL: SWRNASE**

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In terms of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the Annual Report of the Company along with Notice of AGM for the financial year 2023-2024, which is being sent to the Members in electronic mode and the Annual Report along with Notice is also being uploaded on the website of the Company in the due course.

This is for your information and record.

Thanking You,

Yours Faithfully,

**For Swarna Securities Limited**

ANIL KUMAR MOOLA  
Digitally signed by  
ANIL KUMAR MOOLA  
Date: 2024.06.04  
15:37:00 +05'30'

**M Anil Kumar  
Company Secretary & Compliance Officer  
Membership No: A27989**

**Enclosed: a/a**



# Swarna Securities Limited

## 34<sup>th</sup> ANNUAL REPORT 2023 -2024

**Registered Office:**  
# 27-1-102, II Floor  
Governorpet, Vijayawada - 520 002.  
Phone :0866-2575928  
[www.swarnasecurities.com](http://www.swarnasecurities.com)

**Board of Directors**

<b>Sri M. Murali Krishna</b>	:	Chairman and Managing Director
<b>Smt. M.V.N.S. Sushma</b>	:	Non-Executive Director
<b>Sri P. Nandadeep</b>	:	Independent Director (W.e.f. 31-01-2024)
<b>Sri Pradeep Kumar Jain</b>	:	Independent Director (Up to 23-01-2024)
<b>Sri V.E.Ch. Vidya Sagar</b>	:	Independent Director
<b>Sri M. Karunakar</b>	:	Independent Director

**Key Managerial Persons (KMP)**

<b>Sri M. Anil Kumar</b>	:	Compliance Officer & Company Secretary
<b>Sri Chaya Devi G</b>	:	Chief Financial Officer.

**Audit Committee**

<b>Sri P. Nandadeep</b>	-	Chairman (W.e.f. 31-01-2024)
<b>Sri Pradeep Kumar Jain</b>	-	Chairman (Up to 23-01-2024)
<b>Sri V.E.Ch. Vidya Sagar</b>	-	Member
<b>Sri M. Karunakar</b>	-	Member

**Nomination and Remuneration Committee**

<b>Sri P. Nandadeep</b>	-	Chairman (W.e.f. 31-01-2024)
<b>Sri Pradeep Kumar Jain</b>	-	Chairman (Up to 23-01-2024)
<b>Sri V.E.Ch. Vidya Sagar</b>	-	Member
<b>Sri M. Karunakar</b>	-	Member

**Stakeholders Relationship Committee**

<b>Sri P. Nandadeep</b>	-	Chairman (W.e.f. 31-01-2024)
<b>Sri Pradeep Kumar Jain</b>	-	Chairman (Up to 23-01-2024)
<b>Sri V.E.Ch. Vidya Sagar</b>	-	Member
<b>Sri M. Karunakar</b>	-	Member

**Registered Office**

27-1-102, II Floor, Swarnalok Complex, Governorpet  
Eluru Road, Vijayawada - 520 002, AP, India.

**Statutory Auditors****M/s. Seshadry & Company**

29-36-37, Ammana Estates, Prakasam Rd,  
Governor Peta, Vijayawada, Andhra Pradesh 520002.

**Secretarial Auditors****Mr. Kode Hemachand**

Practicing Company Secretary  
#59/A-28-3/1, 1st Floor, More Super Market  
Gurunanak Colony, Vijayawada - 520010, AP.

Listed at	-	BSE Limited
Corporate Identity Number	-	L52520AP1990PLC011031
ISIN	-	INE595G01018
Script Name	-	SWRNASE
Script Code	-	531003

**Bankers:**

HDFC Bank Ltd  
Punjab National Bank

**Registrars and Share Transfer Agents**

Aarhi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad - 500029  
Phone:040-27638111 040-27638111 040-27638111 040-27638111  
Email: [info@aarhiconsultants.com](mailto:info@aarhiconsultants.com) | Web: <http://www.aarhiconsultants.com>

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**34<sup>th</sup> ANNUAL GENERAL MEETING**

Day, Date	:	Friday, the 28 <sup>th</sup> June, 2024
Venue	:	M Hotel, D. No. 54-15-3, Srinagar Colony Ring Road, Vijayawada- 520008, AP
Time	:	10.00 A.M.

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## NOTICE

**NOTICE** is hereby given that the 34<sup>th</sup> ("Thirty Fourth") Annual General Meeting ("**AGM**") of the members of the Company will be held on Friday, the 28<sup>th</sup> day of June, 2024 at M Hotel, D. No. 54-15-3, Srinagar Colony, Ring Road, Vijayawada- 520008 at 10.00 AM to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2024 and reports of the Directors and Auditors thereon including all the annexures thereof.

### **SPECIAL BUSINESS**

2. **Re-appointment of Mr. Eshwara Chandra Vidya Sagar Vankineni ((DIN: 07730724) as an Independent Director of the Company.**

To consider and, if thought fit, pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** Mr. Eshwara Chandra Vidya Sagar Vankineni, DIN-07730724 who was re-appointed by the Board of Directors as an Independent Director of the Company with effect from 30/05/2024, in terms of Section 149, 150, 152 and 161 of the Companies Act, 2013 ("**the Act**") read with Articles of Association of the Company and who is eligible for appointment and who has consented to act as a Director of the Company be and is hereby appointed as an Independent Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and the Articles of Association of the Company and the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the appointment of Mr. Eshwara Chandra Vidya Sagar Vankineni, DIN-07730724, who meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect, be and is hereby approved, as an Independent Director of the Company, not liable to retire by rotation, for a term of 3 (Three) years from 30/05/2024 to 29/05/2027.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorized to take such steps and to do all such acts, deeds, things as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD  
For **SWARNA SECURITIES LIMITED**

**Sd/-**  
**(M. MURALI KRISHNA)**  
Chairman & Managing Director  
**DIN: 01889812**

**Regd. Office:**  
27-1-102, II Floor  
Governorpet, Vijayawada-520002

Date: 30.05.2024  
Place: Vijayawada

**NOTES:**

- 01 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER. THE PROXY FORMS, IN ORDER TO BE EFFECTIVE, SHALL BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- 02 A person can act as proxy on behalf of members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
- 03 **The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 22<sup>nd</sup> day of June, 2024 to Friday, the 28<sup>th</sup> day of June, 2024 (Both days inclusive).**
- 04 Shareholders desiring any information as regards accounts are requested to write to the Company at Email: [swarnasecurities@rediffmail.com](mailto:swarnasecurities@rediffmail.com) seven days before the date of the Meeting so as to enable the Company to keep the information ready at the meeting.
- 05 As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
- 06 As per SS-2, complete particulars of the venue of the Meeting through route map has been attached herewith the Notice.
- 07 A proxy form is being sent herewith and is annexed to this Annual Report. Only registered members of the Company or any proxy appointed by such registered members may attend the AGM as provided under the provisions of the Companies Act, 2013.
- 08 During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company (10.00 a.m. to 1.00 p.m.), provided not less than 3 days' written notice is given to the Company.
- 9 In case you are holding the Company's shares in dematerialized form, please contact your depository Participant and give suitable instructions to update and to notify any changes with respect to any changes of addresses, email id and other details.
- 10 In case you are holding Company's shares in physical form, please inform Company's RTA to update and to notify any changes with respect to any changes of addresses, email id and other details.

- 11 Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 12 Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. up to the date of the meeting.
- 13 Members / Proxies are requested to bring the attendance slip annexed to this Annual Report, duly filled in and executed for attending the Meeting.
- 14 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA.
- 15 Electronic copies of the Notice for the 34<sup>th</sup> Annual General Meeting (AGM) and the Annual Report 2023-24 are being sent by electronic mode to all the members whose email IDs are registered with the Company /depository participant(s) and for members who have not registered their email addresses, physical copy of the Notice together with the Annual Report will be sent upon request, at free of cost. The Notice together with the Annual Report is also available on the Company's Website <https://www.swarnasecurities.com/annual-report.php> for their download.
- 16 Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not registered their E-Mail IDs, are requested to register their email address and changes therein with the Company/RTA in case of physical shares and with Depository Participants in case of dematerialized shares. Members are also requested to provide their Unique Identification Number and PAN (CIN in the case of Corporate Members) to the Company/RTA/Depository Participants.
- 17 **Mr. Kode Hemachand, Company Secretary in Whole Time Practice, (CP No. 13416, M No. 35463), Vijayawada, AP has been appointed as the Scrutinizer to Scrutinize the voting by ballot, remote e-Voting or polling at the meeting in a fair and transparent manner.**
- 18 The Company has fixed **Friday, the 21<sup>st</sup> June, 2024 as cut-off date** for identifying the Shareholders for determining the eligibility to vote by electronic means or in meeting by the ballot or polling. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off/entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.
- 19 Members may address their queries / communications at [swarnasecurities@rediffmail.com](mailto:swarnasecurities@rediffmail.com)



- 20 (i) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing members a facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through such voting, **through e-Voting services provided by Central Depository Services (India) Limited (“CDSL”)**.
- (ii) **The facility for voting through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-Voting shall be able to exercise their right at the meeting.**
- (iii) The members who have cast their vote by remote e-Voting prior to the meeting may also attend the meeting **but shall not be entitled to cast their vote again.**

## 1. PROCEDURE FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the **e-Voting services provided by Central Depository Services (India) Limited (“CDSL”)** by visiting their website at <https://www.evotingindia.com/homepage.jsp> on all the resolution(s) set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “**e-Voting facility provided by Listed Companies**”, e- Voting process will be enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

### Remote e-Voting period

- iv. The remote e-Voting period commences on **Tuesday, 25<sup>th</sup> June, 2024 at 9:00 A.M. (IST) and ends on Thursday, 27<sup>th</sup> June, 2024 at 5:00 P.M. (IST)**. The remote e-voting module will be disabled by CDSL

thereafter.

- v. The members who have cast their vote by remote-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- vi. The members are requested to note that -
  - (a) remote e-voting shall not be allowed beyond the said date and time;
  - (b) the members present at the meeting who have not cast their vote by remote-voting prior to the meeting are entitled to cast their vote through by use of polling paper or by using an electronic voting system by availing the remote e-voting facility which will be made available at the AGM venue.
- vii. The company opts to provide the same electronic voting system (i.e. CDSL e-Voting System) as used during remote e-voting during the general meeting, the said facility shall be in operation till all the resolutions are considered and voted upon in the meeting and may be used for voting only by the members attending the meeting and who have not exercised their right to vote through remote e-voting.

#### **Cut-off Date**

- viii. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the **cut-off date, being Friday, 21<sup>st</sup> June, 2024.**
- ix. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if he / she is already registered with CDSL for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- x. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting for Individual shareholders holding securities in demat mode."
- xi. The details of the process and manner for remote e-Voting are explained herein below:

**Step 1:** *Access to Depository e-Voting system in case of individual shareholders holding shares in demat mode.*

**Step 2:** *Access to CDSL e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.*

**Details on Step 1 are mentioned below:**

- 1) Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with “NSDL”</b>	1. User already registered for IDeAS facility: <ul style="list-style-type: none"> <li>i. Visit URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a></li> <li>ii. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</li> <li>iii. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>iv. Click on company name or e-Voting service provider and you will be re- directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ul>
	2. User not registered for IDeAS e-Services
	<ul style="list-style-type: none"> <li>i. To register click on link: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a></li> <li>ii. Select “Register Online for IDeAS” or click at: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>iii. Proceed with completing the required fields.</li> <li>iv. Follow steps given in points 1</li> </ul>
	3. Alternatively, by directly accessing the e-Voting website of NSDL
	<ul style="list-style-type: none"> <li>i. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>ii. Click on the icon “<b>Login</b>” which is available under Shareholder/Member’ section.</li> <li>iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>iv. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. CDSL.</li> <li>v. On successful selection, you will be redirected to CDSL e-Voting page for casting your vote during the remote e-Voting period.</li> </ul>

<b>Individual Shareholders holding securities in demat mode with “CDSL”</b>	<ol style="list-style-type: none"> <li>1. Existing user who has opted for Easi / Easiest:               <ol style="list-style-type: none"> <li>i. Visit URL:  <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a>  <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration</a>  URL: <a href="http://www.cdslindia.com">http://www.cdslindia.com</a> </li> <li>ii. Click on New System Myeasi</li> <li>iii. Login with your registered user id and password.</li> <li>iv. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. CDSL e-Voting portal.</li> <li>v. Click on e-Voting service provider name to cast your vote.</li> </ol> </li> <li>2. User not registered for Easi/Easiest               <ol style="list-style-type: none"> <li>i. Option to register available at  <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a> </li> <li>ii. Proceed with completing the required fields.</li> <li>iii. Follow the steps given in point 1.</li> </ol> </li> <li>3. Alternatively, by directly accessing the e-Voting website of CDSL</li> </ol>
	<ol style="list-style-type: none"> <li>i. Visit URL: <a href="http://www.cdslindia.com">http://www.cdslindia.com</a></li> <li>ii. Provide your demat Account Number and PAN No.</li> <li>iii. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>iv. After successful authentication, user will be provided links for the respective ESP, i.e CDSL e-Voting system where the e-Voting is in progress.</li> </ol>
<b>Individual Shareholder login through their demat accounts / Website of Depository Participant</b>	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account</li> <li>II. through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>III. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider – CDSL and you will be redirected to e-Voting website of CDSL for casting your vote during the remote eVoting period without any further authentication.</li> </ol>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<b>Securities held with NSDL</b>	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
<b>Securities held with CDSL</b>	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**Details on Step 2 are mentioned below:**

**2) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

A. Members whose email IDs are registered with the Company / Depository Participants (s), will receive an email from RTA / CDSL which will include details of E-Voting Event Number, USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL:  
<https://www.evotingindia.com/homepage.jsp>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be **EVSN i.e. 240601001**, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with CDSL for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN"
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials
- vi. On successful login, the system will prompt you to select the "**EVSN**" i.e. **240601001 'Swarna Securities Limited - AGM'** and click on "**Submit**".
- vii. On the voting page, enter the number of shares (which represents the

number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on “**Submit**”.
- xi. A confirmation box will be displayed. Click “**OK**” to confirm else “**CANCEL**” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., authorizing its representative to attend the AGM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email id at [cs.hemachandk@gmail.com](mailto:cs.hemachandk@gmail.com) with a copy marked to CDSL [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and Company at [swarnasecurities@rediffmail.com](mailto:swarnasecurities@rediffmail.com). The scanned image of the abovementioned documents should be in the naming format “Corporate Name Even No.”

**B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:**

- i. Members who have not registered their email address and in consequence the Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number registered with Depositories and RTA by accessing the respective websites and Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e- voting instructions along with the User ID and Password. In case of any queries, member may write to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- ii. Alternatively, member may send an e-mail request at to the RTA at the email id [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) or can contact at Phone(s): 040 27638111, 040-27638111, 040-27638111 and 040-27638111 along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of AGM and the e- voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.



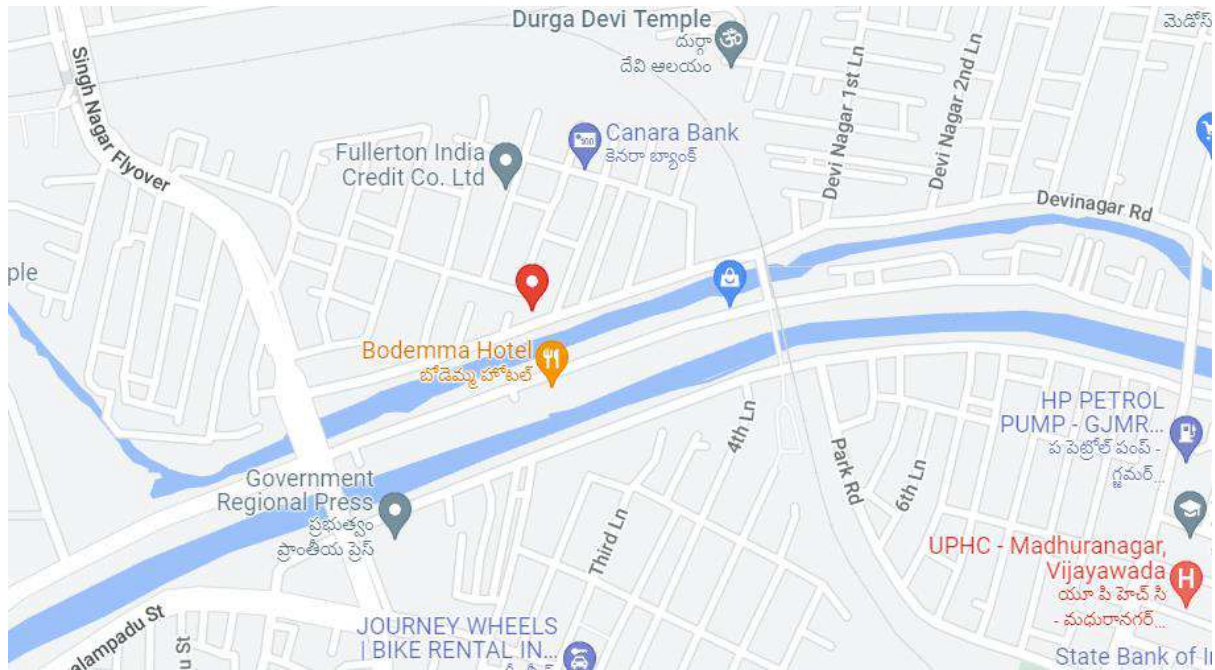
**OTHER INSTRUCTIONS**

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views by sending an email at before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by using the above-mentioned mode.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E- voting user manual available at Help section of CDSL e-Voting at <https://www.evotingindia.com/Help.jsp> for any further clarifications you can contact e-Voting Helpdesk (Timings Monday - Friday : 10:00 AM to 6.30 PM) Toll Free : 1800225533.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Friday, 21<sup>st</sup> June, 2024, being the cut-off date**, are not entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. This AGM Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on **Friday, 21<sup>st</sup> June, 2024, being the cut-off date**. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
  - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
    1. Example for NSDL: MYEPWD <SPACE> IN12345612345678
    2. Example for CDSL: MYEPWD <SPACE> 1402345612345678
    3. Example for Physical: MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://www.evotingindia.com/homepage.jsp> the member may click "**Forgot Password**" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Members who may require any technical assistance or support before or



during the AGM are requested to contact CDSL e-Voting at <https://www.evotingindia.com/Help.jsp> for any further clarifications you can contact e-Voting Helpdesk (Timings Monday - Friday: 10:00 AM to 6.30 PM) Toll Free: 1800225533.

- iv. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or a person authorized by him. The Chairman or any other person authorized by him shall declare the result of the voting forthwith.
- v. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the resolution(s). The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at <https://www.swarnasecurities.com/> and Service Provider's website at <https://www.evotingindia.com/homepage.jsp> and the communication will be sent to the BSE Limited.

**Route Map of AGM Venue**

**STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF  
THE COMPANIES ACT, 2013 (“the Act”)**

The following Explanatory Statement sets out the relevant information as required by Section 102 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “SEBI Listing Regulations”) as may be amended, modified, replaced, substituted, re-stated and/or re-issued from time to time:

**Item No: 2**

The Board at its meeting held on 30-05-2024, re-appointed Mr. Eshwara Chandra Vidya Sagar Vankineni, (DIN: 07730724) as an Independent Director for a term of 3 (Three) years with effect from 30-05-2024. Further, the NRC and the Board at their respective meeting held on the same date, recommended the confirmation of appointment of Mr. Eshwara Chandra Vidya Sagar Vankineni, (DIN: 07730724), subject to members approval at ensuing general meeting.

Mr. Eshwara Chandra Vidya Sagar Vankineni has around 30 years of experience in the fields of Commerce, Finance, Taxation and Accounting. He previously worked in Andhra Pradesh government undertaking in the capacity of Sr. Manager. His interests include reading, traveling etc. He studied Masters of Commerce (M. Com).

Further details of Mr. Eshwara Chandra Vidya Sagar Vankineni pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**Listing Regulations**”) and Secretarial Standard - 2 on General Meetings is provided in the Annexure to this Notice.

In the opinion of the Board, Mr. Eshwara Chandra Vidya Sagar Vankineni is a person of integrity and considering his experience and expertise, recommends his appointment as set out at Item No. 2 of this Notice, for approval of the Members as a **Special Resolution**.

None of the Directors, Key Managerial Personnel or their relatives, are interested, financially or otherwise, in the Resolution as set out at Item No. 2 of this Notice.

**Details of Directors seeking appointment / re-appointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings.**

Name of the Director	Mr. ESHWARA CHANDRA VIDYA SAGAR VANKINENI
Director Identification Number	DIN – 07730724
Nationality	Indian
Date of birth	05-08-1958
Date of appointment	01/03/2017
Qualification	M Com.
Expertise in specific functional areas Experience	Mr. Eshwara Chandra Vidya Sagar Vankineni has around 30 years of experience in the fields of Commerce, Finance, Taxation and Accounting. He previously worked in Andhra Pradesh government undertaking in the capacity of Sr. Manager. His interests include reading, traveling etc. He studied Masters of Commerce (M. Com).
Directorships held in other companies in India (in Listed Company excluding this listed company)	Nil
Chairmanship/Membership of Committees held in other companies in India (in Listed Company excluding this listed company)	Nil
Relationship with other Directors and Key Managerial Personnel	Nil
Number of Equity shares held in the Company, including shareholding as a beneficial owner.	100
Details of Board/ Committee Meetings attended during the year	The details of his attendance are given in the Corporate Governance Report, which forms a part of this Annual Report.
Terms and conditions of Appointment	Board appointment him as the Member of the following mandatory committees of the Board of Directors of the company with effect from 30/05/2024. 1. Audit Committee;

	2. Nomination and Remuneration Committee and; 3. Stakeholders Relationship Committee
Details of Remuneration sought to be paid	Nil
Remuneration last drawn by the Director	Not applicable
Names of listed entities from which Director has resigned in the past three years.	Nil

BY ORDER OF THE BOARD  
For **SWARNA SECURITIES LIMITED**

**Sd/-**  
**(M. MURALI KRISHNA)**  
Chairman & Managing Director  
**DIN: 01889812**

**Regd. Office:**  
27-1-102, II Floor  
Governorpet, Vijayawada-520002

Date: 30.05.2024  
Place: Vijayawada

**DIRECTORS' REPORT**

Your directors take pleasure in presenting their 34th Annual Report and the Audited Financial Statements of the Company for the year ending 31<sup>st</sup> March, 2024.

(Rupees in Lakhs)

<b>FINANCIAL RESULTS:</b>	Current Year 31-03-2024	Previous Year 31-03-2023
Total Income	<b>127.33</b>	<b>121.10</b>
Less: Expenditure	34.41	31.35
Profit before depreciation	92.92	89.75
Less: Depreciation	05.41	03.08
Profit before tax	<b>87.51</b>	<b>86.68</b>
Less/Add: Provision for Taxation	16.00	15.47
Profit after tax	<b>71.51</b>	<b>71.20</b>
Earning per Equity share of face value of Rs.10/- each		
Basic	<b>2.38</b>	<b>2.37</b>
Diluted	<b>2.38</b>	<b>2.37</b>

**DIVIDEND:**

With an intention to retain the profits, the Board do not recommend any dividend for the year 2023-24.

**REVIEW OF OPERATIONS:**

With the surrender of the NBFC certificate of registration to the Reserve Bank of India, the Company has stopped the business of non-banking finance company. There has been no fresh issue of any loans during the year. The Company has only been collecting the outstanding dues from its borrowers. Therefore, there is no business in the Company, has some non-operating income in the form of rent / lease and dividend.

**PUBLIC DEPOSITS:**

The Company had neither accepted nor held any public deposits during the year under review. In pursuance to Clause 5 (Part III) of the Non-Banking Finance Companies (Reserve Bank) Directions, 1998, your Directors wish to state that as on 31<sup>st</sup> March, 2024 there are no depositors who have not claimed or to whom the amount was not paid by the Company after the date on which the deposits became due for repayment and as on date there are no deposits that are matured and remained unclaimed or deposits that are claimed and remained unpaid.

**FUTURE PROSPECTS:**

After coming out of the non-banking finance business as mentioned hereinabove, the Company is intending to venture in to real estate and infra development sector. Plans are afoot to diversify the activities of the company in to other business sectors.

**DIRECTORS AND KEY MANAGERIAL PERSONNELS:**

As of March 31, 2024, your Company's Board had 5 members comprising of 1 Executive Directors who is Managing Director of the Company and 3 Independent Directors and 1 Non-Executive Non-Independent Woman Director. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

As of March 31, 2024, your Company has 3 Key Managerial Personnels ("KMP"). One MD, one CFO and one Company Secretary and the details are as follows.

- |                          |   |  |
|--------------------------|---|--|
| 1. Sri M. Murali Krishna | : | Chairman and Managing Director         |
| 2. Sri M. Anil Kumar     | : | Compliance Officer & Company Secretary |
| 3. Sri Chaya Devi G      | : | Chief Financial Officer.               |

**APPOINTMENT / CESSATION / CHANGE IN DESIGNATION OF DIRECTORS:**

Smt. M.V.N.S. Sushma, is the only one Non-Executive Director on the Board who is liable for rotation as per the Act. She was rotated in the previous AGM held on Friday, the 30th day of June, 2023. Therefore, no other Director of the Company is liable for rotation at this AGM.

Sri Pradeep Kumar Jain, Independent Director and Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee resigned from the Board w.e.f. 23-01-2024 in view of his age, professional commitments. Therefore, your Board appointed Sri P. Nandadeep as an Independent Director and Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committees in the Board Meeting held on 31-01-2024, thereafter, his appointment was approved by the shareholders in the EGM held on 30<sup>th</sup> April, 2024.

**COMMITTEES OF BOARD:**

As required under the Act and the SEBI Listing Regulations, your Company has constituted various Statutory Committees. As on March 31, 2024, your Board has constituted the following statutory committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (LODR) Regulations, 2015 and there has been no change in the circumstances which may affect their status as an Independent Director.

The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules,

2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

**INDEPENDENT DIRECTORS' MEETING:**

The Independent Directors met on March 31, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and your Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and your Board that is necessary for your Board to effectively and reasonably perform their duties.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Your directors wish to confirm that:

- (i) in the preparation of annual accounts for the year ended 31st March, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (ii) such accounting policies have been selected and applied consistently and judgments and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2024 and of the profit of the company for the year ended on that date;
- (iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) accounts for the financial year ended on 31st March, 2024 are prepared on a going-concern basis.
- (v) internal financial controls to be followed by the Company has been laid down and such internal financial controls are adequate and are operating effectively; and
- (vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls with reference to the financial statements. During the year, such controls were tested and no reportable material weakness in design or operation were observed.

**CONSERVATION OF ENERGY&TECHNOLOGY ABSORPTION:**

Your Company not being a manufacturing company and no active business is carried out, therefore the Company has no much particulars to report in respect of Conservation of Energy and Technology Absorption as required under rule 8(3) of



the Companies (Accounts) Rules, 2014. However, efforts are made to further reduce energy consumption.

**Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

As per the provisions of Section 134(3)(m) of the Act 2013 and the rules made there-under relating to the information, the details on conservation of energy, technology absorption to the extent applicable are given below:

<b>(A) Conservation of energy: -</b>		
(i)	Steps taken or impact on conservation of energy	Your company accords highest priority to energy conservation and is committed for energy conservation measures including regular review of energy consumption and effective control on utilization of energy. The company has taken all steps to conserve energy in the workplaces by educating and training the employees to conserve energy.
(ii)	Steps taken for utilizing alternate sources of energy	The Company does not have any power generation units and did not produce / generate any renewal or conventional power.
(iii)	Capital investment on energy conservation equipment's	The capital investment on energy conservation equipment is insignificant.

<b>(B) Technology absorption: -</b>		
(i)	Efforts made towards technology absorption	The Company has adopted all new technology in terms of new software and hardware and latest machinery with automated processes available in the current Techno- environment and commensurate to the size, scale and complexity of its operations.
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution;	Technology absorption has helped the company to provide better and more accurate service to the customers.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) Details of technology imported	
	(b) Year of import	N.A
	(c) Whether the technology been fully absorbed	N.A
	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A
(iv)	Expenditure incurred on Research and Development	Revenue: Nil Capital : Nil

**C. Foreign Exchange Earnings and Outgo**

Particulars	31.03.2024 (Rs. Lakhs)
Foreign Exchange Earnings	0
Foreign Exchange Outgo	0

**STATUTORY AUDITORS AND REPORT:**

M/s. Seshadry & Company, Chartered Accountants, the Auditors of the Company, were appointed as such during the 32<sup>nd</sup> Annual General Meeting of the Company to hold office till the conclusion of the 37<sup>th</sup> Annual General Meeting. Therefore, they hold the office as statutory auditors of the Company till the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company.

The Audit Report is self-explanatory and the same is placed hereunder for your reference and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

**SECRETARIAL AUDITOR & REPORT:**

The Board has appointed Sri K. Hemachand, Practicing Company Secretary, to conduct the Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended 31st March, 2024 is annexed herewith as "Annexure - I". The report does not contain any qualification, reservation or adverse remark.

**COST AUDITOR AND DISCLOSURE ON MAINTENANCE OF COST RECORDS AS REQUIRED UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013**

The Company is not required to maintain the cost records in respect of its business under Section 148 of the Companies Act, read with Companies (Audit & Auditors') Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 for the FY 2023-24.

**SECRETARIAL STANDARDS**

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

**ANNUAL RETURN:**

Pursuant to Section 92(3) every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Accordingly, the Annual Return of the Company will be placed in the website of the company at <https://www.swarnasecurities.com/annual-report-MGT-9s.php>. This is publicly available in the MCA portal at [www.mca.gov.in](http://www.mca.gov.in) also.

**MEETINGS:**

A calendar of meetings is prepared and circulated in advance to the Directors. During the year Seven Board Meetings and four Audit Committee Meetings were convened and held and one meeting each of Nomination and Remuneration Committee and Stakeholders Relationship Committee was held; the complete details

of which are given in the Corporate Governance Report attached hereunder in the Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**LISTING:**

The shares of the Company were listed in BSE Ltd., Mumbai and the listing fee has been paid up to financial year 2023-24. The shares of the Company are being actively traded in the BSE stock exchange.

**INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV:**

The Company does not have any subsidiaries or JVs and Associate Companies.

**PARTICULARS OF EMPLOYEES:**

There are no employees covered in terms of the provisions of section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 to furnish the particulars mentioned in Rule 5(1) thereof.

**RISK MANAGEMENT FRAMEWORK:**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The present financial position of your Company does not mandate the implementation of corporate social responsibility activities pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013. The Company will constitute CSR Committee, develop CSR policy and implement the CSR initiatives whenever it is applicable to the Company.

**AUDIT COMMITTEE:**

The Board has constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition, attendance, powers and role of the Audit Committee are included in Corporate Governance Report. All their recommendations made by the Audit Committee were accepted by the Board of Directors.

**ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture,

execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Internal Audit Reports were reviewed periodically by Audit Committee as well as by the Board.

Further, the Board annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) is adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

#### **NOMINATION AND REMUNERATION POLICY:**

A committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 to recommend a policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and Evaluation of their performance and to recommend the same to the Board from time to time. The policy is also posted in the investors section of the company's website at <https://www.swarnasecurities.com/pdf/policies/Nomination-&-Remuneration-Policy.pdf>.

#### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER MATTERS:**

##### **(a) Procedure for Nomination and Appointment of Directors:**

The Nomination and Remuneration Committee has been formed pursuant to and in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of

Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Nomination and Remuneration policy for the Directors, Key Managerial Personnel and other employees pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

The remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Nomination and Remuneration policy of the Company.

The Nomination and Remuneration Policy and other matters provided in Section 178 (3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

**(b) Familiarization / Orientation program for Independent Directors:**

Your Board is regularly updated on changes in statutory provisions, as applicable to your Company. Your Board is also updated on the operations, key trends and risk universe applicable to your Company's business.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted. The company has conducted the following familiarization programmes to independent directors during the year.

S No	Topic Covered	Directors Attended	Duration	Date
1	Prevention of Harassment and abuse.	Sri Pradeep Kumar Sri V.E.Ch. Vidya Sagar Sri M. Karunakar	1 Hour	30 <sup>th</sup> May, 2023.
2	1. Insider Trading Programs 2. Business Ethics and Integrity	Sri Pradeep Kumar Sri V.E.Ch. Vidya Sagar Sri M. Karunakar	2 Hours	04 <sup>th</sup> August, 2023.
3	1. Corporate Governance and Role of Independent Directors Indian and Global scenario – Work Shop.  2. Financial Controls  3. the amendments in the Companies Act, 2013,	Sri P. Nandadeep Sri V.E.Ch. Vidya Sagar Sri M. Karunakar Sri P. Nandadeep	2.5 Hours	31 <sup>st</sup> January, 2024.

	Rules prescribed there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015			
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The details of familiarization programs for Independent Directors are also posted on the website of the Company at <https://www.swarnasecurities.com>.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

No Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013 are given during the financial year.

#### **DEPOSITS:**

The Company has neither accepted nor renewed any deposits falling within the provisions of Sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from the its member and public during the Financial Year.

#### **POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:**

Your Company strongly supports the rights of all its employees to work in an environment, free from all forms of harassment. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has proper procedures in place to address the concerns and complaints of sexual harassment and to recommend appropriate action.

The Company has not received any complaint on sexual harassment during the year.

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

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement if any, in the Company. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company at the following link:

<https://www.swarnasecurities.com/pdf/policies/Whistle-Blower-Policy.pdf>

#### **RELATED PARTY TRANSACTIONS:**

During the year under review, there were no related party transactions. Hence, a disclosure in Form AOC-2 is not applicable. As required under Regulation 46 (2) (g) of SEBI (LODR) Regulations, 2015, the Company has developed a Policy on Related Party Transactions in accordance with provisions of all applicable laws for the purpose of identification and monitoring of such transactions. The Policy on dealing with related party transactions is available on the website of the Company at the following link:

<https://www.swarnasecurities.com/pdf/policies/Policy-on-Related-Party-Transactions.pdf>

### **CODE FOR PREVENTION OF INSIDER TRADING**

Your Company has adopted a Code of Conduct ("**Code**") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/dealing in your Company's shares and sharing Unpublished Price Sensitive Information ("**UPSI**"). The Code covers your Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on your Company's website at <https://www.swarnasecurities.com/pdf/policies/Code-of-Insider-Trading.pdf>

The employees undergo a mandatory training / certification on this Code to sensitize themselves and strengthen their awareness.

### **CYBER SECURITY:**

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in cyber security.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

A detailed report on Management Discussion and Analysis as stipulated under clause 49 of the listing agreement is attached to this report.

### **CORPORATE GOVERNANCE REPORT:**

The Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of the per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a compliance report on Corporate Governance for the year 2023-24 and a Certificate from the Practicing Company is furnished, which form part of this Annual Report.

A detailed and separate report on Corporate Governance along with the certificates from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under clause 49 of the listing agreement, the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached hereunder to this report.

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

No orders passed by the Any Regulator / Courts which would impact the future operations / going concern status of the Company.



There are about Rs. 61.94 (excluding GST) SOP fines levied by the BSE for the delay submission of the disclosures under SEBI (LODR) Regulations, 2015 related to various quarter ranging from December, 2013 to September, 2020. However, certain SOP fines were not applicable to the Company as the CIRCULAR CIR/CFD/CMD/12/2015 dated November 30, 2015 came in to force w.e.f. Dec 01, 2015, therefore certain fines are not applicable to the Company.

The Company has been making required correspondence with the BSE for clarifying the same, however no development taken place and meanwhile there are amendments in the SOP fines waiver procedure.

Therefore, the Company had officially filed a waiver application with BSE on 03<sup>rd</sup> August, 2023 and following up for waiver of the fines.

**MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2023-24 of the Company and the date of the report.

**EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENT TILL THE DATE OF DIRECTORS' REPORT:**

There are no material changes and commitments affecting the financial position of the company between 31st March 2024 and the date of Board's Report.

**TRANSFER TO RESERVES / OTHER EQUITY:**

As permitted under the Act, your Board / Company has transferred the closing balance of the retained earnings of your Company for FY 2023-24, after all appropriations and adjustments to other Equity.

**SHARES AND SHARE CAPITAL:**

During the year under review there are no changes in the paid up and authorized share capital of the Company. The current authorized Capital of the Company is Rs.3,60,00,000 and Paid-up Capital is Rs. 3,00,00,000/- and face value of the equity share is Rs. 10/- each.

During the year under review no allotments of shares.

**DIVIDEND DISTRIBUTION POLICY**

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI Listing Regulations is available on your Company's website on <https://www.swarnasecurities.com/pdf/policies/Dividend-Distribution-Policy.pdf>.

**GENERAL DISCLOSURES:**

As per Section 134 (3), other applicable provisions of the Companies Act 2013 and the rules made thereunder, the following disclosures are made by your board of directors:

a. There are no applications filed against the company under Insolvency and Bankruptcy Code ("IBC") 2016 during the year.

b. No frauds have been reported by the Statutory Auditors under Section 143 of the Companies Act.



- c. No equity shares with differential voting rights were issued during the year.
- d. No securities were issued under Issue of Shares (Including Sweat Equity Shares) to employees of your Company under any scheme.
- e. no one time settlement of loan obtained from the Banks or Financial Institutions.
- f. No revision of financial statements and Directors' Report of your Company during the period under review.

**APPRECIATION:**

Your directors wish to place on record their sincere appreciation to the Company's customers, Bankers, Financial Institutions and shareholders for their continued support and faith in the Company. A word of appreciation is also due to the employees of the Company for their hard work and commitment.

**For and on behalf of the Board  
Swarna Securities Limited**

**Place: VIJAYAWADA  
Date : 30.05.2024**

**Sd/-  
M. Murali Krishna  
Chairman & Managing Director  
DIN: 01889812**

## Annexure - I

**Form NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To  
**The Members,**  
**Swarna Securities Limited.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SWARNA SECURITIES LIMITED** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2024, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2024, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under:
- ii. The Securities Contract (Regulation) Act, 1956('SCRA') and the Rules made there under:
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under,

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (up to 14<sup>th</sup> may 2015) and Securities and Exchange

Board of India (Prohibition of Insider Trading) Regulations, 2015 (Effective From 15<sup>th</sup> May 2015);

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not Applicable as The Company Has Not Issued Any Further Share Capital During the Period Under Review]**
  - d) The Securities and Exchange Board of India (share-based employee benefits) Regulations, 2014; **[Not applicable to the Company during the period of audit];**
  - e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008 **[Not applicable to the Company during the period of audit];**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Company Act and dealing with client; **[Not applicable as the Company is not registered as the registrar to the issue and share transfer agent during the financial year under review of audit]**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares Regulations, 2009; **(Not applicable to the Company during the period of audit);** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the period of audit).**
- v. other laws specifically applicable to the company as per the representations made by the management.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India was applicable and compiled.
- ii. The Listing Agreements entered into by the Company with BSE Limited.
- iii. The Company has given all publications as required relating to Board Meetings, Annual General Meetings, audited and unaudited financial results etc.
- iv. Section 203 of the Companies Act, 2013 is complied. The company had appointed a qualified Company Secretary as Compliance Officer of the Company as per regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- v. The website of the Company is updated as per the requirements.
- vi. The company has appointed the internal auditor and met the compliance.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We further report that the shares of the company listed with BSE Limited. The report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Place : VIJAYAWADA  
Date : 30.05.2024

Sd/-  
**CS KODE HEMACHAND**  
**Company Secretary in Practice**  
**Mem. No. 35463**  
**CP No. 13416**  
**UDIN: A035463F000513072**

**'ANNEXURE A'**

To  
**The Members,  
Swarna Securities Limited**

Our Secretarial Audit Report of even Date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the further viability of the company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the Company.

Place : VIJAYAWADA  
Date : 30.05.2024

Sd/-  
**CS KODE HEMACHAND**  
**Company Secretary in Practice**  
**Mem. No. 35463**  
**CP No. 13416**

## **REPORT ON CORPORATE GOVERNANCE**

- I. Your Company has been practicing the principles of good corporate governance and lays a strong emphasis on transparency, accountability and integrity. All the matters of strategy, significant developments etc., are routinely placed before the Board. The Audit, Nomination and Remuneration Committee and Stakeholders Relationship Committee meet regularly to consider the aspects relevant to each committee.

### **II. BOARD OF DIRECTORS**

- a) Composition and Category of Directors as on 31st March, 2024

S No	Name of Director	Category	Designation	No. of shares held
1	Sri M. Murali Krishna	Executive Director	Chairman and Managing Director	7,18,750
2	Smt. M.V.N.S. Sushma	Non-Executive Director and Non-Independent Women Director	Director	2,37,400
3	Sri P. Nandadeep	Non-Executive Independent Director	Director	695
4	Sri M. Karunakar	Non-Executive Independent Director	Director	NIL
5	Sri V.E.Ch. Vidya Sagar	Non-Executive Independent Director	Director	100

### **Selection criteria of Board Members**

The Nomination and Remuneration Committee in accordance with the Company's Policy for determining the qualifications, positive attributes and independence of director and the requirements of the skill-sets of the Board considers eminent persons having an independent standing in their respective field and who can effectively contribute to the Company's business, for appointment of new Directors on the Board. The Policy for determining the qualifications, positive attributes and independence of director is available on the website of the Company.

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual member. The Company has adopted Guidelines on selection criteria of Board members, which is available on the website of the Company.

### Skills of Directors

Your Board aims to be comprised of Directors with the appropriate mix of skills, experience, expertise and diversity relevant to the Company's business and the Board's responsibilities. The objectives of the skills matrix adopted by the Board are to:

- \* Identify the skills, knowledge, experience and capabilities that are considered to be desirable by Board as a whole, in order for the Board to fulfill its role and in light of the Company's strategic direction;
- \* Ascertain the current skills, knowledge, experience and capabilities of the Board, and provide the incumbent Directors with an opportunity to reflect upon and discuss the current composition of the Board; and
- \* Identify any gaps in skills or competencies that can be addressed in future Director Appointments.

Your Board considers the following key skills set out in the matrix collectively, which it considered to be desired of the Board of Directors of the Company:

### Board skills and experience

- S1- Industry expertise
- S2- Executive leadership and Board experience
- S3- Expertise in financial matters
- S4- Corporate Governance
- S5- Strategy & Risk Management
- S6- Health, safety, environment and sustainability
- S7- M&A/Capital Markets
- S8- Sales, Marketing and Market Strategy

### Board Competency Matrix:

Board of Directors	S1	S2	S3	S4	S5	S6	S7	S8
Sri M Murali Krishna	/	/	/	/	/	/	/	/
Smt. M.V.N.S. Sushma	/	/	/	/	/	/	/	X
Sri Pradeep Kumar Jain	/	/	/	/	/	/	/	/
Sri Karunakar Mandava	/	/	/	/	X	X	/	/
Sri V.E.Ch. Vidya Sagar	/	/	/	/	/	/	/	/
Sri P. Nandadeep	/	X	/	/	/	/	X	/

The current composition of your Company's Board includes directors with core industry experience and has all the key skills and experience set out above.

### Relationship among Directors

None of the Independent Directors are related to each of other Directors on the Board. Sri M Murali Krishna and Smt. M.V.N.S. Sushma are husband and wife.

b) Attendance of each Director at the Board Meetings and the last AGM

Director Attendance	No. of Board Meetings held	No of Board Meetings Attended	Last AGM (Yes/No)
Sri M. Murali Krishna	07	07	Yes
Smt. M.V.N.S. Sushma	07	07	Yes
Sri Pradeep Kumar	07	06	Yes
Sri P. Nandadeep	07	01	No
Sri M. Karunakar	07	07	Yes
Sri V.E.Ch. Vidya Sagar	07	07	Yes

c) Number of Other Directorships or Board Committees he/she is a member or chairperson of

Name of Director	Number of Directorships	No of Member ships in Board Committees Other than SSL	Whether Member or Chairman
Sri M. Murali Krishna	09	0	-
Sri M.V.N.S.Sushma	06	0	-
Sri P. Nandadeep	0	0	Chairman
Sri M. Karunakar	0	0	-
Sri V.E.Ch. Vidya Sagar	0	0	-

d) Number of Board Meetings held and dates on which held

Seven Board Meetings were held during the financial year from 01.04.2023 to 31.03.2024. The dates on which the meetings were held are as follows:

25.04.2023, 30.05.2023, 30.06.2023, 04.08.2023, 09.10.2023, 13.11.2023 and 31.01.2024.

**III. AUDIT COMMITTEE:**

a) Terms of Reference:

The responsibilities of the Audit Committee include the overseeing of the financial reporting process to ensure a proper disclosure of the financial statements; recommending appointment/removal of the external auditors and fixing their remuneration; reviewing the quarterly, half yearly and annual financial results before submission to the Board; reviewing the adequacy of internal control systems; structure and staffing of the internal audit function, reviewing findings of the internal investigations and to make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report.



## b) Composition

The Audit Committee has been formed in compliance of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 177 of the Companies Act, 2013 comprising of 3 Independent Non-Executive Directors. The Following are the members of the Committee

---

1.	Sri Pradeep Kumar Jain	Chairman (Up to 23-01-2024)
2.	Sri M. Karunakar	Member
3.	Sri V.E.Ch. Vidya Sagar	Member
4.	Sri P. Nandadeep	Chairman (W.e.f. 31-01-2024)

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## c) Meetings and Attendance of the Audit Committee during the year

A total of 4 meetings were held during the financial year from 01.04.2023 to 31.03.2024 on 30.05.2023, 04.08.2023, 13.11.2023 and 31.01.2024.

All the Members and the Chairman attended all the meetings.

**IV. NOMINATION AND REMUNERATION COMMITTEE:**

a) The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Independent Non-Executive Directors. The Following are the members of the Committee.

## b) Composition

---

1.	Sri Pradeep Kumar Jain	Chairman (Up to 23-01-2024)
2.	Sri M. Karunakar	Member
3.	Sri V.E.Ch. Vidya Sagar	Member
4.	Sri P. Nandadeep	Chairman (W.e.f. 31-01-2024)

---

c) Meetings and Attendance of the Nomination and Remuneration Committee during the year.

One meeting was held during the financial year from 01.04.2023 to 31.03.2024 on 31.01.2024.

All the Members and the Chairman attended the meeting.

**REMUNERATION OF DIRECTORS:****All pecuniary relationship or transactions of the Non-Executive Directors:**

The Company has not entered into any pecuniary transactions with the Non-Executive Directors. During the year, the Company has not paid any sitting fee or commission to any Directors.

**Criteria of making payments to Non-Executive Directors:**

The Non-Executive Directors are not paid any payment during the year. The complete details of the Criteria of making payments to Non-Executive Directors are available in the Nomination and Remuneration Policy available in the following link of the website of the Company.

<https://www.swarnasecurities.com/pdf/policies/Nomination-&-Remuneration-Policy.pdf>

**Disclosure with respect to remuneration:**

During the year, the Company has not paid Remuneration to any Directors, KMP and other Employees.

The complete details of the Remuneration Policy of the Company are available in the Nomination and Remuneration Policy available in the following link of the website of the Company.

<https://www.swarnasecurities.com/pdf/policies/Nomination-&-Remuneration-Policy.pdf>

**V. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

- a) The Board has constituted the Share Holders Committee which looks into shareholders and investors grievances. The Following are the members of the Committee.
- b) Composition

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Independent Non-Executive Directors. The Following are the members of the Committee

1.	Sri Pradeep Kumar Jain	Chairman (Up to 23-01-2024)
2.	Sri M. Karunakar	Member
3.	Sri V.E.Ch. Vidya Sagar	Member
4.	Sri P. Nandadeep	Chairman (W.e.f. 31-01-2024)

- c) Meetings and Attendance of the Share Holders Committee during the year

One meeting was held during the financial year from 01.04.2023 to 31.03.2024 on 31.01.2024.

All the Members and the Chairman attended all the meeting.

- d) During the year 2023-24, no shares were transferred and as at 31st March, 2024 there are no equity shares pending for transfer.

**Complaints:-**

There are no complaints received during the year under review and as on 31st March, 2024 there are no complaints that are pending. Since the company has an in-

house secretarial department in addition to the common agency for transfers, the shareholders grievances, if any are promptly attended to.

**For any queries / grievance, please contact:**

Name of the Compliance Officer	:	M. Anil Kumar
Designation	:	Company Secretary & Compliance Officer
Address	:	2nd Floor, Swarnalok Complex, Eluru Road, Governorpet, Vijayawada, Andhra Pradesh 520002, India.
Tel.	:	+91-0866-2575928
Email	:	<a href="mailto:swarnasecurities@rediffmail.com">swarnasecurities@rediffmail.com</a>

**VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The present financial position of your Company does not mandate the implementation of corporate social responsibility activities pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013. The Company will constitute CSR Committee, develop CSR policy and implement the CSR initiatives whenever it is applicable to the Company. At present, the Company does not have any CSR Committee.

**VII. RISK MANAGEMENT COMMITTEE:**

The Company is not required to constitute Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**VIII. CODE OF CONDUCT:**

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website at the [following link](#).

<https://www.swarnasecurities.com/pdf/policies/Code-of-Conduct-Directors-&Senior-Management.pdf>

**IX. MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors met on 31.01.2024, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

**X. FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS:**

A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

The following familiarization programs for Independent Directors were conducted during the year 2023-2024 and the same are posted on the website of the Company.

S No	Topic Covered	Directors Attended	Duration	Date
1	Prevention of Harassment and abuse.	Sri Pradeep Kumar Sri V.E.Ch. Vidya Sagar Sri M. Karunakar	1 Hour	30 <sup>th</sup> May, 2023.
2	1. Insider Trading Programs 2. Business Ethics and Integrity	Sri Pradeep Kumar Sri V.E.Ch. Vidya Sagar Sri M. Karunakar	2 Hours	04 <sup>th</sup> August, 2023.
3	1. Corporate Governance and Role of Independent Directors Indian and Global scenario – Work Shop.  2. Financial Controls  3. the amendments in the Companies Act, 2013, Rules prescribed there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Sri P. Nandadeep Sri V.E.Ch. Vidya Sagar Sri M. Karunakar Sri P. Nandadeep	2.5 Hours	31 <sup>st</sup> January, 2024.

## XI. PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such

as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

## XII. ANNUAL GENERAL MEETINGS:

The Location and Time of the Annual General Meetings held during the last 3 years are as follows:

AGM	Date	Time	Venue	No of Special Resolutions
31 <sup>st</sup>	25.09.2021	11.00AM	D.No.54-15-3, Ring Road, Vijayawada	1*
32 <sup>nd</sup>	21.07.2022	11.00 A.M	D.No.54-15-3, Ring Road, Vijayawada	Nil
33 <sup>rd</sup>	30.06.2023	11.00 A.M	D.No.54-15-3, Ring Road, Vijayawada	Nil

\* Appoint Mr. Karunakar Mandava (DIN: 07256176) as an Independent Director of the Company.

For the year ended 31st march, 2024 there have been no ordinary or special resolutions passed by the Company's shareholders through postal ballot.

## XIII. DISCLOSURES:

- There are no non-compliances by the Company, penalties imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years except certain penalties related to SOP Fines as described in the Board's Report.
- No personnel have been denied direct access to the Audit Committee.
- All the mandatory requirements with respect to Corporate Governance (Clause 49 of listing agreement) are complied with.

## XIV. MEANS OF COMMUNICATION:

The unaudited quarterly and annual financial results are sent to all the stock exchanges (I.e. BSE only) where the shares of the Company are listed. The results are also published in newspapers within 48 hours from the conclusion of the Board meeting. All the quarterly financial statements, annual reports, disclosures to stock exchange are generally published in the website of the company at <https://www.swarnasecurities.com/index.php>.

The were no presentations made to institutional investors or to the analysts during the year.

The Whistle Blower policy of the company is available in the website of the Company at <https://www.swarnasecurities.com/pdf/policies/Whistle-Blower-Policy.pdf>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

**a) INDUSTRY STRUCTURE AND DEVELOPMENT:**

With the surrender of the certificate of registration to the Reserve Bank of India, the Company has stopped the business of non-banking finance company. There has been no fresh issue of any loans during the year. The Company has only been collecting the outstanding dues from its borrowers.

**b) OPPORTUNITIES AND THREATS:**

The Company is prospecting entry into the real estate sector.

**c) SEGMENT WISE PERFORMANCE:**

The Company as of now is not into non-banking finance business and has only been liquidating its financial assets by collecting its dues - the performance of which was discussed earlier in the report.

**d) RISKS AND CONCERNS:**

**Risk of delayed receipt of installments:**

In case of delayed receipts of installment amounts of the hire purchase finance given, the funds of the Company get blocked resulting in high non-performing assets.

To mitigate this risk, the Company is trying to put pressure on the delayed payers for payment of installments and in inevitable cases legal action is also being initiated.

**Risk of insolvency of the borrowers:**

Where the borrower becomes insolvent, and is unable to clear the loan, the same becomes a bad debt and the total loan amount and the interest accrued thereon becomes a charge on the income generated by other good transactions.

To mitigate this risk, the company follows a very conservative policy of lending.

**e) INTERNAL CONTROL SYSTEMS:**

The Company has an adequate system of internal control and management with respect to disbursement of loans and follow-up action for collection of installments.

**f) HUMAN RESOURCES:**

There are no significant developments in this front during the year under review.

**XV. GENERAL SHAREHOLDERS' INFORMATION:**

- i) AGM Date, Time and Venue : 28<sup>th</sup> June, 2024 at 10.00 A.M.  
M Hotel, D.No. 54-15-3, Ring Road,  
Vijayawada - 520008.
- ii) Financial Year : 2023-24
- iii) Date of Book Closure : 22<sup>nd</sup> June, 2024 to 28<sup>th</sup> June, 2024  
(Both days inclusive)
- iv) Dividend Payment Date : Not Applicable
- v) Listing on Stock Exchanges : BSE Limited
- vi) Stock Code : SWRNASE
- vii) Market Price Data :

	<b>Apr. 2023</b>	<b>May 2023</b>	<b>June 2023</b>	<b>July 2023</b>	<b>Aug. 2023</b>	<b>Sep. 2023</b>
<b>High</b>	62.09	165.00	135.30	72.69	65.73	43.87
<b>Low</b>	36.10	59.00	54.15	62.70	35.06	33.31
	<b>Oct. 2023</b>	<b>Nov. 2023</b>	<b>Dec. 2023</b>	<b>Jan. 2024</b>	<b>Feb. 2024</b>	<b>Mar. 2024</b>
<b>High</b>	46.85	42.29	42.36	69.41	102.50	75.82
<b>Low</b>	36.00	39.80	34.55	36.20	72.54	58.15

- viii) Performance in comparison to Broad based indices:



- ix) Registrar & Transfer Agents : M/s Aarthi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad- 500029.  
Email: info@aarthiconsultants.com  
Phone: 040-27638111



x) Share transfer System : Transfers and dematerialization are handled by the Transfer Agents.

xi) Distribution of shareholding:

Slab of share holding	Share holders	Percentage	No of shares	Percentage
0-500	640	78.53	102577	3.42
501-1000	102	12.52	85666	2.85
1001-2000	34	4.17	54325	1.81
2001-3000	10	1.22	24120	0.80
3001-4000	5	0.61	17700	0.59
4001-5000	7	0.86	32200	1.07
5001-10000	4	0.49	31200	1.04
10001 and above	13	1.60	2652212	88.42
<b>TOTAL</b>	<b>811</b>	<b>100</b>	<b>3000000</b>	<b>100</b>

xii) Dematerialization of Shares and liquidity : As on 31.03.2024 a total number of 2561950 shares have been dematerialized.

xiii) Outstanding GDRs/ADRs/ Warrants or any Convertible : The Company has not issued any GDRS/ADRs/ warrants or any Debentures instruments.

xiv) Plant Location : No Plants

xv) Address for Correspondence : Swarna Securities Limited  
II Floor, Swarnalok Complex  
Governorpet, Vijayawada - 520002

#### Dematerialization mandatory for effecting share transfers:

SEBI has vide proviso to Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, the Company shall not process any requests for transfer of shares in physical mode. Shareholders who desire to demat their shares can get in touch with any Depository Participant having registration with SEBI to open a demat account and follow the procedure for share transfers.

#### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct and Ethics for Board of Directors and Senior

Management Personnel laid down by the Company, as applicable to them for the year ended 31st March, 2024.

**For Swarna Securities Limited**

**Place: VIJAYAWADA**

**Date : 30.05.2024**

**Sd/-**

**M. Murali Krishna  
Chairman & Managing Director  
DIN: 01889812**

**CERTIFICATION BY MANAGING DIRECTOR (MD)**  
**AND CHIEF FINANCIAL OFFICER (CFO)**

We, the under signed to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended 31st March, 2024 and to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. We have indicated to the auditors and the Audit Committee that:
  - I. There have been no significant changes in the internal control over financial reporting during the year;
  - II. There have been no significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - III. there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Swarna Securities Limited**

**Place: VIJAYAWADA**

**Date :30.05.2024**

**Chaya Devi G**  
**Chief Financial Officer**

**M. Murali Krishna**  
**Chairman & Managing Director**  
**DIN: 01889812**

**CERTIFICATE ON CORPORATE GOVERNANCE**  
**BY PRACTICING COMPANY SECRETARY ("PCS")**

To,  
The Members,  
**Swarna Securities Limited**

I have examined the compliance of conditions of Corporate Governance by Swarna Securities Limited ('the Company') for the year ended 31st March, 2024 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations. The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

**CS Kode Hemachand**  
Practicing Company Secretary  
Mem. No. 35463  
CP No. 13416  
UDIN: A035463F000513105

Date :30/05/2024  
Place: Vijayawada

**CERTIFICATE ON QUALIFICATION OF DIRECTORS**

(Pursuant to Schedule V(C)(10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by Swarna Securities Limited, having its registered office at 2nd Floor, Swarnalok Complex, Eluru Road, Governorpet, Vijayawada, Andhra Pradesh – 520002 and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on March 31, 2024, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

**CS Kode Hemachand**

Practicing Company Secretary

Mem. No. 35463

CP No. 13416

UDIN: A035463F000513061

Date :30/05/2024

Place : Vijayawada

**AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To  
The Members  
SWARNA SECURITIES LIMITED.

We have examined the compliance of conditions of Corporate Governance by M/s **Swarna Securities Limited** for the year ended 31<sup>st</sup> March, 2024 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period of one month against the Company as per records maintained by the Shareholders / Investor's Grievances Committee.

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

PLACE: Vijayawada  
DATE: 30/05/2024  
UDIN: 24216211BKACGK9591

For **SESHADRY & COMPANY**  
**Chartered Accountants**  
**FRN: 004993S**

**Sd/-**  
**(L. S. RAJENDRA)**  
**Partner**  
**M. No. 216211**



**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
SWARNA SECURITIES LIMITED.

**Opinion**

We have audited the accompanying financial statements of M/s **Swarna Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, and its profit, changes in equity and its cash flows for the year ended on that date.

**Basis for opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Key Audit Matters**

We have determined that there are no key audit matters to communicate in our report.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibilities for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, We are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in *Annexure-A* a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in *Annexure-B*; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us and as per the records of the Company examined by us, we report that the Company has not paid any remuneration to its directors during the year.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations as on 31<sup>st</sup> March, 2024 on its financial position in its standalone financial statements. (Refer Item 8 of Significant Accounting Policies & Notes on Accounts to the standalone financial statements).
- ii. the Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(b) The Management has represented that to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For SESHADRY & COMPANY  
Chartered Accountants  
FRN: 004993S

(L. S. RAJENDRA)

M.No.216211

**ANNEXURE-A: Statement on the matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.  
(B) The Company does not have any intangible assets. Hence, reporting under clause 3(i)(a)(B) of the Order is not applicable.
- (b) The Property, Plant and Equipment are physically verified by the Management in a phased manner so as to cover all the items over a period of five years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us and as per the records of the Company examined by us no material discrepancies have been noticed on such verification.
- (c) As per the records of the Company examined by us the title deeds to all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and as per the records of the Company examined by us the Company has not revalued its Property, Plant and Equipment during the year. Hence, reporting under clause 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. Therefore, the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- (ii) (a) According to the information and explanations given to us the business of the Company does not involve holding any inventories. Hence, reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not been sanctioned any working capital limits during the year on the basis of security of its current assets. Hence, reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not made any investment in, provided any security or granted any loans or advances in the nature of loans, secured or unsecured, to any company, firm, LLP or any other party during the year. Hence, reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not given any loans or made any investments or given any guarantees or securities specified under sections 185 and 186 of the Act. Hence, reporting under clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and as per the records of the Company examined by us the Company has not accepted any deposits or amounts which are deemed to be deposits, from the public. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of any cost records in respect to the activities of the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.

- (vii) (a) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues applicable to it with the appropriate authorities. There are no undisputed amounts of any statutory dues that were in arrears as at the Balance Sheet date, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and as per the records of the Company examined by us the particulars of the statutory dues as at 31<sup>st</sup> March, 2024 which have not been deposited on account of dispute are as follows:

Name of the statute	Nature of dues	Amount disputed (Rs.)	Amount paid out of the disputed amount (Rs.)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,53,78,460	30,76,000	2014-15	Commissioner (Appeals)

- (viii) According to the information and explanations given to us and as per the records of the Company examined by us the Company has not surrendered or disclosed as income during the year in any tax assessments under the Income Tax Act, 1961, in respect of any transactions previously not recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us and as per the records of the Company examined by us, the Company did not have any loans or borrowings from any lenders during the year. Hence, reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not been declared a wilful defaulter by any bank, financial institution or other lender.
- (c) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not availed any term loans during the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, as per the records of the Company examined by us and on an overall examination of the financial statements of the Company, no funds have been raised on short term basis by the Company. Hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not raised any loans during the year on the pledge of any securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not raised any moneys by way of initial public offer or further public offer during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Hence, reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and

- according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) According to the information and explanations given to us and as per the records of the Company examined by us, no report in Form ADT-4 under sub-section (12) of section 143 has been filed during the year.
  - (c) According to the information and explanations given to us and as per the records of the Company examined by us no whistle blower complaints have been received by the Company during the year. Hence, reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company. Hence, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable; and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us and as per the records of the Company examined by us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of internal audit for the period under audit have been considered by us.
- (xv) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not entered into any non-cash transactions with any director or any person connected with him. Hence, reporting under clause 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is no longer in to non-banking finance business since it surrendered its certificate of registration under section 45-IA of the Reserve Bank of India Act, 1934 on 15.10.2015. Hence, the Company is not required to registered under the said section 45-IA of the RBI Act.
- (b) According to the information and explanations given to us and as per the records of the Company examined by us the Company has not conducted any non-banking financial or housing finance activities during the year.
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Company does not belong to any Group that has any Core Investment Company as part of the Group. Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses during the financial year under audit, nor during the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors during the year under audit. Hence, reporting under clause 3(xviii) of the Order is not applicable.
- (xix) On an analysis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on the examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of

(xx) According to the information and explanations given to us and as per the records of the Company examined by us the provisions of section 135 are not applicable to the Company for the year under audit. Hence, reporting under clause 3(xx) of the Order is not applicable.

(xxi) The Company does not have any subsidiaries or associate companies so as to require preparation of consolidated financial statements under sub-section (3) of section 129. Hence, reporting under clause 3(xxi) of the order is not applicable.

[illegible]

## **ANNEXURE-B: Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of M/s **Swarna Securities Limited** ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised

acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE: Vijayawada  
DATE: 30/05/2024  
UDIN: 24216211BKACGJ5433

*For* SESHADRY & COMPANY  
Chartered Accountants  
FRN: 004993S

LINGAMBHOTLA  
SUBRAHMANYA  
RAJENDRA

Digitally signed by LINGAMBHOTLA SUBRAHMANYA RAJENDRA  
DN: c=IN, o=PERSONAL, ou=INDIA,  
email=lingambhotla.subrahmanya.rajendra@gmail.com,  
2.5.4.0=lingambhotla.subrahmanya.rajendra@gmail.com,  
1.1.1=lingambhotla.subrahmanya.rajendra@gmail.com,  
lingambhotla.subrahmanya.rajendra@gmail.com,  
1.1.1=lingambhotla.subrahmanya.rajendra@gmail.com,  
Date: 2024.05.30 12:38:59 +05'30'

(L. S. RAJENDRA)  
Partner  
M.No.216211



## BALANCE SHEET AS AT 31st MARCH, 2024

	Note No.	As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	1	1162613	1361713
Investment Property	2	35859106	35859106
Deferred tax assets (net)	3	64940	64940
Other non-current assets	4	9555993	15155993
<b>Current assets</b>			
Financial Assets			
Investments	5	7609746	609746
Cash and cash equivalents	6	8527116	1726688
Loans	7	0	958000
Other current assets		0	0
Total Assets		62779514	55736186
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	8	30000000	30000000
Other Equity	9	27599757	20448588
<b>Total Equity</b>		57599757	50448588
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Provisions		0	0
Other non-current liabilities	10	5044530	5044530
<b>Current liabilities</b>			
Other current liabilities	11	135227	243068
<b>Total Liabilities</b>		5179757	5287598
Total Equity and Liabilities		62779514	55736186

As per our report of even date  
**For SESHADRY & COMPANY**  
Chartered Accountants  
FRN: 004993S

(L S RAJENDRA)  
Partner  
M.No.216211

(M.ANIL KUMAR)  
Company Secretary  
M.No. A27989

Vijayawada, 30th May, 2024

For and on behalf of the Board

(M.MURALIKRISHNA)  
Managing Director  
DIN: 01889812

(M.V.N.S.SUSHMA)  
Director  
DIN: 01890545

(G. CHAYA DEVI)  
CFO  
PAN: AWUPG1252C

**Swarna Securities Limited****STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH, 2024**

(Rs.)

	Note No.	2023-24	2022-23
<b>Income</b>			
Revenue from operations		0	0
Other Income	12	12733085	12109900
<b>Total Income</b>		<b>12733085</b>	<b>12109900</b>
<b>Expenses</b>			
Employee benefits expense	13	1296000	1155000
Finance costs		0	0
Depreciation and amortization expenses	14	540700	307813
Other expenses	15	2145216	1979546
<b>Total expenses</b>		<b>3981916</b>	<b>3442359</b>
<b>Profit/(loss) before tax</b>		<b>8751169</b>	<b>8667542</b>
Tax expense:			
Current tax - current year		1600000	1700000
- previous years		0	-152804
Deferred tax		0	0
<b>Profit/(loss) for the year</b>		<b>7151169</b>	<b>7120345</b>
Earning per Equity share of face value of Rs.10/- each			
Basic		2.38	2.37
Diluted		2.38	2.37

As per our report of even date  
**For SESHADRY & COMPANY**  
**Chartered Accountants**  
**FRN: 004993S**

For and on behalf of the Board

**(L S RAJENDRA)**  
**Partner**  
**M.No.216211**

**(M.MURALIKRISHNA)**  
**Managing Director**  
**DIN: 01889812**

**(M.ANIL KUMAR)**  
**Company Secretary**  
**M.No. A27989**

**(M.V.N.S.SUSHMA)**  
**Director**  
**DIN: 01890545**

Vijayawada, 30th May, 2024

**(G. CHAYA DEVI)**  
**CFO**  
**PAN: AWUPG1252C**

**SWARNA SECURITIES LIMITED**  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2024

PARTICULARS	Amount in Rs.	
	31.03.2024	31.03.2023
<b>I. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	8751169	8667542
<u>Add/Less: Adjustments for</u>		
Provision/(Reversal) for NPAs	0	0
Depreciation	540700	307813
<i>Operating profit before working capital changes</i>	9291869	8975355
<u>Add/Less: Adjustments for working capital</u>		
Increase/Decrease in Loans	958000	0
Increase/Decrease in Other Current Assets	0	118000
Increase/Decrease in Current Liabilities	13810	27700
Cash generated from operations	10263679	9121055
Less: Direct taxes paid	1721652	1531281
<i>Net cash used in operating activities</i>	8542028	7589774
<b>II. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant & equipments and Intangible assets	(341600)	(8309138)
Disposal of Property, Plant & equipments and Intangible assets	0	0
Increase/Decrease in Other non-current assets	(1400000)	1819027
Increase/Decrease in Other non-current liabilities	0	0
<i>Net cash used in Investing activities</i>	(1741600)	(6490111)
<b>III. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of Share Capital	0	0
Share Application Received	0	0
Proceeds from Long-term borrowings	0	0
<i>Net cash from financing activities</i>	0	0
Net increase / decrease in cash and cash equivalents	6800428	1099663
Cash and cash equivalents at the beginning of the period	1726688	627025
Cash and cash equivalents at the end of the period	8527116	1726688
Net increase / decrease in cash and cash equivalents	6800428	1099663

As per our report of even date  
For **SESHADRY & COMPANY**  
Chartered Accountants  
FRN: 004993S

(L S RAJENDRA)  
Partner  
M.No.216211

(M.ANIL KUMAR)  
Company Secretary  
M.No. A27989

Vijayawada, 30th May, 2024

For and on behalf of the Board

(M.MURALIKRISHNA)  
Managing Director  
DIN: 01889812

Sd/-  
(M.V.N.S.SUSHMA)  
Director  
DIN: 01890545

(G. CHAYA DEVI)  
CFO  
PAN: AWUPG1252C

## NOTES TO FINANCIAL STATEMENTS

## 1. Property, Plant and Equipment

Name of the Asset		Date of purchase	Gross Block				Depreciation			Net Block	
		Cost	Addition	Sale	Total	Upto	For the	Sale	Total	W.D.V	W.D.V
		31.03.2023		/Tfr	cost	31.03.2023	year	/Tfr	31.03.2024	31.03.2023	31.03.2024
Furniture & Fittings		609590			609590	606439	3151		609590	3151	0
Computer & Printer		305205			305205	290548	9257		299805	14657	5400
Electrical Fittings		61151			61151	60225	926		61151	926	0
Airconditioner		56150			56150	54666	1484		56150	1484	0
Hero Honda		40442			40442	40077	365		40442	365	0
Vehicles		1637958	341600		1979558	296828	525517		822345	1341130	1157213
TOTAL		2710496	341600	0	3052096	1348783	540700	0	1889483	1361713	1162613

## 2. Investment Property

Investment Property		Gross Block				Depreciation			Net Block		
Name of the Asset	Date of purchase	Cost	Addition	Sale	Total	Upto	For the	Sale	Total	W.D.V	W.D.V
		31.03.2023		/Tfr	cost	31.03.2023	year	/Tfr	31.03.2024	31.03.2023	31.03.2024
Land & Building		35859106		0	35859106	0		0		35859106	35859106
TOTAL		35859106	0	0	35859106	0		0		35859106	35859106

1. Property, plant and equipment were tested for impairment during the year and no impairment losses or its reversals have been recognised on such analysis.
2. The title deeds of all the immovable properties are held in the name of the Company only.
3. The Company has not revalued its Property, Plant and Equipment during the year.
4. The Company does not hold any intangible assets.

As per our report of even date  
**For SESHADRY & COMPANY**  
**Chartered Accountants**  
**FRN: 004993S**

Sd/-  
**(L S RAJENDRA)**  
**Partner**  
**M.No.216211**

Vijayawada, 30th May, 2024

For and on behalf of the Board

Sd/-  
**(M. MURALI KRISHNA)**  
**DIN: 01889812**

Sd/-  
**(M.V.N.S.SUSHMA)**  
**Director**  
**DIN: 01890545**

## NOTES TO FINANCIAL STATEMENTS

	As at 31.03.2024	As at 31.03.2023
<b>3. Deferred tax assets</b>		
Balance for the year	64940	64940
	<u>64940</u>	<u>64940</u>
<b>4. Other non-current assets</b>		
Telephone Deposit	4000	4000
Electricity Deposit	65993	65993
Advance for land	6410000	12010000
Income tax paid for the earlier years	3076000	3076000
	<u>9555993</u>	<u>15155993</u>
<b>5. Investments - Current</b>		
Carrying value of		
Equity Shares - Quoted	28446	28446
Equity Shares - Unquoted	7550000	550000
Mutual Funds - Quoted	31300	31300
(Market value of quoted shares and units of mutual funds - 1.77 Cr.)		
Impairment of investments recognised - Nil)		
	<u>7609746</u>	<u>609746</u>
<b>6. Cash and cash equivalents</b>		
Cash on hand	228189	252647
Unrestricted balances with banks	709202	1474041
Bank Deposits	7589725	0
	<u>8527116</u>	<u>1726688</u>
<b>7. Loans</b>		
To Related Parties	0	0
Other Loans -		
unsecured and considered good	0	958000
Credit impaired	0	0
Allowance for credit loss	0	0
	<u>0</u>	<u>958000</u>

As per our report of even date  
**For SESHADRY & COMPANY**  
Chartered Accountants  
FRN: 004993S

For and on behalf of the Board

**(L S RAJENDRA)**  
Partner  
M.No.216211

**(M.MURALIKRISHNA)**  
Managing Director  
DIN: 01889812

**(M.ANIL KUMAR)**  
Company Secretary  
M.No. A27989

**(M.V.N.S.SUSHMA)**  
Director  
DIN: 01890545

Vijayawada, 30th May, 2024

**(G. CHAYA DEVI)**  
CFO  
PAN: AWUPG1252C

# **NOTES TO FINANCIAL STATEMENTS**

	As at 31.03.2024	As at 31.03.2023
<b>8. Equity Share Capital</b>		
Authorised		
36,00,000 Equity Shares of Rs.10/- each	36000000	36000000
	=====	=====
Issued, Subscribed & Paid-up		
30,00,000 Equity Shares of Rs.10/- each	30000000	30000000

(The Company has only one class of equity shares having a par value of Rs.10/- per share. In respect of each share, voting right and dividend shall be in the same proportion as the Capital paid - up on such shares bears to the total paid-up Capital of the Company)

## Details of shareholders holding more than 5% of the aggregate shares in the Company

	As at 31/03/2024		As at 31/3/2023	
Name of the shareholder	No. of shares held	%age of	No. of shares	%age of
M Muralikrishna	718750	23.96%	718750	23.96%
Siva Credits (P) Ltd.	482657	16.09%	482657	16.09%
APIDC Ltd.	250000	8.33%	250000	8.33%
M V N S Sushma	237400	7.91%	237400	7.91%
P Kasturi	348200	11.61%	348200	11.61%

## Details of promoters shareholding in the Company

	As at 31/03/2024		As at 31/3/2023	
Name of the shareholder	No. of shares held	%age of	No. of shares	%age of
M Muralikrishna	718750	23.96%	718750	23.96%
Siva Credits (P) Ltd.	482657	16.09%	482657	16.09%
P Kasturi	348200	11.61%	348200	11.61%
M V N S Sushma	237400	7.91%	237400	7.91%
G.V. Chandra Rao	123650	4.12%	123650	4.12%

## **9. Other Equity**

a. General Reserve		
Balance as per last account	805000	805000
b. Reserve Fund	2191000	2191000
c. Retained earnings		
Opening balance	17452588	10332242
Add/(Less): Net profit/(loss) for the year	7151169	7120345
Closing balance	24603757	17452588
	-----	-----
	27599757	20448588

## **10. Other non-current liabilities**

Rent deposit	5044530	5044530
	-----	-----
	5044530	5044530

## **11. Other current liabilities**

Expenses payable	35400	47700
GST payable	165009	138899
Provision for taxation	-65183	56469
	-----	-----
	135227	243068
Provision for taxation (Net of Advance Tax)	56469	40554
Add: Provision for the year	1600000	1547196
	-----	-----
	1656469	1587750
Less: Income tax paid during the year	1721652	1531281
	-----	-----
	-65183	56469

As per our report of even date  
**For SESHADRY & COMPANY**  
Chartered Accountants  
FRN: 004993S

For and on behalf of the Board

**(M.MURALIKRISHNA)**  
Managing Director  
DIN: 01889812

**(L S RAJENDRA)**  
Partner  
M.No.216211

**(M.V.N.S.SUSHMA)**  
Director  
DIN: 01890545

**(M.ANIL KUMAR)**  
Company Secretary  
M.No. A27989

**(G. CHAYA DEVI)**  
CFO  
PAN: AWUPG1252C

Vijayawada, 30th May, 2024

**NOTES TO FINANCIAL STATEMENTS**

	For the Y.E. 31.03.2024	For the Y.E. 31.03.2023
<b>12. Other Income</b>		
Interest Received on		
Fixed Deposits	212355	7000
Bad debts recovered	100000	300000
Dividends	238174	200484
Rent received	12182556	11602416
	<u>12733085</u>	<u>12109900</u>
<b>13. Employee Benefit Expenses</b>		
Salaries	1296000	1155000
	<u>1296000</u>	<u>1155000</u>
<b>14. Depreciation &amp; amortisation expense</b>		
Depreciation on Property, Plant & Equipment	540700	307813
	<u>540700</u>	<u>307813</u>
<b>15. Other Expenses</b>		
Establishment Expenses		
Fees, Licences & Taxes	959742	898548
Postage and Telephones	3533	732
Conveyance and Travelling	20100	25640
Printing and Stationery	8490	2498
Professional Charges	92300	30000
Bank Charges	590	1505
Advertisement	41645	35238
Miscellaneous Expenditure	1900	28818
Repairs & Maintenance	950011	836284
Insurance	66905	75283
Professional Tax	0	45000
	<u>2145216</u>	<u>1979546</u>

\*Audit Fee includes Statutory Audit Fee of Rs.30,000/-

As per our report of even date  
**For SESHADRY & COMPANY**  
**Chartered Accountants**  
**FRN: 004993S**

**(L S RAJENDRA)**  
**Partner**  
**M.No.216211**

**(M.ANIL KUMAR)**  
**Company Secretary**  
**M.No. A27989**

Vijayawada, 30th May, 2024

For and on behalf of the Board

**(M.MURALIKRISHNA)**  
**Managing Director**  
**DIN: 01889812**

**(M.V.N.S.SUSHMA)**  
**Director**  
**DIN: 01890545**

**(G. CHAYA DEVI)**  
**CFO**  
**PAN: AWUPG1252C**

# STATEMENT OF CHANGES IN EQUITY

## A. Equity Share Capital (Rs.)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
30000000	0	30000000

## B. Other Equity

(Rs.)

	Share application money pending allotment	Equity component of compound financial instrument	Reserve and Surplus				Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statement	Other items of other comprehensive income	Money received against share capital	Total
			General Reserve	Securities Premium	Reserve Fund	Retained Earning								
Balance at the beginning of the reporting period	0	0	805000	0	2191000	17452588	0	0	0	0	0	0	0	20448588
Changes in accounting policy or prior period errors	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restated balance at the beginning of the reporting period	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	805000	0	2191000	17452588	0	0	0	0	0	0	0	20448588
Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	0	7151169	0	0	0	0	0	0	0	7151169
Any other change (to be specified)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance at the end of the reporting period	0	0	805000	0	2191000	24603757	0	0	0	0	0	0	0	27599757



**NOTES TO FINANCIAL STATEMENTS:****SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS****1) INCOME RECOGNITION:**

- a) The Company recognizes rent on accrual basis in accordance with the substance of the relevant agreement.
- b) Dividend income from investments is recognized when the right to receive payment has been established.
- c) Interest on bank deposits is recognized on accrual basis.

**2) PROPERTY, PLANT AND EQUIPMENT:**

Property, Plant and Equipment are stated in the Balance Sheet at cost less accumulated depreciation. Cost of acquisition of Property, Plant and Equipment is inclusive of insurance, compensation charges, freight, duties, taxes and cost of installation as applicable.

**3) DEPRECIATION:**

Depreciation is provided on Written Down Value Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**4) INVESTMENT PROPERTIES**

Investment properties being land and buildings are stated at cost. On an analysis carried out by the Management, no impairment loss has been recognized during the year.

**5) CURRENT INVESTMENTS**

Stocks of shares in trade, where quoted, are valued scrip-wise at cost or market value as per quotations available as on the Balance Sheet date, whichever is less. Unquoted equity shares are valued at cost or break-up value, whichever is lower. Where the balance sheet of the invested company is not available, such shares are valued at one rupee.

During the year ended March 31, 2024, the Company considered indicators of impairment including market values of the quoted investments. The outcome of such assessment did not result in recognition of any impairment for investments held by the Company. The Management believes that no reasonably possible change in any of the key assumptions used in the assessment would cause the carrying value of such investment to exceed its recoverable amount. Hence, no impairment loss on investments is recognised during the year.

- 6) The Board of Directors in their meeting held on 15/10/2015 has decided to come out of the NBFC business. Accordingly, the certificate of registration issued by the Reserve Bank of India under the provisions of section 45-IA of the Reserve Bank Act, 1934 has been surrendered for cancellation. The Reserve Bank has duly passed an order dated 21/03/2016 cancelling the certificate of registration. Thus, the Company is no longer in to NBFC business, but is merely collecting the outstanding dues.

**7) CONTINGENCIES AND COMMITMENTS**

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company is having dispute with the Income Tax Department with regard to the income it has offered on entering into development agreement during the financial year 2014-15 with respect to the land at Hyderabad. The Company has disputed the demand raised by the Income Tax Department of Rs.1.53 Crores for the assessment year 2015-16, before the Commissioner (Appeals). The Company has applied for the stay of collection of the disputed tax by payment of 20% of the sum. The Company expects to get a favourable verdict in the matter and therefore, has not made any provision towards the disputed tax.

- 8)** There are no outstanding dues as on the Balance Sheet date to any micro, small or medium enterprises.

**9) MANAGERIAL REMUNERATION**

No remuneration has been paid to any director, key managerial personnel or other related parties during the year.

**10) INCOME TAXES**

Tax expense for the year comprises of current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The timing difference between taxable income and the income as per the books of accounts being insignificant, no deferred tax asset or liability has been recognized for the year.

**11) SEGMENT REPORTING**

The Company has discontinued its non-banking finance business and has been in receipt of rental income only, during the year. As such the Company's activity falls within a single business and therefore there are no additional disclosures

to be provided under Accounting Standard (AS-17) "Segment Reporting", other than those already provided in the financial statements.

**12) RELATED PARTY TRANSACTIONS**

There are no transactions during the year with any of the related parties, to be disclosed in accordance with the Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures".

**13) EARNING PER SHARE:**

In determining earnings - per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary/exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

- 14)** There was no expenditure on employees who are in receipt of remuneration covered in terms of the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 to furnish the particulars mentioned in Rule 5(1) thereof.

**LOANS**

- 15)** (a) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (b) The Company has not received any funds from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 16)** There are no outstanding loans/advances in nature of loan to or from promoters, key management personnel or other officers of the Company.

**17) CORPORATE SOCIAL RESPONSIBILITY**

Given the net worth, turnover and the net profit of the Company, the provisions of section 135 with respect to corporate social responsibility are not applicable for the year.

**18) DIVIDEND**

The Board has not recommended the payment of any dividend during the year.

### FINANCIAL RATIOS

- 19) The applicable financial ratios to be disclosed for the years ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variation in %	Reasons for variation
Current Ratio	Current Assets	Current liabilities	119.33	13.55	780.45%	Note-1
Debt-Equity Ratio	Total debt	Shareholder's equity	0	0		
Debt Service Coverage Ratio	Earning available for debt service	Debt service	0	0		
Return on Equity Ratio	Net profit after taxes	Average shareholder's equity	13.24%	15.19%	-12.83%	
Inventory Turnover Ratio	Revenue	Average Inventories	0	0		
Trade receivables Turnover Ratio	Revenue	Average trade receivables	0	0		
Trade payables Turnover Ratio	Revenue	Average trade payables	0	0		
Net Capital Turnover Ratio	Revenue	Working capital	0	0		
Net Profit Ratio	Net profit	Revenue	56.16%	58.80%	-4.48%	
Return on Capital Employed	Earning before interest & taxes	Capital employed	15.19%	17.18%	-11.57%	
Return on Investment (Assets)	Income generated from investments	Average invested funds	5.80%	32.88%	-82.37%	Note-2

Note:

1. Fixed deposits with bank were made during the year. Hence, higher balance in balance in bank account and more the current ratio compared to previous year.
2. Investment in shares made during the year yet generate any income. Hence lower return on investment.

### BORROWINGS FROM BANKS

- 20) The Company has not availed any working capital limits from banks or financial institutions at any point of time during the year.

### RELATIONSHIP WITH STRUCK-OFF COMPANIES

- 21) The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 considering the information available

### COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

- 22) The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.

**SCHEME OF ARRANGEMENTS**

- 23)** There are no schemes of arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- 24)** There was no consumption of imported raw materials, components or spare parts during the year.
- 25)** There were no earnings or expenditure in foreign currency during the year.
- 26)** Previous Year's Figures are regrouped wherever necessary
- 27)** Paises are rounded off to the nearest rupee

**SWARNA SECURITIES LIMITED**

Regd. Office: II Floor, Swarnalok Complex, Vijayawada - 520002

**ATTENDANCE SLIP**

NAME OF THE SHAREHOLDER* / PROXY*	FOLIO NO.	NO.OF SHARES HELD
--------------------------------------	--------------	----------------------

I hereby record my presence at the 34<sup>th</sup> Annual General Meeting held at Vijayawada, Andhra Pradesh on Friday, the 28<sup>th</sup> Day of June, 2024 at M Hotel, D. No. 54-15-3, Srinagar Colony, Ring Road, Vijayawada -520008 at 10.00 A.M.

SIGNATURE OF THE SHAREHOLDER / PROXY

\* Strike out whichever is not applicable.

NOTE : Please handover the slip at the entrance of the Meeting Venue.

**SWARNA SECURITIES LIMITED**

Regd. Office : II Floor, Swarnalok Complex, Vijayawada - 520 002

**PROXY FORM**

I/We ..... of  
..... in the District of ..... being a  
Member(s) of the above named Company hereby appoint ..... of  
..... or failing him ..... of  
..... in the district of ..... as my / our  
proxy to attend and vote for me/us on my/our behalf at the 34<sup>th</sup> Annual General  
Meeting of the Company to be held on Friday, the 28<sup>th</sup> Day of June, 2024 at M Hotel,  
D. No. 54-15-3, Srinagar Colony, Ring Road, Vijayawada -520008 at 10.00 A.M.

Signed at ..... this ..... day of ..... 2024.

Folio No.

Number of Shares held :

Signature : .....

- Note : 1. The Proxy need not be a member  
2. The form of proxy, duly signed across Re. 1/- Revenue Stamp should reach the Company, not less than 48 hours before the time fixed for the meeting.

## Notice to Investors and Downloads

Dear Investors,

As per SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021, as an on-going measure to enhance the ease of doing business for investors in the securities market, the following norms are followed by Listed Companies, Stock exchanges and RTAs.

1. Common and simplified forms for processing any service request from the holder by the RTAs and Listed Companies.
2. **Mandatory** furnishing of PAN, KYC details and Nomination by holders of physical securities.
3. Folios without valid PAN, KYC details and Nomination on or after April 01, 2023, shall be frozen by the RTA.
4. **Compulsory** linking of PAN and Aadhaar by all holders of physical securities.

### Shareholders are requested to use the following forms:

1. [Click here for Form ISR-1](#) to update KYC, PAN, Bank Details, Signature, Postal Address, Email and phone number etc.
2. [Click here for Form ISR-2](#) in case Major mismatch in signature or Signature Card is not available with company / RTA
3. **Nomination** (for all eligible folios)  
Details of nomination details shall be furnished hard copy or through electronic mode with e-signature, separately for each company, as follows;
  - o Nomination through [Form SH-13 \(Click here\)](#)
  - o 'Declaration to Opt-out' [Form ISR-3 \(Click here\)](#)
  - o Cancellation / Change of nomination through [Form SH-14 \(Click here\)](#)
4. [Form ISR-4 \(Click here\)](#) for Request for Duplicate Certificates, Split, Consolidation, Transmission, Transposition, Endorsement, Consolidation of Folios, Replacement / Exchange / Renewal of security certificates, Claiming from Unclaimed Suspense Account.

### Transfer of shares only in De-materialized (DEMAT) form

Shareholders holding shares in Physical form may please note that effective December 5, 2018, the shares of the Company can be transferred only in dematerialized form, as per notification issued by SEBI. Please [click here](#) to know the process of de-materialization of physical shares.

**If you are unable to download the forms from the above links, please click here**  
<https://www.swarnasecurities.com/notice-to-investors-and-downloads.php>



**Contact Details:**

Company	Swarna Securities Limited Address: 2nd Floor, Swarnalok Complex, Eluru Road, Governorpet, Vijayawada, Andhra Pradesh - 520002, India. Tel.: +91-0866-2575928 Email: <a href="mailto:swarnasecurities@rediffmail.com">swarnasecurities@rediffmail.com</a> Web: <a href="http://www.swarnasecurities.com">www.swarnasecurities.com</a> CIN - L52520AP1990PLC011031
Registrar and Transfer Agent	Aarthi Consultants Private Limited 1-2-285, Domalguda, Hyderabad - 500029 Phone: 040-27638111 040-27638111 040-27638111 040-27638111 Email: <a href="mailto:info@arthiconsultants.com">info@arthiconsultants.com</a> Web: <a href="http://www.arthiconsultants.com">http://www.arthiconsultants.com</a>
e-Voting Agency	Central Depository Services (India) Limited E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone: 022-23058542/43
Scrutinizer	Mr. Kode Hemachand Practicing Company Secretary Email: <a href="mailto:cs.hemachandk@gmail.com">cs.hemachandk@gmail.com</a>
BSE Symbol ISIN (Equity)	BSE Symbol - SWRNASE   531003 ISIN - INE595G01018
AGM Electronic Voting Sequence Number (EVSN)	240601001

IF UNDELIVERED PLEASE RETURN TO:

**SWARNA SECURITIES LIMITED**

# 27-1-102, II Floor, Governorpet,  
Vijayawada - 520 002, AP.  
Phone: 0866-2575928