



Canara Bank Securities Ltd.
(A Wholly Owned Subsidiary of Canara Bank)

29TH
ANNUAL REPORT
2024 - 2025



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Shri Debashish Mukherjee
(Director and Chairperson
from February 2019 to May 31, 2025)



Shri Bhavendra Kumar
(Director and Chairperson
from July 02, 2025)



Shri Sandeep Rao P
(Managing Director
from April 21, 2025)



Shri D K Sinha
(Managing Director
From Sept. 25, 2023 to April 21, 25)



Shri Mahesh M Pai
(Director
from June 22, 2021)



Shri Adarsh M S
(Director
From September 23, 2025)



Shri V. Kalyan
(Independent Director
from February 17, 2023)



Shri Bikram Singh Raina
(Independent Director
from Dec. 24, 2021 to Sept. 23, 2025)



Shri Tarun Kumar Gupta
(Independent Director
from Sept. 29, 21 to Sept. 23, 25)



Shri Y N Rao
(Independent Director
From July 02, 2025)



Shri Milind Sushilkumar Pradhan
(Independent Director
From September 23, 2025)



PRINCIPAL EXECUTIVE

Shri Sandeep Rao P
(From April 21, 2025)
(Managing Director)

Shir Dhananjay Kumar Sinha
(From September 25, 2023 to April 21, 2025)
(Managing Director)

Shri Ashish Kumar Sonwani
(From September 23, 2025)
(Company Secretary)

Shri Noha E. Rajpurkar
(From July 17, 2025)
Chief Financial Officer

Shri Abhishek Kumar
(General Manager)

Smt. Sarita Kumari
(General Manager)



Contents

| | Page No. |
|---|----------|
| Chairman's Speech | 4 |
| Notice | 7 |
| Director's Report | 12 |
| Independent Auditor's Report | 33 |
| Annexure A (Report on other legal and Regulatory Requirements). | 38 |
| Annexure B (Report on Internal Financial Controls). | 42 |
| Comments of the Controller and Auditor General of India | 44 |
| Balance Sheet. | 45 |
| Statement of Profit & Loss 31st March, 2025 | 46 |
| Statement of Cash Flow at 31st March, 2025 | 47 |
| Notes | 48 |
| Significant Accounting Policies and Segment Reporting | 57 |



Chairman's Speech



Dear Shareholders,
Welcome to Canara Bank Securities Limited 2025 Annual General Meeting.

It is a pleasure to be here to meet with shareholders. Thank you for joining us today and I confirm that we have a quorum present.

The macroeconomic landscape in FY 2024–25 remained cautiously optimistic, shaped by a gradual global recovery and easing inflationary pressures. While geopolitical tensions—including the Middle East conflict—continued to influence commodity prices and investor sentiment, central banks in advanced economies began pivoting towards rate cuts, signaling a shift from aggressive monetary tightening to calibrated support for growth. India's equity market navigated this evolving environment with resilience. After a robust FY 2023–24, market momentum moderated amid election-related policy pauses, fluctuating foreign capital flows, and sectoral rotations. Despite these headwinds, domestic investor participation remained strong, supported by sustained SIP inflows and improving corporate earnings. Overall, FY 2024–25 was marked by a transition from policy restraint to strategic stimulus, with equity markets reflecting this shift through selective sectoral strength and increased valuation dispersion. The period reinforced the importance of domestic liquidity, policy continuity, and structural reforms in sustaining investor confidence.

India's economic outlook for FY 2025–26 remains broadly positive, supported by resilient domestic demand, easing inflationary pressures, and a favorable policy environment. The Reserve Bank of India (RBI) has maintained its GDP growth projection for the fiscal year at 6.5%, reflecting a calibrated moderation from the previous year's high base, while still positioning India as the fastest-growing major economy. The economy began the fiscal year with a robust 7.8% growth in Q1, driven by strong performance in manufacturing, construction, and services. Private consumption and investment continue to be key growth drivers, aided by RBI's cumulative 100-bps rate cuts, income tax relief, targeted rural spending initiatives and GST reforms.

Overall, FY 2025–26 is expected to be a year of growth with cautious optimism, underpinned by strong fundamentals, accommodative policy support, and a resilient consumer base. India's macroeconomic strength and reform momentum continue to reinforce its position as a compelling investment destination in a volatile global landscape.

Looking ahead to FY26, the outlook for the Indian capital markets remains positive. The Nifty 50 is projected to deliver 12–15% returns. Broader indices are expected to benefit from improving macro fundamentals and easing monetary conditions. With GDP growth projected at 6.4–6.7%, and inflation aligning with RBI's target range, investor sentiment remains constructive. Geopolitical tensions, tariff realignments, and global liquidity shifts may introduce short-term volatility. However, India's structural strengths and domestic demand are likely to buffer external shocks.



Chairman's Speech (Cont.)

Further, I would like to thank all the stakeholders for the persistent support and steady confidence reposed in the Company through thick and thin. It is the consistent faith and support that has enabled your Company to suitably strategize and adapt effectively to the truly historic and groundbreaking Policy and Regulatory changes that the country has experienced in the past 12 months.

Your Company's AGM Notice, Directors' Report for the year ended 31st March, 2025 along with the audited Annual Accounts have already been circulated to you, and I seek your permission to take it as read.

Financial

I would like to start with a brief overview of the strategy and performance of your company and I shall confine myself to very briefly mentioning the salient operating results of your Company during the fiscal year 2024-25.

- Profit before tax for the year stood at Rs. 10.97 Crore (March 2025).
- Core Business Income stood at Rs 21.66 Crore (March 2025) as against Rs.22.06 Crore (March 2024).
- Total income marginally Increased to Rs 27.66 Crore (March 2025) from Rs. 27.08 crores (March 2024).
- Total expenditure of the company was at Rs 15.81 Crore (March 2025) as against Rs.12.82 crore (March 2024).
- As on 31st March, 2025, the total retail clients maintaining Demat Accounts are 2,03,127 and having Trading Accounts are 1,19,932. During the Year Company has added 28,413 new retail clients and 14,119 new trading Clients.

Dividend

Your Company has not declared any dividend on its equity shares as the management plans to conserve the resources of the company, in view of the ongoing business model revamping of the Company.

Responsibility towards Society

Your company continues to focus on CSR Mantra - Caring, Sharing and Responsible as a philosophy on CSR. The policy and the projects undertaken under CSR are in line with the applicable regulations under the Companies Act, 2013, and Companies CSR Policy.

For Financial Year 2024-25, your company has earmarked for an amount of Rs. 33,00,000/- (Rupees Thirty Three Lacs Only) provided for spending towards CSR activity/ies. Your Company has spent its CSR budget for benefitting areas majorly in Social Services.

New initiatives:

Your Company is under process of Business Model Revamping, which includes App modernization, products additions, HR initiatives, Hardware & software upgradation etc at par with market peers. M/S KPMG has been onboarded as consultant for the project. The revamping process is expected to be completed by this FY end.

Future Prospects

Your company strives to operate its business with a focus on doing the business ethically, yielding profitable returns and pursuing sustainable cost improvements. We seek to create further value by developing the opportunities embedded in our existing trading operations which represent the most attractive options.



Chairman's Speech (Cont.)

Acknowledgement

On behalf of the Board of Directors of your Company, I wish to convey earnest thanks to the Shareholders for your continued support and trust in us. This motivates us to excel in all our pursuits and continuously endeavor to create value for you.

I would like to thank my colleagues on the Board for their valuable guidance and contribution in steering the Company to higher levels of achievement.

In this incredible journey of your Company while we endeavor constantly to enhance returns on investments, it has been equally an endearing and enriching expedition for me personally over the years.

To conclude, I on behalf of the Board of Directors of your Company would like to convey my deepest gratitude to the Internal Auditors, Statutory Auditors, Stock Exchanges, Regulators & Comptroller & Auditor General Office by providing valuable guidance in Regulatory and Compliance matters. I also take this opportunity to express gratitude to the valued customers, business associates and all the stakeholders for sharing a profound relationship with your Company and constantly supporting and strengthening the developmental efforts of your Company. I also take the opportunity to acknowledge the efforts, commitment and constructive cooperation of the Managing Director of CBSL and its entire team.

I thank you all once again and offer my best wishes for focused efforts that would help your company to reach greater heights in the years ahead.

PLACE : MUMBAI
DATE : 23.09.2025

BHAVENDRA KUMAR
CHAIRMAN & DIRECTOR



NOTICE

Shorter Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of Canara Bank Securities Limited (“the Company”) will be held on Tuesday, 23rd September, 2025 at 12.15P.M.(IST) at the Registered Office of the Company Maker Chambers III, 7th Floor, Nariman Point, Mumbai - 400021 to transact the following business:

ORDINARY BUSINESS:

Item No. 01: Adoption of Audited Financial Statements for the financial year ended March 31, 2025

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2025, and the Report of the Board of Directors' and the Auditors' thereon and the Observations of the Comptroller and Auditor General of India, if any:

“**RESOLVED THAT** the Audited Balance Sheet of the Company as at 31st March, 2025 and the Statement of Profit and Loss for the year ended 31st March, 2025 and the Reports of the Directors, Auditors and Comments of the Comptroller and Auditor General of India (C&AG) thereon, be and are hereby received, approved and adopted.”

Item No. 02: To appoint a Director in place of Shri Mahesh Muralidhar Pai (DIN: 09164982), who retires by rotation and, being eligible, offers himself for re-appointment

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and applicable provisions (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules, circulars and guidelines issued from time to time, Shri Mahesh Muralidhar Pai (DIN: 09164982), Director, who retires by rotation and being eligible for re-appointment, offers herself for re-appointment, be and is hereby re-appointed as a Director on the Board of the Company, liable to retire by rotation.”

Item No. 03: Appointment of the Statutory Auditors for the Financial Year (FY) 2025-26

To approve the re-appointment of the Statutory Auditors for the FY 2025-26 and to fix their remuneration.

“**RESOLVED THAT** pursuant to the provisions of Section 139 (5) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), M/s. NGS & CO. LLP, Chartered Accountants, Mumbai (**LLPIN: LLPIN: AAA-6584**) be and is hereby re-appointed as Statutory Auditors of the Company to hold the office from conclusion of the ensuing Annual General Meeting until the conclusion of the 30th Annual General Meeting to be held in the year 2026.

RESOLVED FURTHER THAT pursuant to the provisions of Section 142 of the Companies Act, 2013 the remuneration of the Auditors M/s NGS and Co. LLP Chartered Accountants, Mumbai for the Financial Year 2025-26 be and is hereby fixed at a minimum of Rs.4,15,000/- (Rupees Four Lakhs Fifteen Thousand Only) consisting of statutory audit fees of Rs. 2,50,000/- and certification fee of Rs. 55,000/- per quarter for issuing certificates required to be issued to regulators/stock exchanges plus GST and out of pocket expenses at actual.

RESOLVED FURTHER THAT Managing Director, Chief Financial Officer and Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution.”

SPECIAL BUSINESS:

Item No. 04: Appointment of Shri. Bhavendra Kumar (DIN:10401479) as Director & Chairman of the Company

To consider and if thought fit, to pass the following Resolution as Special Resolution:



NOTICE (Contd.)

“RESOLVED THAT pursuant to the applicable provisions of Section 152, 160, read with other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and the Articles of Association of the Company, Shri. Bhavendra Kumar (DIN: 10401479), Executive Director of Canara Bank, who was appointed as an Additional Director & Chairman of the Company w.e.f. 02.07.2025 by the Board of Directors and who holds the said office pursuant to the provisions of Section 161(1) of the Companies Act 2013 upto the date of this General Meeting or the last date on which the Annual General Meeting for Financial Year 2024-25 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company for the term of 3 (Three) consecutive years from this Annual General Meeting to the Annual General Meeting to be held in the year 2028.

Item No. 05: Appointment of Shri. Sandeep Rao P (DIN: 11057597) as Managing Director of the Company:

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

“RESOLVED THAT pursuant to provisions of sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Schedule V of the Companies Act, 2013 and Article 111 and 148(1) of the Articles of Association of the Company, approval of the Company be and is hereby accorded to the appointment of Shri. Sandeep Rao P (DIN: 11057597) as the Managing Director of the Company.

RESOLVED FURTHER THAT pursuant to provisions of Section 203 read with schedule V of the Companies Act, 2013 and subject to provisions of Section 197 and other applicable provisions of the Companies Act, 2013, the appointment of Managing Director be and is hereby permitted for a period of three years i.e from April 21, 2025 to April 20, 2028 on the terms and conditions that the remuneration of the Managing Director is fixed in accordance with the service regulations of Parent Bank (Canara Bank) and any modifications and revisions there of that may take place from time to time as per direction of the parent bank and by way of reimbursement to Canara Bank, subject to ceiling limit prescribed under schedule V to the Companies Act, 2013 and approval by members in the General meetings.

RESOLVED FURTHER THAT any one of the Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters, and things as may be considered necessary to give effect to the above resolution.”

Item No. 06: Appointment of Shri. Nageswara Rao Yalamanchili(DIN: 06651230) as an Independent Director of the Company:

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

“RESOLVED THAT pursuant to the applicable provisions of Section 149, 152, 160 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, all other applicable provisions if any; of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, **Shri. Nageswara Rao Yalamanchili (DIN: 06651230)**, who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 02nd July 2025 and who holds the said office pursuant to the provisions of Section 161(1) of the Companies Act, 2013 upto the date of this Annual General Meeting or the last date on which the Annual



NOTICE (Contd.)

General Meeting for Financial Year 2024-25 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company for the period of 3 (Three) consecutive Years from this Annual General Meeting to the Annual General Meeting to be held in the Year 2028.”

RESOLVED FURTHER THAT any one of the Director, Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters, and things as may be considered necessary to give effect to the above resolution.”

**BY ORDER OF THE BOARD OF DIRECTORS
FOR CANARA BANK SECURITIES LIMITED**

DATE : 08.09.2025
PLACE : MUMBAI

SANDEEP RAOP
MANAGING DIRECTOR

NOTES :

- a. The Explanatory Statement in pursuance to the provisions of Section 102 of the Companies Act, 2013, towards the Special Business proposed to be undertaken in the Annual General Meeting is attached to this Notice.
- b. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11:00 a.m. to 1:00 p.m. upto the date of the Annual General Meeting.
- c. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified copy of the Board/other Governing Body Resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
- d. Members are requested to bring duly filled attendance slips sent herewith, at the meeting.
- e. None of the directors of the company is any way related with each other.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR CANARA BANK SECURITIES LIMITED**

DATE : 08.09.2025
PLACE : MUMBAI

SANDEEP RAOP
MANAGING DIRECTOR



NOTICE (Contd.)

Explanatory Statements Pursuant to Section 102(1) of the Companies Act, 2013 (“The Act”)

Item No. 04: Appointment of Shri. Bhavendra Kumar (DIN: 10401479) as Director & Chairman of the Company

Shri. Bhavendra Kumar (DIN: 10401479) was appointed as an as Director & Chairman of the Company, He was appointed by the Board of Directors as an Additional Director with effect from 02nd July, 2025 to hold office up to this Annual General Meeting. His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice. None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri Bhavendra Kumar, is in any way, concerned or interested, financially or otherwise, in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any. The Board recommends the resolution for your approval.

Item No. 05: Appointment of Shri. Sandeep Rao P (DIN: 11057597) as Managing Director of the Company:

Shri. Sandeep Rao P (DIN: 11057597) as Managing Director of the Company, He was appointed by the Board of Directors as an Managing Director with effect from 21st April, 2025 to hold office up to this Annual General Meeting. His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice. The appointment of Managing Director be and is hereby permitted for a period of three years i.e from April 21, 2025 to April 20, 2028 on the terms and conditions that the remuneration of the Managing Director is fixed in accordance with the service regulations of Parent Bank (Canara Bank) and any modifications and revisions there of that may take place from time to time as per direction of the parent bank and by way of reimbursement to Canara Bank, subject to ceiling limit prescribed under schedule V to the Companies Act, 2013 and approval by members in the General meetings. None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri. Sandeep Rao P, is in any way, concerned or interested, financially or otherwise, in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any. The Board recommends the resolution for your approval.

Item No. 06: Appointment of Shri. Nageswara Rao Yalamanchili (DIN: 06651230) as an Independent Director of the Company:

Shri. Nageswara Rao Yalamanchili (DIN: 06651230) was appointed as an Independent Director, He was appointed by the Board of Directors as an Additional Director (Independent) with effect from 02nd July, 2025, to hold office up to this Annual General Meeting. His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice. Shri. Nageswara Rao Yalamanchili has given a declaration to the effect that he meets the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013, read with the Companies (Appointment & Qualification) Rules, 2014. Shri. Nageswara Rao Yalamanchili be and is hereby appointed as an Independent Director of the Company for the period of 3 (Three) consecutive Years from this Annual General Meeting to the Annual General Meeting to be held in the Year 2028.”

None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri. Nageswara Rao Yalamanchili, is in any way, concerned or interested, financially or otherwise, in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any. The Board recommends the resolution for your approval.



NOTICE (Contd.)

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (Pursuant to SS-2 on General Meeting)

| Name | Shri. Bhavendra Kumar | Shri. Sandeep Rao P | Shri. Nageswara Rao Yalamanchili |
|---|--|--|---|
| Name of Directors | Bhavendra Kumar | Sandeep Rao P | Nageswara Rao Yalamanchili |
| Director Identification No. | 10401479 | 11057597 | 06651230 |
| Date of first Appointment on the Board | 02/07/2025 | 21/04/2025 | 02/07/2025 |
| Qualification | BA Hons and CAIIB in Management and CAIIB | B.Com, ICWA, PG Diploma | B.Com and CAIIB |
| Experience in specific Functional area | He served in various capacities across multiple states which includes tamilnadu, Gujarat, Uttarpradesh, Karnatka, Chandigarh and New Delhi. Worked at Canara Bank Shanghai Branch for three Years. | Banking and Financial Services expert with over 18 years of managerial, executive experience in Treasury, Forex, Accounting, Financial Management. Treasury, and Forex Management. | Seasoned Banking and Financial Services expert with over 36 years of managerial, executive, and board-level experience in Public Sector Banks (1985-2021). Specialized in Information Technology, Credit, |
| Remuneration last drawn from Company (in Rs) | As per Bank norms | As per Bank norms | NA |
| Remuneration sought to be paid | As per Bank norms | As per Bank norms | NA |
| Terms and Conditions of appointment reappointment | As prescribed | As prescribed | As prescribed |
| Number of Board Meetings attended during the year | NA | NA | NA |
| Relationship with any Director(s) or any Key Managerial Personnel(s) of the Company | NA | NA | NA |
| Membership/ Chairmanship of the Committee of the Company | NA | NA | NA |
| Directorship held in other Indian companies | 1. Canara HSBC Life Insurance Company Limited 2. Higher Education Financing Agency | NA | 1. CRMF Trustee Private Limited 2. Imfast Finfoch Private Limited 3. Ramaiah Capital Private Limited 4. I25 Outreach Private Limited 5. Capital Small Finance Bank Limited |
| Number of shares held in the Company (as on March 31, 2025) | Nil | Nil | Nil |



DIRECTOR'S REPORT (Contd.)

To the Members,

The Directors are pleased to submit the Annual Report of your Company; Canara Bank Securities Limited (the "Company" or "CBSL") along with the Audited Financial Statements for the Financial Year (FY) ended March 31, 2025.

FINANCIAL HIGHLIGHTS:

(Rs. in Crore)

| Particulars | 2024-25 | 2023-24 |
|---|--------------|--------------|
| Total Income | 27.66 | 27.08 |
| Profit before Tax | 10.97 | 13.59 |
| Less: Provision for Tax incl. Deferred Tax –Net | 2.81 | 3.49 |
| Add: Excess/ Short provisions for earlier years | 0.25 | 0.04 |
| Profit after Tax | 7.90 | 10.06 |
| Add: Profit brought forward from last year | 60.36 | 50.29 |
| Profit available for appropriation | 68.26 | 60.36 |
| Appropriations: | | |
| Transfer to General Reserve | — | — |
| Interim Dividend | — | — |
| Final Dividend (Proposed) | — | — |
| Tax on Dividend | — | — |
| Reduction in Capital | — | — |
| Balance retained in Profit & Loss Account | 68.26 | 60.36 |
| Total | 68.26 | 60.36 |
| Earnings per Share (Rs) | 4.94 | 6.29 |

TRANSFER TO RESERVES:

The Company has not transferred any amount to the General Reserve/ Free Reserve for Financial Year 2024-25.

DIVIDEND:

The Company has not declared any dividend on its equity shares as the management plans to conserve the resources of the company. The Board of Directors have not recommended any dividend for the financial year under review.

EQUITY MARKET OVERVIEW FY 2024-25:

Economic Environment:

The macroeconomic landscape in FY 2024–25 remained cautiously optimistic, shaped by a gradual global recovery and easing inflationary pressures. While geopolitical tensions—including the Middle East conflict—continued to influence commodity prices and investor sentiment, central banks in advanced economies began pivoting towards rate cuts, signaling a shift from aggressive monetary tightening to calibrated support for growth.



DIRECTOR'S REPORT (Contd.)

India's equity market navigated this evolving environment with resilience. After a robust FY 2023–24, market momentum moderated amid election-related policy pauses, fluctuating foreign capital flows, and sectoral rotations. Despite these headwinds, domestic investor participation remained strong, supported by sustained SIP inflows and improving corporate earnings.

The IMF projected global growth to edge up to 3.2% in 2025, with emerging markets expected to grow at 4.2%—underscoring a cautiously constructive outlook. India's GDP growth moderated to 6.6% in Q1 FY25, reflecting a temporary dip in government expenditure due to the Model Code of Conduct, while private consumption and industrial output remained supportive.

Overall, FY 2024–25 was marked by a transition from policy restraint to strategic stimulus, with equity markets reflecting this shift through selective sectoral strength and increased valuation dispersion. The period reinforced the importance of domestic liquidity, policy continuity, and structural reforms in sustaining investor confidence.

GLOBAL ECONOMY

The global economy in FY 2024–25 entered a phase of cautious stabilization, following a year of inflationary strain and monetary tightening. While headline inflation continued to decline across major economies, growth remained uneven, shaped by geopolitical uncertainties, policy recalibrations, and sectoral divergences.

- **Global Growth:** The IMF projected global growth to moderate to 2.8% in 2025, down from 3.3% in 2024. Advanced economies faced subdued expansion due to weak investment and fiscal restraint, while select emerging markets—particularly in Asia—continued to outperform, supported by domestic demand and reform momentum.
- **Inflation:** Global headline inflation was estimated to fall below 6.0% in 2024, aided by easing energy prices and supply chain normalization. However, core inflation remained elevated in several regions, driven by wage pressures and service-sector stickiness, prompting central banks to maintain a cautious stance.
- **Monetary Policy:** FY 2024–25 marked the beginning of a gradual shift in monetary policy. While rate hikes paused in most developed economies, rate cuts were selective and data-dependent. The debate around the neutral rate of interest intensified, with policymakers balancing inflation control against recession risks.
- **Geopolitical Risks:** The global environment remained fragile due to persistent conflicts in Eastern Europe and the Middle East, rising trade protectionism, and strategic realignments. These factors continued to disrupt global supply chains and dampen investor confidence.
- **Fiscal Policy:** Governments focused on targeted fiscal support while maintaining medium-term consolidation goals. Public investment in infrastructure, energy transition, and digitalization gained traction, especially in emerging economies seeking to boost productivity and resilience.
- **Sectoral Performance:** Technology and renewable energy sectors led global equity gains, while traditional manufacturing and export-driven industries faced margin pressures. Financial services showed mixed performance amid regulatory tightening and credit cycle adjustments.

Overall, the global economic condition in FY 2024–25 reflected a transition from crisis response to strategic recalibration. Policymakers remained vigilant, navigating a landscape of moderated inflation, geopolitical flux, and evolving growth dynamics.



DIRECTOR'S REPORT (Contd.)

INDIAN ECONOMY

India's economy in FY 2024–25 continued to demonstrate resilience, albeit with moderated growth, as global uncertainties and domestic policy transitions shaped the macroeconomic landscape. Real GDP growth stood at approximately 6.4%, reflecting a normalization from the post-pandemic rebound while maintaining India's position among the fastest-growing major economies.

Growth was supported by sustained domestic consumption, robust services sector performance, and continued government focus on infrastructure-led capital expenditure. The manufacturing sector remained a key contributor, though growth softened due to global demand constraints and supply chain realignments. The services sector—particularly IT, financial services, and professional services—continued to outperform, reinforcing India's export strength in non-merchandise categories.

Inflation showed further signs of moderation, averaging around 4.9% for the fiscal year. However, food inflation remained elevated due to supply-side disruptions and erratic climatic conditions. The Reserve Bank of India maintained a calibrated monetary stance, holding policy rates steady through most of the year while signaling readiness to pivot based on evolving inflation dynamics.

The government sustained its emphasis on fiscal consolidation, while increasing capital outlays in transport, energy, and digital infrastructure. Strategic investments in industrial corridors and logistics hubs continued to drive medium-term growth prospects.

India's external sector remained stable. Services exports grew in double digits, offsetting sluggish merchandise trade. The current account deficit narrowed, and foreign exchange reserves remained robust. Foreign institutional investors showed mixed activity, with net inflows concentrated in select sectors, reflecting cautious optimism amid global rate adjustments.

Gross GST collections for FY 2024–25 crossed ¹ 21.5 lakh crore, marking a healthy year-on-year growth of over 6.7%, driven by continued formalization, compliance improvements, and resilient domestic transactions.

Overall, FY 2024–25 was a year of consolidation and strategic recalibration. India's economic fundamentals remained strong, supported by prudent policy, resilient demand, and a forward-looking investment agenda, positioning the country for sustained growth in the coming years.

Economic outlook for FY26:

India's economic outlook for FY 2025–26 remains broadly positive, supported by resilient domestic demand, easing inflationary pressures, and a favorable policy environment. The Reserve Bank of India (RBI) has maintained its GDP growth projection for the fiscal year at 6.5%, reflecting a calibrated moderation from the previous year's high base, while still positioning India as the fastest-growing major economy.

The economy began the fiscal year with a robust 7.8% growth in Q1, driven by strong performance in manufacturing, construction, and services. Private consumption and investment continue to be key growth drivers, aided by RBI's cumulative 100-bps rate cuts, income tax relief, targeted rural spending initiatives and GST reforms.

The Consumer Price Index (CPI) inflation is projected to average 4.3% for FY26, comfortably within the RBI's tolerance band of 4% ± 2%. Easing food and energy prices, coupled with a healthy monsoon and improved supply-side dynamics, are expected to keep inflation in check.

On the external front, India faces headwinds from 50% tariffs imposed by the US on select exports, particularly in labor-intensive sectors. While this may weigh on merchandise trade, services exports and domestic consumption are expected to offset the impact, preserving macroeconomic stability.



DIRECTOR'S REPORT (Contd.)

The government continues to focus on fiscal consolidation, targeting a reduction in the fiscal deficit from 4.8% in FY25 to 4.4% in FY26, while maintaining capital expenditure momentum in infrastructure, logistics, and digital transformation.

Overall, FY 2025–26 is expected to be a year of growth with cautious optimism, underpinned by strong fundamentals, accommodative policy support, and a resilient consumer base. India's macroeconomic strength and reform momentum continue to reinforce its position as a compelling investment destination in a volatile global landscape.

Capital market during the fiscal 2024-25 and outlook for FY25-26:

The Indian capital markets in FY 2024–25 continued to demonstrate resilience and depth, navigating global volatility and domestic policy transitions with measured optimism.

- **Stock Market Performance:** After a stellar FY24, benchmark indices such as the Nifty 50 and BSE Sensex posted modest gains of over 5% in FY25, navigating intermittent corrections and global headwinds.
- **IPO Activity:** IPO volumes remained healthy, with 245 issues raising over ¹ 64,000 crore. SME listings continued to expand, supported by regulatory facilitation and investor appetite for niche growth stories.
- **Investor Sentiment:** Foreign Institutional Investors (FIIs) remained net sellers for much of the year, yet robust domestic inflows - particularly via SIPs and retail participation - provided a stabilizing force. SIP inflows crossed ¹ 25,000 crore in multiple months, underscoring retail investor confidence.

Looking ahead to FY26, the outlook for the Indian capital markets remains positive.

- **Continued Growth Trajectory:** The Nifty 50 is projected to deliver 12–15% returns. Broader indices are expected to benefit from improving macro fundamentals and easing monetary conditions.
- **Sectoral Rotation:** Defensive sectors like healthcare may regain traction, while financials, infrastructure, and digital services are poised for leadership amid policy support and capex revival.
- **Investor Confidence:** With GDP growth projected at 6.4–6.7%, and inflation aligning with RBI's target range, investor sentiment remains constructive. The post-election policy clarity and trade diplomacy efforts are expected to further strengthen market outlook.
- **Global Risks and Volatility:** Geopolitical tensions, tariff realignments, and global liquidity shifts may introduce short-term volatility. However, India's structural strengths and domestic demand are likely to buffer external shocks.

OPERATIONS:

The Company is a SEBI registered Corporate Stock Broker, is a member of Bombay Stock Exchange (BSE) in Cash and National Stock Exchange (NSE) in Cash, Futures & Options and Currency Derivative Segments. The Company is also Depository Participant (DP) registered with National Securities Depository Limited (NSDL).

Performance highlights in brief:

- Despite a promising start in Q1FY25, the subsequent quarters were marked by adverse regulatory and macroeconomic developments: SEBI's curbs on retail participation in the F&O segment significantly impacted Q2 and Q3 turnover, while global factors such as surging US yields, rising oil prices, and fears of a trade war triggered sharp FII outflows and a 20% market correction from September highs. Q3 and Q4 remained subdued despite partial market recovery. While cash segment activity showed signs of improvement, derivative turnover continued to face structural challenges, underscoring a year of muted performance for CBSL amid a volatile and policy-sensitive market environment.



DIRECTOR'S REPORT (Contd.)

- Profit before tax for the year stood at Rs. 10.97 Crore (March 2025).
- Core Business Income stood at Rs 21.66 Crore (March 2025) as against Rs.22.06 Crore (March 2024).
- Total income marginally Increased to Rs 27.66 Crore (March 2025) from Rs. 27.08 crores (March 2024).
- Total expenditure of the company was at Rs 15.81 Crore (March 2025) as against Rs.12.82 crore (March 2024).
- As on 31st March, 2025, the total retail clients maintaining Demat Accounts are 2,03,127 and having Trading Accounts are 1,19,932. During the Year Company has added 28,413 new retail clients and 14,119 new trading Clients.

Profitability ratios (March 2025):

| Parameter | Ratios (March 25) |
|----------------------------------|-------------------|
| Return on Assets% (Annualized) | 8.58% |
| Return on Equity% (Annualized) | 9.06% |
| Profit per Employee (Before Tax) | Rs. 14.24 Lakh |
| Book value/Share | Rs.56.96 |

A. PROFITABILITY

(Rs. in Crores)

| Particulars | 2023-24 (12 months) Actuals | 2024-25 (12 months) Actuals | Y-o-Y Growth % |
|--|-----------------------------------|-----------------------------------|-------------------|
| Broking-OLT/ Institutional | 17.39 | 16.69 | -4.04% |
| Distribution of MF/IPO/BONDS | 0.24 | 0.30 | 25.63% |
| Income from DP Operations (Including A/c Opening) | 4.44 | 4.67 | 5.23% |
| Core Business Income | 22.06 | 21.66 | -1.81% |
| Trading Income | 0.08 | 0.35 | 340.41% |
| Profit on MF Inv | - | 0 | - |
| Other Income (including interest on FD & Investments) | 4.93 | 5.65 | 14.68% |
| Total Income | 27.08 | 27.66 | 2.14% |
| Establishment Exp | 5.62 | 6.41 | 13.98% |
| Other Admin Exp | 7.2 | 9.41 | 30.66% |
| Total Expenditure | 12.82 | 15.81 | 23.35% |
| PBDT | 14.25 | 11.85 | -16.87% |
| Depreciation | 0.67 | 0.88 | 30.83% |
| Profit Before Tax | 13.59 | 10.97 | -19.28% |
| Tax | -3.45 | 2.89 | |
| Deferred Tax | -0.04 | -0.08 | |
| Short/Excess Prov written back | -0.04 | 0.25 | |
| Profit after tax | 10.06 | 7.90 | -21.43% |



DIRECTOR'S REPORT (Contd.)

B. BUSINESS TURNOVER

(Rs. in Crore)

| Parameters | 23-24 (12 months) Actuals | 24-25(12 months) Actuals |
|---------------|---------------------------|--------------------------|
| Retail-Cash | 5,542.70 | 5,166 |
| F&O & CDS | 1,47,729.43 | 64,766 |
| Institutional | 6,756.64 | 8,438 |
| Proprietary | 14,495.49 | 23,640 |
| TOTAL | 1,74,524.26 | 1,02,009 |

C. CLIENTELE BASE

| Parameters | During March 2025 Quarter | During FY 2024-25 | As at March 2025 |
|-----------------------|---------------------------|-------------------|------------------|
| Demat Clients | 11,760 | 28,413 | 2,03,127 |
| Trading Clients | 3,444 | 14,119 | 1,19,932 |
| Institutional Clients | - | 3 | 67 |

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed and that no material departures have been made from the same;
- The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit and loss of the Company for that period;
- The directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls, which are adequate and are operating effectively; and
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SHAREHOLDING:

Your Company is a Wholly Owned Subsidiary of Canara Bank (Parent Bank). Hence the total paid-up Equity Share Capital of the Company is holding by Canara Bank.

PUBLIC DEPOSITS:

During the year, the Company has continued its stance of not accepting any deposits from the public within the meaning of the provisions of the Non-Banking Financial Companies (Reserve Bank) Directions, 1998 and within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. As such, no amount of principal or interest was outstanding as of the Balance Sheet date.



DIRECTOR'S REPORT (Contd.)

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

During the year under review, the Company has not given any loans, guarantees pursuant to Section 186 of the Companies Act, 2013. The particulars of investments made by the Company are reflected in the Financial Statements.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL'S:

The Board takes decisions relating to major policy matters, reviewing corporate performance, ensuring adequate financial and other resources to facilitate effective performance. The Board discharges the duties and responsibilities as required under various regulatory guidelines applicable to the company such as Companies Act, 2013, Directions/Guidelines and regulations of SEBI/Exchanges.

Pursuant to the provisions of the Companies Act, 2013, following are the changes in the Board of Directors and Key Managerial Personnel of the Company till the date of this Report:

| Name of the Director/ Key Managerial Personnels | DIN/PAN | Designation | Date of Appointment/ Resignation |
|--|------------|------------------------------------|-------------------------------------|
| Shri. Debashish Mukherjee | 08193978 | Director & Chairman | Cessation w.e.f. 31.05.2025 |
| Smt. Kalyani Kota | 08754192 | Director | Cessation w.e.f. 29.03.2025 |
| Shri. Dhananjay Kumar Sinha | 10249804 | Managing Director | Cessation w.e.f. 21.04.2025 |
| Smt. Shruti Gandhi | AZDPG5342B | Company Secretary | Cessation w.e.f. 26.04.2024 |
| Km. Malvika Bajpai | AYJPB7321G | Company Secretary | Cessation w.e.f. 09.07.2025 |
| Smt Shilpa Savaliya | AUEPB7144G | Chief Financial Officer | Cessation w.e.f. 27.01.2025 |
| Shri. Bhavendra Kumar | 10401479 | Additional Director & Chairman | Appointment w.e.f. 02.07.2025 |
| Shri. Sandeep Rao P | 11057597 | Managing Director | Appointment w.e.f. 21.04.2025 |
| Shri. Nageswara Rao Yalamanchili | 06651230 | Additional Independent Director | Appointment w.e.f. 02.07.2025 |
| Shri. Noha Ezikiel Rajpurkar | AHWPR5392R | Chief Financial Officer | Appointment w.e.f. 18.07.2025 |

RETIREMENT OF DIRECTORS

In terms of sections 149,150,152 and other applicable provisions of companies Act, 2013 and rules made there under, the Managing Director is appointed for a term of 3 years. As the company is wholly owned subsidiary of Canara Bank, Chairman / Vice Chairman of the Company are nominated by the Bank to represent its interest as per explanation to Section 149(7) of the Companies Act, 2013. Independent Directors are appointed for fixed term. Other directors are liable to retire by rotation.

All Directors, other than the Directors who are liable to retire by rotation at every Annual General Meeting and who are eligible for reappointment, are appointed on the recommendation of Nomination and Remuneration Committee. The provisions of Section 178(3) of the Companies Act, 2013 are complied with wherever applicable.



DIRECTOR'S REPORT (Contd.)

DIRECTOR(S) RETIRING BY ROTATION:

As per clause 136(1) of the Articles of Associations of the Company, not less than two-third of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation and same as otherwise expressly provided in the Act and the Articles, be appointed by the Company in Annual General Meeting.

As per clause 137 of Articles of Association at an Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation.

APPOINTMENT OF MANAGING DIRECTOR:

The Company in its Board Meeting held on 21.04.2025 and based on the recommendation of Nomination and Remuneration Committee has appointed Shri. Sandeep Rao P(DIN: 11057597) as Managing Director duly approved by the members in the ensuing Annual General Meeting held on 23.09.2025.

APPOINTMENT OF CHAIRMAN:

Pursuant to the provisions of Section 152, 160, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Shri. Bhavendra Kumar (DIN: 10401479) was appointed as Chairman w.e.f. 02.07.2025.

BOARD AND COMMITTEE MEETINGS:

The Board of Directors meets at regular intervals to discuss the business and compliance matters of the Company.5 (Five) Board Meetings were held during the Financial Year 2024-25 on 19.04.2024, 18.07.2024, 25.09.2024,21.10.2024,20.01.2025.

Details of Board Meetings held/attended during the FY 2024-25 by Directors and sitting fees paid are furnished here under:

| Sr. No. | Name of the Director | No. of Board Meetings held | No. of Board Meeting to be attended | No.: of Board Meetings attended | Attendance at Last AGM (Y/N) | Sitting fee paid (in Rs.) |
|---------|---------------------------|----------------------------|-------------------------------------|---------------------------------|------------------------------|---------------------------|
| 1 | Shri. Debashish Mukherjee | 5 | 5 | 5 | Yes | Not Applicable |
| 2 | Shri. Mahesh M Pai | 5 | 5 | 5 | Yes | Not Applicable |
| 4 | Shri.Tarun Kumar Gupta | 5 | 5 | 5 | Yes | 1,20,000 |
| 5 | Smt. Kalyani Kota | 5 | 5 | 5 | Yes | Not Applicable |
| 6 | Shri. D K Sinha | 5 | 5 | 5 | Yes | Not Applicable |
| 7 | Shri. V. Kalyan | 5 | 5 | 5 | Yes | 1,20,000 |
| 8 | Shri. Bikram Singh Raina | 5 | 5 | 5 | Yes | 1,20,000 |

The Managing Director is the executive and functional director and other directors are Non-Executive Directors. The Directors are professionals with vast experience in Banking, Finance, Audit, Management, Law and other relevant areas.

None of the Directors are related to each other. The Independent Directors are independent of management and do not have any business relationship which could materially interfere their exercise of independent judgment. None of the Directors received any loans and advances from the Company during the year under review.



DIRECTOR'S REPORT (Contd.)

During the Year under review with Six time the Board Resolutions were passed by circulation.

The Board has constituted the following Mandatory Committees of the Board of Directors:

1. Audit Committee
2. Risk Management Committee
3. Corporate Social Responsibility Committee
4. Nomination and Remuneration Committee

The Company Secretary of the Company is the Secretary to each of these Committees.

AUDIT COMMITTEE OF THE BOARD:

The Committee comprises of four Directors. The Managing Director of the Company is a permanent invitee to the Meeting.

During the year under review (2024-25) four Audit Committee Meeting of the Board were held on 19.04.2024, 18.07.2024, 21.10.2024, 20.01.2025.

Following are the details of Audit Committee Meeting held/attended by Directors/Members and sitting fees paid during the FY 2023-24 are furnished here under:

| Sr. No. | Name of the Director | No. of Meetings held | No. of Meeting to be attended | No. of Meetings attended | Sitting fee paid (In Rs.) |
|---------|-----------------------------|----------------------|-------------------------------|--------------------------|---------------------------|
| 1 | Shri. Mahesh Muralidhar Pai | 4 | 4 | 4 | Not Applicable |
| 2 | Shri. Tarun Kumar Gupta | 4 | 4 | 4 | 45,000 |
| 3 | Shri. Bikram Singh Raina | 4 | 4 | 4 | 45,000 |
| 4 | Shri. V Kalyan | 4 | 4 | 4 | 45,000 |

The role, terms of reference, authority and powers of the Audit Committee of the Board are in conformity with the requirements of Companies' Act, 2013.

RISK MANAGEMENT COMMITTEE OF THE BOARD:

The Committee comprises of four Directors. The Managing Director of the Company and Chief General Manager of RM Wing of Canara Bank (Parent Bank) are the permanent invitees to the Meeting.

During the year under review (2024-25) Four Meetings of Risk Management Committee were held on 19.04.2024, 18.07.2024, 21.10.2024, 20.01.2025.

Following are the details of Risk Management Committee Meeting held/attended by Directors/Members and sitting fees paid during the FY 2024-25 are furnished here under:

| Sr. No. | Name of the Director | No. of Meetings held | No. of Meeting to be attended | No. of Meetings attended | Sitting fee paid (In Rs.) |
|---------|--------------------------|----------------------|-------------------------------|--------------------------|---------------------------|
| 1 | Shri. Mahesh M Pai | 4 | 4 | 4 | Not Applicable |
| 2 | Shri. Bikram Singh Raina | 4 | 4 | 4 | 45,000 |
| 3 | Shri. V Kalyan | 4 | 4 | 4 | 45,000 |

The Committee, inter alia, reviews the risk mitigation measures followed by the Company.



DIRECTOR'S REPORT (Contd.)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE OF THE BOARD:

In accordance with the section 135 of the Companies Act, 2013 and schedule VII read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee of the Board is constituted by the Board which comprises of four Directors to perform the duties as specified Section 135 of the Companies' Act 2013. The Managing Director of the Company is a permanent member to the Committee.

During the year under review (2024-25) one meeting of Corporate Social Responsibility Committee was held on 20.01.2025.

Following are the details of Corporate Social Responsibility Committee Meeting held/attended by Directors/Members and sitting fees paid during the FY 2024-25 are furnished here under:

| Sr. No. | Name of the Director | No. of Meetings held | No. of Meeting to be attended | No. of Meetings attended | Sitting fee paid (In Rs.) |
|---------|--------------------------|----------------------|-------------------------------|--------------------------|---------------------------|
| 1 | Shri. Mahesh M. Pai | 1 | 1 | 1 | Not Applicable |
| 2 | Shri. D K Sinha | 1 | 1 | 1 | Not Applicable |
| 3 | Shri. Bikram Singh Raina | 1 | 1 | 1 | 15,000 |
| 4 | Shri. Tarun Kumar Gupta | 1 | 1 | 1 | 15,000 |

The Committee, inter alia, formulates and recommends to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified under schedule VII of the Act & recommends the amount of expenditure to be incurred on the activities.

NOMINATION AND REMUNERATION COMMITTEE OF THE BOARD:

In accordance with the Section 178 of the Companies Act, 2013 and rules made there under, the Nomination and Remuneration Committee of the Board was constituted by the Board. The Committee comprises of four Directors. The Managing Director of the Company is a permanent invitee to the Meeting.

Being a Wholly Owned Subsidiary of Canara Bank, the Bank shall identify the persons who are qualified to become directors and recommends the same to the Board of your Company for their appointment and approval. The Board further recommends the same to the Shareholders for their approval in General Meeting.

Further the evaluation of performance of Board, its committees and individual directors shall be carried out by the Board itself.

During the year under review (2024-25) TWO meetings of Nomination & Remuneration Committee were held on 19.04.2024 & 18.07.2024.

Following are the details of Nomination and Remuneration Committee Meeting held/attended by Directors/Members and sitting fees paid during the FY 2024-25 are furnished here under:

| Sr. No. | Name of the Director | No. of Meetings held | No. of Meeting to be attended | No. of Meetings attended | Sitting fee paid (In Rs.) |
|---------|-----------------------------|----------------------|-------------------------------|--------------------------|---------------------------|
| 1 | Shri. Mahesh Muralidhar Pai | 2 | 2 | 2 | Not Applicable |
| 2 | Shri. V Kalyan | 2 | 2 | 2 | 15,000 |
| 3 | Shri. Tarun Kumar Gupta | 2 | 2 | 2 | 15,000 |



DIRECTOR'S REPORT (Contd.)

EXTRA-ORDINARY GENERAL METING:

During the Year under review (2024-25) the Company has not conducted any Extra-ordinary General Meeting.

DECLARATION U/S149 (6) OF THE COMPANIES ACT, 2013:

In terms of section 149(6) of the Companies Act, 2013 a declaration that the Director meets the criteria of independence as provided in the Section 149(6) of the Companies Act, 2013 has been received from the Independent Directors.

Pursuant to Section 149(8) read with Schedule IV of the Companies Act, 2013, a Separate Meeting of independent Directors was held in the absence of Non-independent Directors, Company Secretary and Members of Management of the Company to discuss the matters as prescribed under Clause VII of Schedule IV of the Companies Act, 2013.

BOARD EVALUATION:

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall also be done by the entire Board of Directors, excluding the Director being evaluated.

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 read with Rule 8 (4) of Companies (Accounts) Rules, 2014, the Board has initiated the process of performance evaluation of the entire board of the company, its committees and individual Directors, including Independent Directors.

The Board monitored and reviewed the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, require the company to provide certain details about the employees who were in receipt of remuneration of not less than Rs. 1.02 Crore during the Financial Year (2024-25 in this case) or not less than Rs. 8.5 Lakhs per month during any part of the said year. As all the employees of the company are drawing less than the stipulated threshold limit, the particulars required to be furnished shall be treated as Nil.

REPORT ON CORPORATE GOVERNANCE PRACTICES FOLLOWED BY THE COMPANY:

The Board of Directors of the Company believes that sound corporate governance is critical to enhance and retain investor trust. It always seeks to ensure that its performance is driven by integrity. The Board exercises its fiduciary responsibilities in the widest sense of the term. Its disclosures seek to attain the best practices in the corporate governance.



DIRECTOR'S REPORT (Contd.)

RISK MANAGEMENT:

The Company is exposed to inherent uncertainties owing to the sectors in which it operates. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focus on ensuring that these risks are identified on a timely basis and addressed.

The Board of Directors has constituted a Risk Management Committee. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management. The Committee reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives. Further, the Committee endeavors to assist the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing & guiding the risk policy. The Committee also guides Management in developing the risk management policy and in implementing an appropriate risk management system/framework for the Company. This Committee has the primary responsibility of implementing the Risk Management Policy of the Company and achieving the stated objective of developing a risk intelligent culture that supports decision making and helps improve Company performance.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Company has appointed independent auditors to check the internal control system of the Company. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal auditor of the company undertakes corrective action in its respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

AUDITORS:

Statutory Auditors:

M/s. Kochar & Associates, Chartered Accountants, Mumbai were appointed as Statutory Auditors of the Company by the Comptroller and Auditor General of India for the Financial Year 2024-25.

The Statutory Auditors' Report to the Shareholders does not contain any qualification.

As per the Auditor's report submitted by the Statutory Auditor of the Company no fraud on or by the Company has been noticed or reported during the course of the audit.

Under Section 142 of the Companies Act, 2013, Auditors shall be appointed under Section 139(5) by the Comptroller & Auditor General of India for the year 2025-26, the remuneration shall be fixed by the Company in the General Meeting. Accordingly, Notice of the Annual General Meeting includes item relating to remuneration of the Auditors for the year 2025-26.

C&AG Audit:

The Comptroller and Auditor General of India (C&AG) have not conducted the Supplementary Audit of the Financial Statements of our Company for the FY 2024-25.



DIRECTOR'S REPORT (Contd.)

Internal Auditor:

The Board of Directors had appointed M/s. Shah Kapadia & Associates, Chartered Accountants, Mumbai as the Internal Auditors of the Company for Broking Activity and Research Analysts Activities at Mumbai and M/s. Anudnya A Mehta & Associates, Chartered Accountants, Bengaluru for DP/OLT Activities at Bengaluru for the Financial Year 2024-25.

The Internal Auditors conducted their review and Audit on monthly and quarterly basis and submitted their report to the Audit Committee and Board of Directors.

Secretarial Auditor:

In terms of the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company is not required to appoint Secretarial Auditor.

COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER IN AUDIT REPORT:

There is no Qualification, Reservation or Adverse remark in Statutory Audit Report for the Financial Year 2024-25.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTY:

During the year, transactions of material nature, which are not at arm's length or, not in the ordinary course of Business have not been entered into with holding company or any other party. Information on transactions with Related Parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure I in Form AOC-2 and the same forms part of this Report.

EXTRACT OF ANNUAL RETURN:

The Annual Return in Form MGT-7, as mandated under the provisions of Section 92(3) read with Section 134(3) of the Act, has been uploaded on the website of the Company and is available at <https://www.canmoney.in/investor-corner>.

CONSERVATION OF ENERGY:

The Company's operations involve low energy consumption. There are no major areas where energy conservation measures could be taken. However, the Company is making efforts to conserve and optimize energy wherever practicable by economizing on the use of power in the office.

TECHNOLOGY ABSORPTION:

The Company has not entered into any collaboration arrangement. The Company is using the necessary resources relevant to its business in keeping with the size of its operations.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Company does not have any business resulting in foreign exchange earnings and outgo.

ESTABLISHMENT OF VIGIL MECHANISM:

Department of Financial Services (DFS) has directed all the banks to establish a formal vigilance administration mechanism in its subsidiary companies. In line with these directions, our Parent Company, Canara Bank has directed us to take necessary steps to:



DIRECTOR'S REPORT (Contd.)

- Establish formal vigilance administration mechanism by setting up vigilance cell;
- Appoint Vigilance Officer and defining his roles and responsibilities by covering all the areas of line of activity of the Company;
- Frame policies such as Vigilance Policy, Whistle Blower Policy, Complaints handling Policy;
- Submit of Vigilance Report on monthly basis.
- Accordingly, we have formed policies as per the directions.

PREVENTION OF SEXUAL HARASSMENT:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc. All women associate (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this policy.

All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. During Fiscal Year 2024-25 the Company has not received any complaint on sexual harassments.

CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the Financial Year 2024-25 are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 & Companies (CSR Policy) Amendment Rules, 2021. CSR Policy is available on the website of the Company at www.canmoney.in.

REMUNERATION POLICY:

Non-executive Directors of the Company, other than those who are executives of the parent bank, get only sitting fees. As regards Directors who are executives of the Parent Bank, who are on deputation from the Parent Bank get remuneration as per Remuneration Policy.

OTHER DISCLOSURES:

- (i) There are no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and company's operations in future, during the financial year 2024-25.
- (ii) There are no material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of the Financial Year 2024-25 and the date of this report.
- (iii) There are no details in respect of frauds reported by auditors under Section 143(12) of the Companies Act, 2013.
- (iv) The Company has complied with the Secretarial Standards I and II as issued by the Institute of Company Secretaries, India.
- (v) The Company was not required to maintain cost records under Section 148(1) of the Companies Act, 2013



DIRECTOR'S REPORT (Contd.)

ACKNOWLEDGEMENTS:

The Directors place on record their appreciation of the assistance and co-operation received from Government of India, State Government of Maharashtra, SEBI, NSE, BSE, NSDL, Promoter Bank viz. Canara Bank, Consultants and Company's Bankers.

The Directors would also like to place on record their appreciation for the sincere and dedicated efforts put in by all the staff members.

**For and on behalf of the Board of Directors
CANARA BANK SECURITIES LIMITED**

SD/-
SANDEEP RAO P
MANAGING DIRECTOR
DIN : 11057597

SD/-
BHAVENDRA KUMAR
CHAIRMAN & DIRECTOR
DIN : 10401479

Place : Mumbai

Date : 08.09.2025

Enclosed : Annexure I –AOC-2, Annexure II- CSR Report



DIRECTOR'S REPORT (Contd.)

ANNEXURE-I

Form No.: AOC -2

As on the Financial Year ended on 31st March, 2025

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not in arm's length basis.

Details of contracts or arrangements or transactions at Arm's length basis:

The details of contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2025 are as follows:

| Name (s) of the Related Party & nature of relationship | Nature of contracts /arrangements/ transactions | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any |
|--|---|--|--|
| Canara Bank (Parent Bank) | Rent | April 2024 to March 2025 | Rent paid to the Parent Bank for the Office use for FY 2024-25 amounting to Rs. 157.52 Lakhs. |
| | Interest paid on overdraft | April 2024 to March 2025 | Interest paid to Parent Bank on Overdraft amounting to Rs. 1.70 Lakhs. |
| | Interest on deposit | April 2024 to March 2025 | Interest received on Fixed Deposit from Parent Bank amounting to Rs. 386.80 Lakhs. |
| | Brokerage received | April 2024 to March 2025 | Brokerage received from the Holding Company for services rendered to them for FY 2024-25 amounting to Rs. 30.50 Lakhs. |
| | Electricity Charges | April 2024 to March 2025 | Electricity Charges paid to Parent bank amounting Rs 12.53 Lakhs |
| | Salary & Other Benefits | April 2024 to March 2025 | Salary and Other Benefits to deputed Canara Bank employees amounting Rs. 173.02 Lakhs. |
| Canara HSBC Life Insurance Company Ltd (Group Company) | Brokerage received | April 2024 to March 2025 | Brokerage received for services rendered to them for FY 2024-25 amounting to Rs.43.17 Lakhs. |
| Canara Robeco MF (Group Company) | Mutual Fund Investment | April 2024 to March 2025 | Mutual Fund Investment in Canara Robeco MF (Group Company) amounting to Rs. 27.75 Lakhs as on 31/03/2025 |



DIRECTOR'S REPORT (Contd.)

| Name (s) of the Related Party & nature of relationship | Nature of contracts /arrangements/ transactions | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any |
|--|---|--|--|
| | Income from investment in Mutual Fund | April 2024 to March 2025 | Income received from Mutual Fund Investment in Canara Robeco MF (Group Company) amounting to Rs NIL Lakhs. |
| Canbank Computer Services Limited | (Group Company) | RTA and maintenance charges | April 2024 to March 2025 DR site was discontinued from the year 2016 and near site was started from 26th July, 2019. RTA and maintenance charges for Near Site amounting to Rs. 0.05 lakhs |
| Smt. Shruti Gandhi | Salary & Other benefits | April 2024 | Salary and Other benefits for part of the year amounted to Rs. 0.72 Lakh |
| Km. Malvika Bajpai | Salary & Other benefits | April 2024 to March 2025 | Salary and Other benefits for part of the year amounted to Rs. 8.93 Lakh |
| Smt. Shilpa Savaliya | Salary & Other benefits | April 2024 to January 2025 | Salary and Other benefits for part of the year amounted to Rs. 7.98 Lakh |

There was no advances paid and necessary approval of Board of Directors has been obtained for all transactions as same are non-material and in the Ordinary course of Business.

**For and on behalf of the Board of Directors
CANARA BANK SECURITIES LIMITED**

SD/-
SANDEEP RAO P
MANAGING DIRECTOR
DIN : 11057597

SD/-
BHAVENDRA KUMAR
CHAIRMAN & DIRECTOR
DIN : 10401479

Place : Mumbai
Date : 08.09.2025
Enclosed : Annexure I –AOC-2, Annexure II- CSR Report



DIRECTOR'S REPORT (Contd.)

**“ANNEXURE –II”
Annual Report on CSR Activities
As on the Financial Year ended on 31st March, 2025**

1. Brief outline on CSR Policy of the Company.

Outline of CSR Policy - As an integral part of our commitment to Good Corporate Citizenship, we at Canara Bank Securities Limited believe in actively assisting in improvement of the quality of life of people in communities. Towards achieving long-term stakeholder value creation, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; focused on inter alia the Minority Community, Scheduled Castes and Scheduled Tribes and the society at large. In order to leverage the demographic dividend of our country, Company's CSR efforts shall focus on Health, Education, and giving preference to needy and deserving communities inhabiting urban India.

2. Composition of CSR Committee:

| Sr. No. | Name of Director | Designation/Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|-----------------------------|--|--|--|
| 1 | Shri. Tarun Kumar Gupta | Chairman of CSR Committee & Independent Non-Executive Director | 1 | 1 |
| 2. | Shri. Mahesh Muralidhar Pai | Member of CSR Committee and Non-Executive Director | 1 | 1 |
| 3. | Shri. D K Sinha | Member of CSR Committee and Managing Director | 1 | 1 |
| 4. | Shri. Bikram Singh Raina | Member of CSR Committee and Independent Non-Executive Director | 1 | 1 |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

www.canmoney.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any



DIRECTOR'S REPORT (Contd.)

| Sr. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be set off for the financial year, if any (in Rs) |
|---------|----------------|---|--|
| 1 | 2021-22 | NIL | NIL |
| 2 | 2022-23 | NIL | NIL |
| 3 | 2023-24 | NIL | NIL |
| | TOTAL | NIL | NIL |

6. Average net profit of the company as per section 135(5). (In Absolute Figures)

| Particulars | 2023-24 | 2022-23 | 2021-22 |
|-------------|-----------------|-----------------|-----------------|
| Net profit | 13,58,98,847.25 | 10,14,94,600.74 | 25,53,82,392.00 |

7. Average net profit of the Company for last three financial years is at **Rs. 16,42,58,613.33**

| | | |
|-----|--|------------------|
| (a) | Two percent of average net profit of the company as per section 135(5). | Rs. 32,85,172.27 |
| (b) | Surplus arising out of the CSR projects or programmes or activities of the Previous Financial years. | NIL |
| (c) | Amount required to be set off for the financial year, if any | NIL |
| (d) | Total CSR obligation for the financial year (7a+7b-7c) | Rs. 32,85,172.27 |

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.) | | | | |
|---|--|------------------|--|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Total Amount transferred to Unspent CSR Account as per section 135(6). | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| Rs. 33,00,000/- | NIL | NIL | - | - | - |

- (b) Details of CSR amount spent against ongoing projects for the financial year:

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

| S No | Name of the project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the project. | | Project Duration | Amount allocated for the project (in Rs.). | Amount spent in the current financial Year (in Rs.). | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.) | Mode of Implementation - Direct (Yes/No). | Mode of Implementation Through Implementing Agency | |
|------|---------------------|--|----------------------|--------------------------|----------|------------------|--|--|--|---|--|------------|
| | | | | State | District | | | | | | Name | CSR Reg No |
| NIL | | | | | | | | | | | | |



DIRECTOR'S REPORT (Contd.)

| S No | Name of the project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Location of the project. | | Amount spent for the project (in Rs.) | Mode of Implementation Direct (Yes/No). | Mode of Implementation Through Implementing Agency | |
|-------|---|--|---------------------|--------------------------|-----------|---------------------------------------|---|--|--------------|
| | | | | State | District | | | Name | CSR Reg No |
| 1. | To provide a sustainable solution for managing organic waste by transforming it into biologically stable compost, significantly reducing waste volume while retaining essential nutrients like nitrogen, phosphorus, and potassium by use of Automated Electro-Mechanically operated, Organic Waste Composter machine with Carbon Bio-Filter and Control Panel. | (I) | No | Karnataka | Bengaluru | 24,09,250.00 | NO | Iskcon, jB'luru | CSR00 000286 |
| 2. | To provide support to the senior citizens, orphans, mentally - morally unstable, and missing people since 2010 for their nutrition, shelter and medical needs and also ensures their physical, mental, spiritual and emotional well-being. | (iii) | Yes | Maharashtra | Mumbai | 8,90,750.00 | NO | Smit Old Age Home and Care Foundation, Thane | CSR00 043108 |
| TOTAL | | | | | | 33,00,000.00 | | | |

- (d) Amount spent in Administrative Overheads- NIL
- (e) Amount spent on Impact Assessment, if applicable - NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) - 33,00,000/-
- (g) Excess amount for set off, if any NIL

| S No | Particular | Amount in Rs. |
|------|---|---------------|
| 1. | Two percent of average net profit of the company as per section 135(5) | 32,85,172 |
| 2. | Total amount spent for the Financial Year | 33,00,000.00 |
| 3. | Excess amount spent for the financial year [(ii)-(i)] | 14,828 |
| 4. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| 5. | Amount available for set off in succeeding financial years [(iii)-(iv)] | NIL |



DIRECTOR'S REPORT (Contd.)

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| S No | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per | | | Amount remaining to be spent in succeeding financial years.(in Rs.) |
|------|---------------------------|--|---|--|-----------------|------------------|---|
| | | | | Name of the Fund | Amount (in Rs.) | Date of Transfer | |
| 1 | 2021-22 | NIL | 37,29,524 | NIL | NIL | NIL | NIL |
| 2 | 2022-23 | NIL | 46,70,134 | NIL | NIL | NIL | NIL |
| 3 | 2023-24 | NIL | 32,85,172 | NIL | NIL | NIL | NIL |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| S No | Project ID. | Name of the Project | Financial Year in which the project was commenced. | Project duration | Total amount allocated for the project (in Rs.). | Amount spent on the project in the reporting Financial Year (in Rs.). | Cumulative amount spent at the end of reporting Financial Year. (in Rs.) | Status of the project- Completed /Ongoing |
|------|-------------|---------------------|--|------------------|--|---|--|---|
| NIL | | | | | | | | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details).Not Applicable

| | | |
|----|---|----------------|
| a. | Date of creation or acquisition of the capital asset(s). | Not Applicable |
| b. | Amount of CSR spent for creation or acquisition of capital asset. | |
| c. | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc | |
| d. | Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) | |

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):**Not Applicable.**

FOR CANARA BANK SECURITIES LIMITED

SD/-
TARUN KUMAR GUPTA
CHAIRMAN CSR COMMITTEE
DIN:01581768

SD/-
SANDEEP RAO P
MANAGING DIRECTOR
DIN: 11057597

SD/-
BHAVENDRA KUMAR
CHAIRMAN & DIRECTOR
DIN: 10401479

Place : Mumbai
Date : 08.09.2025



Independent Auditor's Report

**To,
The Members of Canara Bank Securities Limited
Report on the audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of **Canara Bank Securities Limited**. ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss and the statement of Cash Flows for the year then ended, and notes to the financial statement including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act of the state of affairs of the Company as at March 31, 2025, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information included in the Director's Report along with annexures but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Board Report 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 Board Report and in doing so, consider whether the Board Report 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 in this Board Report; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting



Independent Auditor's Report (Cont.)

principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial control 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 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



Independent Auditor's Report (Cont.)

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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss 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 AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors, as on March 31, 2025 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
- g) With respect to other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 the Act.
- h) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion, and to the best of our information and according to the explanation given to us:



Independent Auditor's Report (Cont.)

1. The Company does not have any pending litigations which would impact its financial position.
2. The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
4.
 - a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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.
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - d) The Company has not declared or paid dividend during the year.
- l) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.



Independent Auditor's Report (Cont.)

Report on Directions under section 143(5) of Companies Act 2013

| | | |
|----|---|---|
| 1 | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | The company has system in place to process all the accounting transaction through IT system. We have not come across any instance of processing of accounting transactions outside IT system. |
| 2. | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans / interest etc made by a lender to the company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for. (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company) | Not Applicable |
| 3 | Whether funds (grants/subsidy etc) received /receivable for specific schemes from Central / State Government or its agencies were properly accounted for /utilized as per its terms and conditions. List the cases of deviation. | Not Applicable |

For **Kochar & Associates**
Chartered Accountants
FRN: 105256W

CA. Ravi Khandelwal
Partner
M. No: 146480
Date : 21.04.2025
Place : Mumbai
UDIN : 25146480BMIJCA8533



Annexure - A to the Auditor's Report

ANNEXURE A TO THE AUDITOR'S REPORT

[Referred to in paragraph 1, under 'Report on other Legal and Regulatory Requirements', in the Independent Auditor's Report of even date to the members of Canara Bank Securities Limited("the Company") on the financial statements for the year ended March 31, 2025]

- i. (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As informed to us, the Company has a policy of conducting physical verification of property plant and equipment every year, which in our opinion is reasonable and commensurate with the size of the Company and nature of its business. No material discrepancies were noticed on such verification as informed.
- (c) The company does not hold any immovable properties. Hence, para 3(i)(c) of the order is not applicable.
- (d) As informed to us, the Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) As informed to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company is providing brokerage services and accordingly it does not hold any inventory in physical form. The inventories held by the company comprises of financial instruments which are in dematerialized form and are verified with the statement of holding received by management from the custodian at regular intervals. No material discrepancies of 10% or more in the aggregate of inventory were noticed on such verification.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the order is not applicable.
- iii. According to the information and explanation given to us the company has not made investments in, provided any guarantee or security or granted any loans or advance in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships or any other parties, hence clause 3(iii)(a)(A),(B) and 3(iii)(b),(c),(d),(e),(f) of the order are not applicable.
- iv. Since the company has not given any loans or made investments or given guarantee or security, provisions of section 185 and 186 of the Companies Act 2013 are not applicable.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and rules framed there under.



Annexure - A to the Auditor's Report (Cont.)

vi. To the best of our knowledge and as explained to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013 for the products of the company. Accordingly, clause 3(vi) of the order is not applicable to the Company.

vii. According to the records of the Company, it is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, income Tax, service tax, cess and other statutory dues applicable to it.

The provisions of relating to employee's state insurance, duty of customs, duty of excise, are not applicable to the company.

According to the information and explanations given to us and records of the Company examined by us, there are no arrears of outstanding applicable material statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they become payable.

According to the information and explanation given to us, there are no dues of Goods and Services Tax, Service Tax, Provident Fund, Sales Tax, Income Tax, Value Added Tax, Customs Duty, Excise Duty and cess which have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. (a) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, hence clause 3(ix)(a) of the order is not applicable to the Company as there are no such loans or borrowings taken by the Company during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year, hence the clause 3(ix)(c) of the order is not applicable to the Company.

(d) According to information and explanation given to us, no funds raised on short term basis have been used for long term purposes during the year by the Company.

(e) 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, hence the clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company has not raised loans during the year, hence the clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) The company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3 (x)(a) of the order is not applicable to the Company.

(b) The company has not made any preferential allotment or private placement of shares or fully, partly, optionally convertible debentures during the year. Accordingly reporting under clause 3 (x)(b) of the order is not applicable to the Company.



Annexure - A to the Auditor's Report (Cont.)

- xi. (a) Based on the Audit procedures performed and as per the Information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year.
- (b) No report under sub section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have been explained that no whistle blower complaints are received by the Company during the year and up to the date of this report.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, clause 3(xii)(a),(b),(c) of the order is not applicable to the Company
- xiii. According to the information and explanation given to us and based on our examination of the records of the company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business,
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) According to the information and explanation given to us and based on our examination of the records of the company, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi)(a) of the order is not applicable to the Company.
- (b) According to the information and explanation given to us and based on our examination of the records of the company, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, clause 3 (xvi)(b) of the order is not applicable to the Company.
- (c) According to the information and explanation given to us and based on our examination of the records of the company, the company is not a Core Investment Company as defined in regulations by Reserve Bank of India or a part of CIC Group. Accordingly, clause 3 (xvi)(c),(d) of the order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the company during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable to the Company.



Annexure - A to the Auditor's Report (Cont.)

- xix. On the basis the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to the information and explanation given to us and based on our examination of the records of the company, there are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section(5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the order is not applicable for the year.
- (b) According to the information and explanation given to us and based on our examination of the records of the company, there are no unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a special account in compliance with provision of sub section(6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the order is not applicable for the year.
- xxi. The Company does not have any subsidiary. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company

For Kochar & Associates
Chartered Accountants
FRN: 105256W

CA. Ravi Khandelwal
Partner
M. No: 146480

Date : 21.04.2025
Place : Mumbai
UDIN : 25146480BMIJCA8533



Annexure - B to the Auditor's Report

ANNEXURE B TO THE AUDITORS REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of Canara Bank Securities Limited)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Canara Bank Securities Ltd. ('the Company')** as of 31 March 2025 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Annexure - B to the Auditor's Report (Cont.)

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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 2025, 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.

For Kochar & Associates

Chartered Accountants

FRN: 105256W

CA. Ravi Khandelwal

Partner

M. No: 146480

Date : 21.04.2025

Place : Mumbai

UDIN : 25146480BBIJCA8533



Comments of the Comptroller

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CANARA BANK SECURITIES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

The preparation of financial statements of Canara Bank Securities Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 21 April 2025.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Canara Bank Securities Limited for the year ended 31 March 2025 under section 143(6)(a) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(Vijay Nanalal Kothari)
Principal Director of Audit (Shipping), Mumbai

Place : Mumbai
Date : 13.08.2025



Balance Sheet as at 31st March, 2025

(Rs. In Lakhs)

| AUDITED BALANCE SHEET AS AT 31.03.2025 | | | | | |
|--|-------|----------------------------------|------------------|-------------------------------|-----------------|
| PARTICULARS | NOTES | As at 31.03.2025 (Audited) | | As at 31.03.2024 (Audited) | |
| | | I. EQUITY AND LIABILITIES | | | |
| (1) SHARE HOLDERS' FUND | | | | | |
| (a) Share Capital | 1 | 1,600.00 | | 1,600.00 | |
| (b) Reserves and Surplus | 2 | 7,513.71 | | 6,723.53 | |
| | | | 9,113.71 | | 8,323.53 |
| (2) SHARE APPLICATION MONEY PENDING ALLOTMENT | | | | | |
| (3) NON -CURRENT LIABILITIES | | | | | |
| (a) Long Term Provisions | 3 | 28.19 | | 12.00 | |
| | | | 28.19 | | 12.00 |
| (4) CURRENT LIABILITIES | | | | | |
| (a) Trade Payables:- | | | | | |
| (A) total outstanding dues of micro, small & medium enterprises ; and | | - | | - | |
| (B) total outstanding dues of creditors other than micro, small & medium enterprises | | - | | - | |
| (b) Short term borrowing | 4 | - | | 11.50 | |
| (c) Other Current Liabilities | 5 | 543.00 | | 447.09 | |
| (d) Short Term Provisions | 6 | 360.09 | | 419.98 | |
| | | | 903.08 | | 878.57 |
| TOTAL | | | 10,044.99 | | 9,214.10 |
| II. ASSETS | | | | | |
| (1) NON-CURRENT ASSETS | | | | | |
| (a) Property, Plant and Equipment and Intangible assets | | | | | |
| (i) Property, Plant and Equipment | 7 | 74.15 | | 93.85 | |
| (ii) Intangible assets | 7 | 35.73 | | 66.44 | |
| (iii) Capital work-in-progress | | - | | - | |
| (iv) Intangible Assets under development | | - | | - | |
| (b) Deferred Tax Assets (Net) | 8 | 21.21 | | 13.69 | |
| (c) Other Non-Current Assets | 9 | 3,372.12 | | 1,619.02 | |
| | | | 3,503.22 | | 1,792.99 |
| (2) CURRENT ASSETS | | | | | |
| (a) Current Investments | 10 | 29.68 | | 2.75 | |
| (b) Inventories | 11 | 388.84 | | 170.78 | |
| (c) Trade Receivables | 12 | 151.41 | | 186.09 | |
| (d) Cash and Bank Balances | 13 | 4,628.39 | | 5,907.62 | |
| (e) Other Current Assets | 14 | 1,343.45 | | 1,153.87 | |
| | | | 6,541.77 | | 7,421.11 |
| | | | 10,044.99 | | 9,214.10 |

Significant Accounting Policies and notes are forming part of the Financial Statements.

22-23

As per our report of even date

For M/s. Kochar & Associates On behalf of the Board of Directors of Chartered Accountants Canara Bank Securities Limited

Firm Registration No. 105256W

CA RAVI KHANDELWAL

Debashish Mukherjee

Dhananjay Kumar Sinha

Mahesh Muralidhar Pai

Kalyan Venkatasubramaniam

Partner

Chairman

Managing Director

Director

Independent Director

M. No: 146480

DIN: 08193978

DIN: 10249804

DIN: 09164982

DIN: 10043991

Place: Mumbai

Date:

Tarun Kumar Gupta

Bikram Singh Raina

Malvika Bajpai

Place: Mumbai

Date : 21.04.2025

Independent Director

Independent Director

Company Secretary



Statement of Profit & Loss as at 31st March, 2025

(Rs. In Lakhs)

| STATEMENT OF AUDITED PROFIT & LOSS FOR THE YEAR ENDED 31.03.2025 | | | | | |
|--|------------|---|-----------------|---|-----------------|
| PARTICULARS | NOTES | For the Year ended 31.03.2025 (Audited) | | For the Year ended 31.03.2024 (Audited) | |
| | | | | | |
| INCOME | | | | | |
| I. Revenue from operations | | | | | |
| Income from Services | 15 | 2,165.12 | | 2,206.48 | |
| Revenue from Sales | 15 | 2,472.52 | | 2,155.76 | |
| Interest & Finance | 15 | 12.51 | | 12.66 | |
| TOTAL | | | 4,650.15 | | 4,374.91 |
| II. Other Income | 16 | | 552.88 | | 480.70 |
| III. TOTAL INCOME (I + II) | (A) | | 5,203.03 | | 4,855.61 |
| IV. EXPENDITURE | | | | | |
| Cost of Materials consumed | | | | | |
| Purchase of Stock-in-Trade | 17 | 2,681.66 | | 2,146.62 | |
| Changes in inventories of stock in Trade | 18 | (244.37) | | 1.31 | |
| Employees Benefit Expenses | 19 | 640.57 | | 562.34 | |
| Finance Cost | 20 | 1.70 | | 0.98 | |
| Depreciation and Amortization Expenses | 7 | 87.66 | | 66.65 | |
| Other Expenses | 21 | 939.07 | | 719.03 | |
| TOTAL EXPENSES | (B) | | 4,106.28 | | 3,496.93 |
| (V) Profit/(Loss) Before exceptional items, extraordinary items and tax (III-IV) | (A) - (B) | | 1,096.75 | | 1,358.68 |
| (VI) Exceptional Items | | | | | |
| a) Prior Period Expense | | | - | | - |
| (VII) Profit before extraordinary items and Tax (V - VI) | | | 1,096.75 | | 1,358.68 |
| (VIII) Extraordinary items | | | - | | - |
| (IX) Profit Before Tax (VII - VIII) | | | 1,096.75 | | 1,358.68 |
| (X) Tax Expense (Provision for Taxation) | | | | | |
| Current Tax | | 289.00 | | 345.00 | |
| Deferred Tax | | (7.53) | | 3.52 | |
| Short/Excess Provision for Tax of Earlier years | | 25.09 | | 3.66 | |
| Profit/(Loss) After Tax (IX - X) | | | 790.18 | | 1,006.49 |
| Earning per Share (Basic and Diluted) (in Rs.) | | | 4.94 | | 6.29 |

Significant Accounting Policies and notes are forming part of the Financial Statements.

22-23

As per our report of even date

For M/s. Kochar & Associates On behalf of the Board of Directors of

Chartered Accountants Canara Bank Securities Limited

Firm Registration No. 105256W

CA RAVI KHANDELWAL

Debashish Mukherjee

Dhananjay Kumar Sinha

Mahesh Muralidhar Pai

Kalyan Venkatasubramaniam

Partner

Chairman

Managing Director

Director

Independent Director

M. No: 146480

DIN: 08193978

DIN: 10249804

DIN: 09164982

DIN: 10043991

Place: Mumbai

Date:

Tarun Kumar Gupta

Bikram Singh Raina

Malvika Bajpai

Independent Director

Independent Director

Company Secretary

DIN: 01581768

DIN: 09374026

M. No: A70571

Place: Mumbai

Date: 21.04.2025



Statement of Profit & Loss as at 31st March, 2025

(Rs. In Lakhs)

| Audited Cash Flow Statement for the Period ended 31.03.2025 | | | | |
|--|--|-----------------|--|-----------------|
| PARTICULARS | For the Year ended 31.03.2025 (Audited) | | For the Year ended 31.03.2024 (Audited) | |
| A) CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net profit before tax and extraordinary items adjustments for: | | 1,096.75 | 1,358.68 | |
| Depreciation & Amortization on Property, Plant and Equipment | 87.66 | | 66.65 | |
| Profit/ Loss on sale of Property, Plant and Equipment | (0.08) | | - | |
| Interest on Fixed Deposits | (541.99) | | (468.17) | |
| Interest on borrowings | 1.70 | | 0.98 | |
| Provision for doubtful debt | 0.68 | | 7.78 | |
| Provision for CSR | - | | - | |
| Provision for diminution in value of inventories | 27.14 | | 0.39 | |
| Excess/(Short) provision of earlier years | (25.09) | | (3.66) | |
| Operating profit before working capital changes | | (449.99) | | (396.03) |
| Adjustments for changes in asset and liabilities | | 646.75 | | 962.64 |
| Inventories | (244.37) | | 1.23 | |
| Adjustment for Long & Short term Provision | (332.70) | | (899.20) | |
| Trade payables + Other Current Liabilities | 95.90 | | 78.41 | |
| Trade Receivables + Other Current Assets | 232.10 | | 600.21 | |
| Other Non current Asset | 0.94 | | (0.94) | |
| | | (248.13) | | (220.29) |
| Direct Tax Paid (Net) | | 398.62 | | 742.35 |
| Net cash from operating activities (A) | | (283.50) | | (300.00) |
| | | 115.12 | | 442.35 |
| B.) CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase Of Property, Plant and Equipment | (37.30) | | (123.99) | |
| Current Investment | (27.75) | | (2.75) | |
| Investment in term deposit for more than 12 month | (1,754.04) | | (1,345.05) | |
| Interest on Fixed Deposits | 437.81 | | 356.12 | |
| Sale/Disposal of Property, Plant and Equipment | 0.13 | | - | |
| Net cash from investing activities (B) | | (1,381.15) | | (1,115.67) |
| C.) CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Interest on Borrowing | (1.70) | | (0.98) | |
| OD Availed / Repaid | (11.50) | | 11.38 | |
| Capital Reduction | - | | - | |
| Dividend paid | - | | - | |
| Net cash used in financing activities (C) | | (13.20) | | 10.40 |
| Net increase/(decrease) in Cash and Cash Equivalents | | (1,279.23) | | (662.93) |
| Cash and cash equivalent at the beginning of the year | | 5,907.62 | | 6,570.55 |
| Cash and cash equivalent at the end of the year | | 4,628.39 | | 5,907.62 |
| * Cash and Cash equivalent includes (Refer Note no. 13) | | | | |
| (a) Balances with banks | | 33.34 | | 31.63 |
| (b) Cash on hand | | 0.03 | | 0.10 |
| Other Bank Balances | | | | |
| Balances with Scheduled Bank in Deposit account with maturity of 3 months or less* | | 371.65 | | - |
| Balances with Scheduled Bank in Deposit account with maturity of more than 3 months* | | 4,223.37 | | 5,875.90 |
| | | 4,628.39 | | 5,907.62 |

Significant Accounting Policies and notes are forming part of the Financial Statements.

As per our report of even date

For M/s. Kochar & Associates On behalf of the Board of Directors of

Chartered Accountants Canara Bank Securities Limited

Firm Registration No. 105256W

CA RAVI KHANDELWAL
Partner
M. No: 146480
Place: Mumbai
Date:

Debashish Mukherjee
Chairman
DIN: 08193978

Dhananjay Kumar Sinha
Managing Director
DIN: 10249804

Mahesh Muralidhar Pai
Director
DIN: 09164982

Kalyan Venkatasubramaniam
Independent Director
DIN: 10043991

Place :Mumbai
Date :21.04.2025

Tarun Kumar Gupta
Independent Director
DIN: 01581768

Bikram Singh Raina
Independent Director
DIN: 09374026

Malvika Bajpai
Company Secretary
M. No: A70571



NOTES

(Rs. In Lakhs)

Notes forming part of audited financial statement for the period ended 31.03.2025

NOTE 1

| SHARE CAPITAL | As at 31.03.2025 | As at 31.03.2024 |
|--|------------------|------------------|
| a. Authorised 10,00,00,000 (Previous Year - 10,00,00,000) Equity Shares of Rs. 10 each | 10,000.00 | 10,000.00 |
| Issued, Subscribed & Paid up 1,60,00,000 (Previous Year-1,60,00,000) Equity Shares of Rs. 10 each fully paid | 1,600.00 | 1,600.00 |
| | 1,600.00 | 1,600.00 |

b. Rights of the Equity Shareholders

The Company has only one class of equity shares having a par value of Rs 10/- each. These shares rank pari passu with each other and in accordance with the Articles of Association of the Company, each equity shareholder is entitled to the same rights as regards voting, dividend and repayment of capital in proportion to his shareholding and there are no restrictions to the rights of shareholders. There are no shares allotted as fully paid up by way of bonus shares or allotted as fully paid up pursuant to contract without payment being received in cash or bought back during the period of five years immediately preceding the reporting date, except as mentioned above.

c. Reconciliation of the number of shares outstanding

| Particulars | As at 31.03.2025 | | As at 31.03.2024 | |
|------------------------------------|------------------|-----------------|------------------|-----------------|
| | No of Shares | Amount | No of Shares | Amount |
| Number of shares at the beginning | 160 | 1,600.00 | 160 | 1,600.00 |
| Add: Fresh issue of shares | - | - | - | - |
| Less: Reduction of shares | - | - | - | - |
| Number of shares at the end | 160 | 1,600.00 | 160 | 1,600.00 |

Consequent to the order of the Hon'ble National Company Law Tribunal, Mumbai Bench, during FY 2021-22, the issued, subscribed and paid up equity share capital of the Company was reduced from Rs.4,000 Lakh (Rupees Forty Crore only) consisting of 4,00,00,000 (Four Crore only) equity shares of Rs.10/- each to Rs.1,600 Lakh (Rupees Sixteen Crore only) consisting of 1,60,00,000 (One Crore Sixty Lakhs) equity shares of Rs.10/- each by cancelling and extinguishing in aggregate 60% (Sixty Percent) of the total issued, subscribed and paid up equity share capital of the Company comprising 2,40,00,000 (Two crore forty lakh) equity shares of Rs.10/- each held by the parent Canara Bank and the proportionate capital amount aggregating to Rs. 8,268 Lakh (Rupees Eighty Two Crore Sixty Eight Lakhs only) including 60% share of accumulated profit of Rs.5,868 Lakh (Rupees Fifty Eight Crore Sixty Eight Lakhs Only) was returned to them.

d. Value of Shares held by Holding / Ultimate holding company or fellow subsidiaries and other associates

| Particulars | As at 31.03.2025 | | As at 31.03.2024 | |
|-----------------------------------|------------------|-----------------|------------------|-----------------|
| | No of Shares | Amount | No of Shares | Amount |
| Canara Bank - Holding Company | 160 | 1,599.98 | 160 | 1,599.98 |
| Canara Bank - jointly with others | 0 | 0.02 | 0 | 0.02 |
| TOTAL | 160 | 1,600.00 | 160 | 1,600.00 |



NOTES (Cont.)

(Rs. In Lakhs)

e Details of Shareholders holding more than 5% of Shares

| Particulars | As at 31.03.2025 | | As at 31.03.2024 | |
|-----------------------------|------------------|----------------|------------------|----------------|
| | No. of Shares | (%) of Holding | No. of Shares | (%) of Holding |
| Canara Bank-Holding company | 160 | 100.00 | 160 | 100.00 |
| TOTAL | 160 | 100.00 | 160 | 100.00 |

f. Details of Shareholding of Promoters

| Shares held by promoters at the end of the year 31.03.2025 | | | % Change during the period |
|--|---------------|---------------------|----------------------------|
| Promoter Name | No. of Shares | (%) of total shares | |
| Canara Bank-Holding company | 160 | 100.00 | Nil |
| Canara Bank - jointly with others | 0 | 0.00 | Nil |
| TOTAL | 160 | 100.00 | Nil |

| Shares held by promoters at the end of the year 31.03.2025 | | | % Change during the period |
|--|---------------|---------------------|----------------------------|
| Promoter Name | No. of Shares | (%) of total shares | |
| Canara Bank-Holding company | 160 | 100.00 | Nil |
| Canara Bank - jointly with others | 0 | 0.00 | Nil |
| TOTAL | 160 | 100.00 | Nil |

Note 2

| Reserve & Surplus | As at 31.03.2025 | As at 31.03.2024 |
|--|-------------------------|-------------------------|
| General Reserve | | |
| Balance as per Previous Financial year | 687.88 | 687.88 |
| Add: Amount transferred from Surplus balance in the statement of Profit and Loss | - | - |
| Closing Balance | 687.88 | 687.88 |
| Profit & Loss account | | |
| Balance as per last Financial year | 6,035.65 | 5,029.16 |
| Add: Profit/(Loss) for the period | 790.18 | 1,006.49 |
| Less: Interim Dividend for the period | - | - |
| Less: Amount transferred to general reserve | - | - |
| | 6,825.83 | 6,035.65 |
| TOTAL | 7,513.71 | 6,723.53 |

Note 3

| Long Term Provisions | As at 31.03.2025 | As at 31.03.2024 |
|--------------------------------|-------------------------|-------------------------|
| Provision for Gratuity | 12.98 | 12.00 |
| Provision for Leave Encashment | 15.21 | |
| TOTAL | 28.19 | 12.00 |



NOTES (Cont.)

(Rs. In Lakhs)

Note 4

| Short Term Borrowings | | As at 31.03.2025 | As at 31.03.2024 |
|------------------------------|--------------------------|-------------------------|-------------------------|
| (a) | Loan repayable on demand | | |
| | Secured | | |
| | From Bank | - | 11.50 |
| | From Other Parties | - | |
| | TOTAL | - | 11.50 |

*Fixed deposit amounting to Rs. 2438.30 Lakhs(PY Rs.2430.81 Lakhs) has been pledged with bank for Overdraft facility

Note 5

| Other Current Liabilities | | As at 31.03.2025 | As at 31.03.2024 |
|----------------------------------|-----------------------|-------------------------|-------------------------|
| | Payable to clients | 501.52 | 440.14 |
| | Outstanding Expense | - | - |
| | Statutory Liabilities | 28.22 | - |
| | Other | 13.25 | 6.95 |
| | TOTAL | 543.00 | 447.09 |

Note 6

| Short Term Provisions | | As at 31.03.2025 | As at 31.03.2024 |
|------------------------------|--------------------------|-------------------------|-------------------------|
| | Provision for CSR | - | - |
| | Provision for Gratuity | 0.07 | 0.07 |
| | Provision for Expense | 0.19 | 74.91 |
| | Provision for Income Tax | 289.00 | 345.00 |
| | Provision for PL | 0.82 | |
| | TOTAL | 360.09 | 419.98 |

Note 7

Property, Plant and Equipment and Intangible assets

The changes in the carrying value of property, plant and equipment for the year ended 31.03.2025 are as follows:

| Particulars /Assets | TANGIBLE ASSETS | | | | |
|---|--------------------------|-------------------|-----------------------------|---------------------------------|--------------|
| | Office Equipments | Motor Cars | Computers (Hardware) | Furniture & Fixtures | Total |
| Gross carrying value as at 01.04.2024 | 51.23 | 9.55 | 534.41 | 58.13 | 653.31 |
| Additions | 2.81 | - | 24.70 | 2.65 | 30.16 |
| Deductions/Adjustments | - | - | 0.96 | 0.96 | |
| Gross carrying value as at 31.03.2025 | 54.04 | 9.55 | 559.11 | 59.82 | 682.52 |
| Accumulated depreciation as at 01.04.2024 | 48.03 | 9.07 | 446.99 | 55.38 | 559.47 |
| Additions | 1.77 | - | 47.28 | 0.76 | 49.81 |
| Deductions/Adjustments | - | - | 0.91 | 0.91 | |
| Accumulated depreciation as at 31.03.2025 | 49.80 | 9.07 | 494.26 | 55.23 | 608.36 |
| Carrying value as at 01.04.2024 | 3.19 | 0.48 | 87.42 | 2.75 | 93.85 |
| Carrying value as at 31.03.2025 | 4.23 | 0.48 | 64.85 | 4.60 | 74.15 |



NOTES (Cont.)

(Rs. In Lakhs)

The changes in the carrying value of property, plant and equipment for the year ended 31.03.2024 are as follows:

| Particulars /Assets | TANGIBLE ASSETS | | | | |
|---|-------------------|------------|----------------------|----------------------|--------|
| | Office Equipments | Motor Cars | Computers (Hardware) | Furniture & Fixtures | Total |
| Gross carrying value as at 01.04.2023 | 51.06 | 9.55 | 462.44 | 58.01 | 581.06 |
| Additions | 0.16 | - | 71.97 | 0.13 | 72.25 |
| Deductions/Adjustments | - | - | - | - | - |
| Gross carrying value as at 31.03.2024 | 51.23 | 9.55 | 534.41 | 58.13 | 653.31 |
| Accumulated depreciation as at 01.04.2023 | 46.78 | 8.98 | 419.83 | 54.81 | 530.40 |
| Additions | 1.25 | 0.09 | 27.15 | 0.57 | 29.06 |
| Deductions/Adjustments | - | - | - | - | - |
| Accumulated depreciation as at 31.03.2024 | 48.03 | 9.07 | 446.99 | 55.38 | 559.47 |
| Carrying value as at 01.04.2023 | 4.28 | 0.57 | 42.61 | 3.20 | 50.65 |
| Carrying value as at 31.03.2024 | 3.19 | 0.48 | 87.42 | 2.75 | 93.85 |

Intangible Assets

The changes in the carrying value of Intangible Assets for the year ended 31.03.2025 are as follows:

| Particulars /Assets | INTANGIBLE ASSETS | | |
|---|-------------------|--------------|--------|
| | Office Equipments | License Fees | Total |
| Gross carrying value as at 01.04.2024 | 527.74 | 7.62 | 535.35 |
| Additions | 7.14 | - | 7.14 |
| Deductions/Adjustments | - | - | - |
| Gross carrying value as at 31.03.2025 | 534.88 | 7.62 | 542.49 |
| Accumulated depreciation as at 01.04.2024 | 464.77 | 4.14 | 468.91 |
| Additions | 36.33 | 1.52 | 37.85 |
| Deductions/Adjustments | - | - | - |
| Accumulated depreciation as at 31.03.2025 | 501.10 | 5.66 | 506.76 |
| Carrying value as at 01.04.2024 | 62.96 | 3.48 | 66.44 |
| Carrying value as at 31.03.2025 | 33.78 | 1.95 | 35.73 |

The changes in the carrying value of Intangible Assets for the year ended 31.03.2024 are as follows:

| Particulars /Assets | INTANGIBLE ASSETS | | |
|---|-------------------|--------------|--------|
| | Office Equipments | License Fees | Total |
| Gross carrying value as at 01.04.2023 | 476.00 | 7.62 | 483.62 |
| Additions | 51.74 | - | 51.74 |
| Deductions/Adjustments | - | - | - |
| Gross carrying value as at 31.03.2024 | 527.74 | 7.62 | 535.35 |
| Accumulated amortisation as at 01.04.2023 | 428.71 | 2.62 | 431.33 |
| Additions | 36.06 | 1.52 | 37.59 |
| Deductions/Adjustments | - | - | - |
| Accumulated amortisation as at 31.03.2024 | 464.77 | 4.14 | 468.91 |
| Carrying value as at 01.04.2023 | 47.29 | 5.00 | 52.29 |
| Carrying value as at 31.03.2024 | 62.96 | 3.48 | 66.44 |



NOTES (Cont.)

(Rs. In Lakhs)

Note 8

| Deferred Tax Assets (Net) | As at 31.03.2025 | As at 31.03.2024 |
|---|------------------|------------------|
| Opening Balance | 13.69 | 17.21 |
| Deferred Tax Assets resulting on account of Provision for Gratuity & Leave Salary (A) | 5.01 | 0.62 |
| Deferred Tax Assets arising due to difference between Depreciation as per IT Act and as per Companies Act (B) | 2.51 | -4.14 |
| TOTAL | 21.21 | 13.69 |

Note 9

| Other Non-Current Assets | As at 31.03.2025 | As at 31.03.2024 |
|---|------------------|------------------|
| Unsecured and considered goods | | |
| Interest Free Deposits with Stock Exchanges | 197.00 | 197.00 |
| Income Tax Refund Receivable | 11.33 | 12.27 |
| Rent Deposit (Refer Note 23B) | 39.70 | 39.70 |
| Term deposit with Bank having residual maturity of more than 12 months* | 3,124.09 | 1,370.05 |
| TOTAL | 3,372.12 | 1,619.02 |

*Fixed deposit amounting to Rs. 1837.61 Lakh (PY Rs. 1122.05 Lakh) has been pledged with Stock Exchange for Margin Money

Note 10

| Current Investment | As at 31.03.2025 | As at 31.03.2024 |
|---|------------------|------------------|
| Investments in Units of Mutual Funds | 30.50 | 2.75 |
| Less : Provision for Decline in value of MF | -0.82 | |
| TOTAL | 29.68 | 2.75 |

NAV of Mutual fund as on 31.03.2025 : Rs. 29.68 Lakh

Note 11

| Inventories | As at 31.03.2025 | As at 31.03.2024 |
|---------------------------------------|------------------|------------------|
| Equities | 244.37 | - |
| Tax Free Bonds | 171.29 | 171.29 |
| Less : Provision for Decline in value | -26.82 | (0.51) |
| TOTAL | 388.84 | 170.78 |

Tax free bonds are stated at lower of cost or market value derived as per FIMMDA valuation

Equity shares are stated at lower of cost or net realisable value



NOTES (Cont.)

(Rs. In Lakhs)

Note 12

Trade Receivables

| Trade Receivables ageing schedule | As at 31.03.2025 | | | | | |
|---|--------------------|------------------|--------------|-------------|-------------------|----------------|
| Particulars | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | 128.23 | 4.91 | 10.80 | 5.59 | 2.86 | 152.39 |
| (ii) Undisputed Trade receivables - considered doubtful | - | - | - | 3.55 | 7.42 | 10.97 |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| TOTAL | 128.23 | 4.91 | 10.80 | 9.14 | 10.28 | 163.36 |
| Less: Provision for Doubtful Receivables | | | | | | (11.95) |
| Total Trade Receivables | | | | | | 151.41 |

| Trade Receivables ageing schedule | As at 31.03.2024 | | | | | |
|---|--------------------|------------------|--------------|-------------|-------------------|----------------|
| Particulars | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | 147.10 | 8.40 | 21.95 | 5.73 | 2.91 | 186.09 |
| (ii) Undisputed Trade receivables - considered doubtful | - | - | - | 2.46 | 8.82 | 11.27 |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| TOTAL | 147.10 | 8.40 | 21.95 | 8.19 | 11.72 | 197.36 |
| Less: Provision for Doubtful Receivables | | | | | | (11.27) |
| Total Trade Receivables | | | | | | 186.09 |



NOTES (Cont.)

(Rs. In Lakhs)

Note 13

| Cash and Bank Balances | As at 31.03.2025 | As at 31.03.2024 |
|--|------------------|------------------|
| Cash and Cash equivalents | | |
| (a) Balances with banks | 33.34 | 31.63 |
| (b) Cash on hand | 0.03 | 0.10 |
| Other Bank Balances | | |
| Balances with Scheduled Bank in Deposit account with maturity of 3 months or less* | 371.65 | - |
| Balances with Scheduled Bank in Deposit account with maturity of more than 3 months* | 4,223.37 | 5,875.90 |
| TOTAL | 4,628.39 | 5,907.62 |

* Of the above Fixed Deposits, Rs. 305 Lakh (PY Rs. 1810.03 Lakh) worth of Fixed Deposits are pledged with Stock Exchange for margin money.

* Of the above Fixed Deposits, Rs. 2438.30 Lakh (PY Rs.2430.81 Lakh) worth of Fixed Deposits are pledged with Canara Bank for Overdraft facility.

Note 14

| Other Current Asset | As at 31.03.2025 | As at 31.03.2024 |
|-------------------------|------------------|------------------|
| Accrued Interest | 330.80 | 253.76 |
| Prepaid Expense | 41.29 | 44.02 |
| Receivable from clients | 47.63 | 42.53 |
| NSE settlement fund | 505.98 | 427.31 |
| Others | 41.97 | 26.58 |
| Advance Tax | 283.50 | 300.00 |
| TDS | 47.45 | 53.88 |
| Statutory Receivable | 44.82 | 5.79 |
| TOTAL | 1,343.45 | 1,153.87 |

Note 15

| Revenue from Operations | For the Year ended 31.03.2025 (Audited) | For the Year ended 31.03.2024 (Audited) |
|---|---|---|
| Income from Services | | |
| Brokerage Income | 1,665.27 | 1,736.17 |
| Brokerage Income from Bonds | 2.46 | 2.65 |
| Income from distribution of Mutual Funds/IPOs/Bonds | 30.15 | 23.63 |
| Income from DP Operations | 467.24 | 427.97 |
| Account Opening Charges | - | 16.06 |
| TOTAL (A) | 2,165.12 | 2,206.48 |
| Sale of Securities | | |
| Sales - Equity | 2,472.52 | 2,154.46 |
| Sales-Tax Free Bonds | - | 1.30 |
| TOTAL (B) | 2,472.52 | 2,155.76 |
| Interest & Financial Income | | |
| Interest on Corporate Bonds | 12.51 | 12.66 |
| Interest on Gsec Bonds | - | - |
| TOTAL (C) | 12.51 | 12.66 |
| TOTAL | 4,650.15 | 4,374.91 |



NOTES (Cont.)

(Rs. In Lakhs)

Note 16

| Other Income | For the Year ended 31.03.2025 (Audited) | For the Year ended 31.03.2024 (Audited) |
|---|--|--|
| Interest on IT Refund | - | - |
| Other Income | 10.26 | 12.49 |
| Dividend Received-Equity | 0.55 | 0.04 |
| Profit on sale of asset | 0.08 | - |
| Profit on redemption of MF | - | - |
| Interest on Bank Deposits | 541.99 | 468.17 |
| Provision for diminution on the value of inventories Written Back | - | - |
| Provision for Bad Debt Written Back | - | - |
| TOTAL | 552.88 | 480.70 |

Note 17

| Purchase of Stock in Trade | For the Year ended 31.03.2025 (Audited) | For the Year ended 31.03.2024 (Audited) |
|----------------------------|--|--|
| Equities | 2,681.66 | 2,146.62 |
| Tax Free Bonds | - | - |
| TOTAL | 2,681.66 | 2,146.62 |

Note 18

| Changes in inventories of FG, WIP & Stock in Trade | For the Year ended 31.03.2025 (Audited) | For the Year ended 31.03.2024 (Audited) |
|--|--|--|
| (Increase)/Decrease in Stock | | |
| Closing Stock - Equities | 244.37 | - |
| Closing Stock Tax Free Bonds | 171.29 | 171.29 |
| TOTAL (A) | 415.66 | 171.29 |
| Less : Opening Stock - Equities | - | - |
| Opening Stock Tax Free Bonds | 171.29 | 172.60 |
| TOTAL (B) | 171.29 | 172.60 |
| TOTAL (B) - (A) | (244.37) | 1.31 |

Note 19

| Employees Benefit Expenses | For the Year ended 31.03.2025 (Audited) | For the Year ended 31.03.2024 (Audited) |
|---|--|--|
| Salaries & Allowances | 520.13 | 489.88 |
| Company's contribution to Provident & Other funds | 32.08 | 12.57 |
| Employer Contribution to NPS for CBSL Staff | 12.00 | 9.69 |
| Stipend paid to CBSL Trainees | 76.36 | 50.21 |
| TOTAL | 640.57 | 562.34 |

Note 20

| Finance Cost | For the Year ended 31.03.2025 (Audited) | For the Year ended 31.03.2024 (Audited) |
|---------------------------------|--|--|
| Interest paid on Bank Borrowing | 1.70 | 0.98 |
| TOTAL | 1.70 | 0.98 |



NOTES (Cont.)

(Rs. In Lakhs)

Note 21

| Other Expenses (Admn & other exp) | For the Year ended 31.03.2025 (Audited) | For the Year ended 31.03.2024 (Audited) |
|---|--|--|
| Advertisement Expense | 0.44 | 3.12 |
| Bad Debt Written Off | - | - |
| Bank Charges | 0.64 | 0.36 |
| Books, Periodicals, News Paper & Magazine | 1.14 | 1.01 |
| Business Promotion/Development Expenses | 1.10 | 1.24 |
| CSR Expense | 33.00 | 36.08 |
| Dp Other Charges | 29.30 | 35.41 |
| Diwali Expenses | 6.58 | 5.71 |
| Electricity Charges | 12.59 | 12.66 |
| Facility Management Services | 0.53 | 9.41 |
| Gst Paid | - | 4.49 |
| Professional Tax Paid | 0.05 | 0.03 |
| Insurance | 8.68 | 11.47 |
| Interest On Late Payment Of Statutory Dues | 0.01 | 3.52 |
| Interest Paid To Depository | - | - |
| Kyc & Kra Expenses | 26.34 | 9.96 |
| Lease Line Charges | 34.23 | 17.06 |
| Legal & Professional Fees | 21.67 | 28.27 |
| Loss On Sale Of Fixed Asset | - | - |
| Meeting Expenses | 9.43 | 7.49 |
| Miscellaneous Expenses | 0.10 | 0.33 |
| Office Expenses | 12.65 | 8.93 |
| Payment To Contractors | 19.81 | 17.75 |
| Pooja Expense | 0.47 | 0.55 |
| Postage, Telephone & Telegrams | 14.54 | 16.03 |
| Printing & Stationery | 6.19 | 7.44 |
| Professional & Membership Fees | 4.50 | 6.47 |
| Provision for diminution on the value of inventories | 27.14 | 0.39 |
| Provision For Doubtful Debt | 0.68 | 7.78 |
| Rent 2 | 28.94 | 118.91 |
| Repairs & Maintenance To Assets Other Than Buildings & Machinery | 294.16 | 159.91 |
| Sitting Fees To Directors | 6.45 | 9.45 |
| Software Expenses | 24.09 | 28.51 |
| Hardware Expenses | 1.28 | 0.81 |
| Stamp Charges | 18.52 | 13.88 |
| Stp Charges | 0.25 | 0.49 |
| STT | 2.35 | 1.09 |
| Subscription To Information Systems | 46.03 | 57.75 |
| Transaction/Other Charges To Exchanges | 22.63 | 17.40 |
| Travelling, Conveyance & Motor Car Expenses | 16.42 | 16.32 |
| UnrealdInt | - | 35.89 |
| Payment To Auditors: | - | - |
| Statutory Audit Fees | 2.50 | 2.50 |
| Limited Review Fees | 1.65 | 1.65 |
| Tax Audit fees | 2.00 | 1.50 |
| TOTAL | 939.07 | 719.03 |
| Depreciation /Amortization | 87.66 | 66.65 |



Significant Accounting Policies and Segment Reporting

(Rs. In Lakhs)

(SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025)

NOTE NO. 22 SIGNIFICANT ACCOUNTING POLICIES:

Background:

The company was originally incorporated in 1996 as Gilt Securities Trading Corporation Ltd, promoted by Canara Bank, Bank of Baroda and Corporation Bank to act as Primary Dealer. It became a wholly owned subsidiary of the Canara Bank in 2004. The company forayed into stock broking in 2007 on relinquishing PD business in favour of parent bank.

With a view to provide efficient and prompt service to clients, the Depository Participant activity, which was hitherto handled by the Parent Bank has been now handled by the Company w.e.f. 01.04.2017.

A. Method of Accounting

- a) The accounts are prepared on a going concern basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).
- b) The company follows the accrual method of accounting for expenditure as well as income giving due regard to the concept of materiality. The accounting policies adopted in preparation of financial statements are consistent with those of the previous years.
- c) The company has prepared the financial statements in accordance with the schedule III of the Companies Act, 2013.
- d) The preparation of financial statements in conformity with GAAP requires that the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of the financial statements and the reported amount of income and expenses during the period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

B. Recognition of Income and Expenses

- a) The weighted average cost method is employed for calculating the profit or loss on sale of securities. The profit or loss on sale of securities other than equity shares are recognised on the settlement date while that on sale of equity shares is recognised on the trade date.
- b) Interest accrued on Dated Government Securities/ Tax Free Bonds is computed at the coupon rate.
- c) Dividend is recognised when the right to receive the same is established.
- d) Brokerage and commission earned through secondary market operations and online portal operations is recognised on the basis of trade dates.
- e) Software expenses on development/capital nature are being capitalised since financial year 2003-04.
- f) Stamp charges incurred for registration of new clients are charged to revenue in the year of payment after adjusting any recovery from the clients.



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

- g) Dated Government Securities, Equity Shares and Tax-Free Bonds in which the Company deals, are regarded as Current Assets and treated as Stock-in-Trade. Since these securities are identified as Stock-in-trade, the Gross Sale and purchases are recognised in Statement of Profit & Loss.
- h) Investment in Mutual Fund units has been taken under current Investment and as such taken at the lower of Cost or Net Asset Value.
- i) Provision for unrealised DP income is made as follows:

| Amount Outstanding: | With Zero Holding | With Holding |
|---|--------------------------|--------------------------|
| Upto 2 years | Nil | Nil |
| Above 2 years but less than or equal to 3 years | 50% (Provision) | Nil |
| Above 3 years but less than or equal to 4 years | 100% (Fully Write Off) | 25% (Provision) |
| Above 4 years but less than or equal to 5 years | 100% (Fully written off) | 50% (Provision) |
| Above 5 years | 100% (Fully written off) | 100% (Fully written off) |

C. Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Long Term Investments are valued at cost. Provision for diminution is made in case of a permanent diminution in the value of the investments.

Current investments are carried at lower of cost or net realisable value.

D. Valuation of Inventories

| | |
|--------------------------------------|--|
| a) Central Government Dated Security | At lower of cost or market value derived as per FIMMDA Valuation |
| b) Equity shares | At lower of cost or net realisable value |
| c) Tax Free Bonds | At lower of cost or market value derived as per FIMMDA Valuation |

E. Property, Plant and Equipment:

Property, Plant and Equipment are stated at original cost, less accumulated depreciation/amortization. Cost includes all direct costs attributable to acquisition, installation and commissioning. Depreciation is provided on the basis of Written Down Value method based on the useful life specified in and in the manner laid down in Part "C" of Schedule II of the Companies Act 2013.

The amount paid towards Registration/ Renewal of certificate of registration as "Research Analysts" shall be amortized over five years starting from the year in which it is paid.

Depreciation method, useful life and residual values are reviewed periodically, including at each financial year.

F. TAXATION

a) Current Tax

Provision for current tax is made on the basis of taxable income estimated in accordance with the provision of Income Tax Act, 1961.



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

b) Deferred Tax

Income tax expense comprises current and deferred tax charge or credit. Deferred tax resulting from “timing differences” between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The deferred tax asset is recognised and carried only when there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset will be realised in the future.

G. Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date for indications of any impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of the assets exceeds its recoverable amount. Any such impairment loss is recognised by charging it to the Profit & Loss Account. A previously recognised impairment loss is reversed when it ceases to exist and the asset is restated to that effect.

H. Provisions

A provision arising out of a present obligation is recognised when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Whenever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liabilities.

I. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss after tax (including the post tax effect of extraordinary items, if any) for the year attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year in conformity with Accounting Standard 20 – “Earnings Per Share” issued by the Institute of Chartered Accountants of India.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

J. Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and term deposits with bank having residual maturity period of less than 12 months as on the date of the Balance Sheet. Term deposits with bank having maturity value of more than 12 months as on the date of the Balance Sheet is shown as Other Non-Current Assets.

K. Contingent Liabilities and Assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

NOTES FORMING PART OF THE ACCOUNTS:

Note 23:

A. During the year company has not paid any dividend for the financial year 2024-25

B. **Contingent Liabilities**

Contingent liabilities in respect of claims not accepted by the Company (matter in appeal in the Small Causes Court referred to in Para 2(b)) and not provided for are as follows:

| Sr. No. | Particulars | As on 31.03.2025 (Amount in Lakhs) |
|---------|--|---------------------------------------|
| 1 | Claim towards rent on vacated premises, till the end of period of lease and Mesne profit.(Amount of Rs. 39.70 lakhs due from the sub lessor out of the Security deposit held is disclosed in Note No. 9 of Notes forming part of financial statements) | 29.34 |
| 2 | Property tax on account of increase in rateable value by MCGM (Municipal Corporation of Greater Mumbai) to the Municipal authorities on crystallisation. | 152.62 |
| | Total | 181.96 |

C. **Deferred Tax Asset/ Liability**

As per Accounting Standard 22 'Accounting for Taxes on Income' timing differences mainly relates to the following items and result in a net deferred tax asset.

| Nature of Timing Difference | Deferred Tax (Asset) / Liability as at 01.04.2024 (Rs) | (Charge)/Credit for the current year charged to the Profit & Loss Account (Rs.) | Deferred Tax (Asset)/Liability as at 31.03.2025 (Rs) |
|--|--|---|--|
| a) Deferred Tax Liabilities - Depreciation | 16.76 | (2.51) | 14.24 |
| b) Deferred Tax Asset - Provision for Gratuity/ Leave Salary | (30.45) | (5.01) | (35.46) |
| Total Deferred Tax Asset (Net) | (13.69) | (7.53) | (21.21) |

D. Purchase and sale transactions of Equity Shares, Dated Government Securities & Tax-Free Bonds are disclosed in the notes on accounts (Note No.15& Note No.17 of Notes forming part of financial statements) with a view to indicate the trade turnover of the Company. For this purpose, sales also include maturity proceeds, if any, when these are held by the Company till the date of maturity.

E. i. Employee Benefit Expenses include payments made to parent Bank towards emoluments of its employees whose services have been lent to the Company.
ii. Figures are rounded off in rupees. System automatically adjusts the difference if any in rounding off.



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

Table showing changes in Present value of Obligation: -

| | As at 31/03/2025 | As at 31/03/2024 |
|--|---------------------|---------------------|
| Present Value of Obligation at the beginning of the Year | 12.07 | 9.62 |
| Acquisition Adjustment | 0 | 0 |
| Interest Cost | 0.75 | 0.67 |
| Past Service Cost | 0 | 0 |
| Current Service Cost | 4.68 | 4.28 |
| Curtailement Cost | 0 | 0 |
| Settlement Cost | 0 | 0 |
| Benefit Paid | 2.91 | 0 |
| Actuarial Gain/Loss on Obligations | (1.55) | (2.50) |
| Present Value of Obligation at the end of the Year | 13.05 | 12.07 |

Table showing expense recognised in Statement of Profit/Loss:

| | As at 31/03/2025 | As at 31/03/2024 |
|--|---------------------|---------------------|
| Current Service Cost | 4.68 | 4.28 |
| Past Service Cost | 0 | 0 |
| Interest Cost | 0.75 | 0.67 |
| Expected Return on Asset | 0 | 0 |
| Curtailement Cost | 0 | 0 |
| Settlement Cost | 0 | 0 |
| Actuarial Gain/loss recognised in the year | (1.55) | (2.50) |
| Expense Recognised in Statement of Profit/Loss | 3.88 | 2.45 |

Table showing Actuarial Assumptions

| | As at 31/03/2025 | As at 31/03/2024 |
|--------------------------------|------------------------------------|------------------------------------|
| Mortality Rate | IIAM 2012-2015 ULT | IIAM 2012-2015 ULT |
| Superannuation Age | 60 | 60 |
| Early Retirement & Disablement | 1.5% | 1.5% |
| Discount Rate | 7.09% | 7.00% |
| Inflation Rate | 6.0% | 6.0% |
| Return on Asset | Unfunded | Unfunded |
| Remaining Working Life | 31 Years | 29 Years |
| Formula Used | Projected Unit Credit Method | Projected Unit Credit Method |



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

Showing Movements in the Liability Recognised in Balance sheet:

| | As at 31/03/2025 | As at 31/03/2024 |
|---------------------------------------|-----------------------------|-----------------------------|
| Opening Net Liability | 0 | 0 |
| Expenses as above | 3.88 | 2.45 |
| Contribution | 0 | 0 |
| Closing Net Liability | 3.88 | 2.45 |
| Closing Fund/Provision at end of Year | 13.05 | 12.07 |

- F. The Managing Director is on deputation from Canara Bank and his remuneration is in accordance with the service rules of the Parent Bank. The particulars of aggregate remuneration are:

| | As at 31/03/2025 | As at 31/03/2024 |
|---|-----------------------------|-----------------------------|
| Salaries & Allowances | 31.85 | 31.88 |
| Contribution to Provident and Other Funds | 1.94 | 2.10 |
| Total | 33.79 | 33.98 |

The computation of net profits under Section 198 of the Companies Act, 2013, has not been given, as commission by way of percentage of profits is not payable to the Managing Director.

- G. Foreign Exchange Earnings- Nil (P.Y.-Rs. Nil).
- H. Foreign Exchange Outgo - Nil (P.Y.-Rs. Nil).
- I. AS 15 – Employee Benefits –Of the 77 employees of the Company, 6 are deputed from the Parent Bank. During the financial year 2024-25, the Company has recruited 16 employees on fixed term contract of 3 years. During the year the Company has recruited 15 employees on permanent basis. Provident Fund Regulations are applicable to the Company for the staff who are on deputation from Parent Bank i.e. Canara Bank and the same is reimbursed by the Company to the Parent Bank on monthly basis. The employees on the payroll of the company are governed by NPS regulations.
- J. Segment Reporting (AS-17): The Company is in Stock Broking activity and Depository Participant (DP) activity, besides continuing proprietary trading in equity and other securities. Since the risks and rewards of various activities carried out by the Company are different, the Company has identified the following segments viz. Stock Broking Activity (including Mutual Fund Distribution & Distribution of Tax-Free Bonds), DP activity and Trading in Securities, for reporting under AS 17 – Segment Reporting, issued by the Institute of Chartered Accountants of India:

Primary- Business segments

- i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the respective segment. However, revenue and expenses which cannot be identified or allocated reasonably to a segment being related to the enterprise as a whole have been grouped as un-allocable.
- ii) Segment assets and segment liabilities represent assets and liabilities of respective segments, however, the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as un-allocable.
- iii) The previous year's figures are not recast



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

Secondary – Geographical Segments - The Company is functioning as a single Geographical segment

| | STOCK BROKING | TRADING IN SECURITIES | DEPOSITORY PARTICIPANT | TOTAL |
|-------------------------------|------------------|--------------------------|---------------------------|------------------|
| REVENUE | | | | |
| Broking Income | 1,697.88 | - | - | 1697.88 |
| Trading income | - | 35.23 | - | 35.23 |
| DP Income | - | - | 467.24 | 467.24 |
| Interest | 541.99 | 12.51 | - | 554.50 |
| Others | 10.88 | - | - | 10.88 |
| Total | 2,250.76 | 47.74 | 467.24 | 2,765.73 |
| EXPENDITURE | | | | |
| Interest | - | - | - | 0 |
| Amortization expenses | - | - | - | 0 |
| Other Expenses | - | - | 29.30 | 29.30 |
| Total | 0 | 0 | 29.30 | 29.30 |
| SURPLUS | 2,250.76 | 47.74 | 437.94 | 2,736.44 |
| Less: Unallocable Expenditure | - | - | - | 1,639.70 |
| Profit before taxation | - | - | - | 1,096.74 |
| Provision for Taxation | - | - | - | 306.56 |
| Profit after Taxation | - | - | - | 790.18 |
| SEGMENT ASSETS | | | | |
| Investment | - | 29.68 | - | 29.68 |
| Stock | - | 388.84 | - | 388.84 |
| Fixed Assets (WDV) | - | - | - | 0 |
| Cash & Bank Balance | 4,628.25 | - | 0.14 | 4628.39 |
| Trade receivables | 9.50 | - | 141.91 | 151.41 |
| Others | 750.61 | - | - | 750.61 |
| Total | 5388.36 | 418.52 | 142.05 | 5948.93 |
| Unallocated Assets | - | - | - | 4,096.06 |
| TOTAL ASSETS | - | - | - | 10,044.99 |
| SEGMENT LIABILITIES | | | | |
| Borrowings | - | - | - | 0 |
| Others | 501.52 | - | - | 501.52 |
| Total | 501.52 | 0 | 0 | 501.52 |
| Unallocated Liabilities | - | - | - | 9,543.47 |
| TOTAL LIABILITIES | - | - | - | 10,044.99 |

Related Party Disclosures [AS-18]: As per Para 9 of the Accounting Standard 18 on Related Party Disclosures, the Company being a state-controlled enterprise is not required to make disclosures of related party relationships with other state-controlled enterprises and transactions with such enterprises. Other information as per the Standard is as under:



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

The Company is a wholly owned Subsidiary of Canara Bank. Barring Chief Financial Officer, Company Secretary, the other Key Managerial Personnel of the Company - Managing Director is on deputation from Canara Bank.

Details of Managing Director's remuneration are disclosed under Note No.23 (F) during the year, the Company has paid Rs.6.45 Lakhs(Previous year Rs.9.45 Lakhs) as sitting fees for Board/Committee meetings to Independent Directors.

The following are the list of related parties during the financial year 2024-25: -

| Related Party | Its Relationship |
|---------------------------------------|----------------------------------|
| Canara Bank | Parent Company (100% Holding) |
| Canara HSBC Oriental Bank of India | |
| Insurance Company Ltd | Subsidiary of Parent Company |
| Canara Robeco MF | Subsidiary of Parent Company |
| Canara Bank Computer Services Limited | Subsidiary of Parent Company |
| Pragathi Krishna Gramin Bank | Sponsored Bank of Parent Company |
| Kerala Gramin Bank | Sponsored Bank of Parent Company |
| Biplav Kumar Mishra* | Managing Director |
| Gopala Naik* | Managing Director |
| D K Sinha | Managing Director |
| Shruti Gandhi | Company Secretary (KMP) |
| Malvika Bajpai | Company Secretary (KMP) |
| Shilpa Savaliya | CFO (KMP) |

***For Part of the Year**

The following are the related party transactions made during the year:

| Sr. No | Related Party | Nature of Transactions | 2024-25 |
|--------|---|---|---------|
| 1 | Canara Bank | Rent | 157.52 |
| | | Salary & other benefits | 173.02 |
| | | Electricity charges | 12.53 |
| | | Interest on Deposit | 386.80 |
| | | Brokerage Received | 30.50 |
| | | Interest paid on O/D Account | 1.70 |
| 2 | Canara HSBC Oriental Bank of India Insurance Company Ltd | Brokerage Received | 43.17 |
| | | | |
| 3 | Canara Robeco MF | Brokerage Received | 137.00 |
| | | Mutual Fund investment during the year | 27.75 |
| | | Income from investment in Mutual Fund | 0.00 |
| 4 | Canara Bank Computer Services Limited | RTA & Maintenance Charges for Dr. Site, Bangalore | 0.05 |
| 5 | Shruti Gandhi | Salary & other benefits | 0.72 |
| 6 | Malvika Bajpai | Salary & other benefits | 8.93 |
| 7 | Shilpa Savaliya | Salary & other benefits | 7.98 |



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

| Sr. No | Related Party | Closing Balances | 31st March, 2025 |
|--------|------------------|---|------------------|
| 1 | Canara Bank | Balance in Current Account (Own+settlement)/Loan (O/D) | 33.22 |
| | | In Fixed Deposit | 5576.51 |
| 2 | Canara Robeco MF | Outstanding Investment in MF | 30.50 |

K. Lease (AS-19):

- a) The Company entered into an agreement with Canara Bank in respect of space allotted in the premises at Nariman Point, Mumbai for a period of five years from 01.01.2024 to 31.12.2028
- b) DP activity now carried out by our Company is in the premises, which has been sub-leased by Bank.

The lease rental incurred for the period from April, 2024 to March, 2025, in respect of the said premises occupied amounting to Rs.150Lakh (excluding GST) is accounted for as rent. (Previous Year: 60 Lakh).

L. Earnings Per Share [AS-20]: The Earning Per Share, basic and diluted is calculated as under:

| | 2024-25 | 2023-24 |
|---|----------------|--------------|
| Profit attributed to Equity Shareholder (Rs.) | 7,90,18,035.69 | 10,06,49,060 |
| No. of equity Shares (of Rs.10 each) | 1,60,00,000 | 1,60,00,000 |
| Basic and Diluted Earnings Per Share (Rs.) | 4.94 | 6.29 |

*Computed on the basis of weighted average method

- M. Intangible Assets [AS-26]: The Company has recognised Computer Software as Intangible Assets which is depreciated @40% using SLM method. The net carrying amount of Computer Software is Rs.33.78 Lakh (Previous Year - Rs. 62.96Lakh) after providing for depreciation of Rs.36.33 lac (Previous Year - Rs.36.06 Lakh).
- N. Impairment of Assets [AS-28]: The Company has confirmed that there is no material impairment of assets and as such no provision is required as per AS-28.
- O. Statement of purchase and sale/ redemption of Investments

| Sr. No. | Description | Purchase 2024-25 | | Sale/Redemption 2024-25 | |
|---------|--|------------------|------------|-------------------------|------------|
| | | Qty/Unit | Rs. (Lakh) | Qty/Unit | Rs. (Lakh) |
| 1 | Current Investment Canara Robeco Emerging Equities-Direct Growth | 9927.574 | 27.75 | Nil | Nil |

| Sr. No. | Description | Purchase 2024-25 | | Sale/Redemption 2023-24 | |
|---------|--|------------------|------------|-------------------------|------------|
| | | Qty/Unit | Rs. (Lakh) | Qty/Unit | Rs. (Lakh) |
| 1 | Current Investment Canara Robeco Emerging Equities-Direct Growth | 1190.5670 | 2.75 | Nil | Nil |



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

- P. There is no micro, small and medium enterprises, to which company owes dues, as at March 31, 2025. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 to financial statement for the year ended March 31, 2025.

| Particular | As at 31/03/2025 | As at 31/03/2024 |
|--|------------------|------------------|
| The amounts remaining unpaid to any supplier at the end of the year: | | |
| 1. Principal amount | — | — |
| 2. Interest amount | | |
| The amounts of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 | — | — |
| The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year | — | — |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 | — | — |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | — | — |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006 | — | — |

- Q. Balances shown under Sundry Creditors and other liabilities payable to clients, Trade Receivables and other advances receivable from clients have been made are subject to confirmation, reconciliation and subsequent adjustment, if any thereon.
- R. As per section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceding 3 financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, and contribution to the prime minister's national relief fund. The CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

| Sr No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------|--|-------------------------|-------------------------|
| 1. | Amount required to be spent by the company during the year | - | - |
| 2. | Amount of expenditure incurred during the year | - | - |
| 3. | Shortfall at the end of the year | - | - |
| 4. | Shortfall of the previous year | - | - |
| 5. | <p>Nature of CSR Activities:</p> <p>1) ISKCON, Bangalore: The project targets to provide a sustainable solution for managing organic waste by transforming it into biologically stable compost, significantly reducing waste volume while retaining essential nutrients like nitrogen, phosphorus, and potassium by use of Automated Electro-Mechanically operated, Organic Waste Composter machine with Carbon Bio-Filter and Control Panel. It aims to minimize greenhouse gas emissions, enhance soil health by improving structure, fertility, and water retention, and support agricultural productivity. Additionally, the project ensures the destruction of harmful microorganisms, making compost safe for application and promoting environmentally friendly practices. which would enable them to pursue their education. As per quotation provided by the company, the project cost is Rs 19.55 lacs plus GST @ 12%, which comes to Rs 21,89,600/-</p> <p>They need additional Rs. 3 Lakhs for light roof shed (GI Powder Coated) for machine covering and other accessories.</p> <p>2) Smit Old Age Home and Care Foundation, Thane: The Company has granted CSR for targets for distribution vehicle for Bhiwandi, Thane location, which shall be used for meals feeding programs for the senior citizens, orphans, mentally - morally unstable, and missing people. Rs 8,90,750/- we spend on the said project.</p> | | |

S. Previous year figures have been regrouped and rearranged, wherever necessary, so as to make them comparable with those of the current financial year.

T. Additional regulatory Information required under schedule III of the Companies Act, 2013:

1. Title Deeds of Immoveable Property

The Company does not own any immovable property (other than Properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.

2. Revaluation of Property, Plant and Equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment or intangible assets or both during the current year.

3. Loans and advances to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

The Company has not granted any loans and advances during the year to promoters, directors, key managerial personnel and related parties during the year under consideration.



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

4. Capital Work-in-Progress (CWIP)

The Company does not have any capital work-in-progress as at the end of the year or any capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan.

5. Intangible assets under development

The Company does not have any intangible assets under development as at the end of the year or any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

6. Details of benami property held by the Company

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

7. Borrowing secured against current assets

The Company had no borrowings from Banks based on security of current assets other than Pledge on FD that were issued by the bank on behalf of the company to avail the overdraft facility. This Pledge was secured by the Bank against Fixed deposit made by the company.

The Company does not have any borrowings from Banks or Financial Institutions on the basis of security of current assets, requiring the Company to file quarterly return or statement with Banks or Financial Institutions.

8. Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

9. Relationship with struck off companies

The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

10. Registration of Charges

The Company does not have any charge or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

11. Compliance with number of layers of companies

Not Applicable

12. Compliance with approved scheme(s) of arrangements

The Company has not entered into any approved scheme of arrangement which has an accounting impact in current or previous financial year.

13. Utilization of borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds, or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:



Significant Accounting Policies and Segment Reporting (Cont.)

(Rs. In Lakhs)

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 to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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.

14. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

15. Corporate Social Responsibility

The Company has complied with the provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility. (Refer detailed note 23R above)

16. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Significant Accounting Policies and Notes are forming part of the Financial Statements.

In terms of our audit report of even date attached

For M/s. Kochar & Associates
Chartered Accountants
Firm Registration No.105256W

On behalf of the Board of Directors of
Canara Bank Securities Limited

Sd/-
(CA RAVI KHANDELWAL)
Partner
M. No.146480

Sd/-
Debashish Mukherjee
Chairman
DIN: 08193978

Sd/-
Dhananjay Kumar Sinha
Managing Director
DIN: 10249804

Sd/-
Mahesh Muralidhar Pai
Director
DIN: 09164982

Sd/-
Kalyan Venkatasubramaniam
Independent Director
DIN: 10043991

Sd/-
Tarun Kumar Gupta
Independent Director
DIN: 01581768

Sd/-
Bikram Singh Raina
Independent Director
DIN: 09374026

Sd/-
Malvika Bajpai
Company Secretary
M. No: A70571

Place : Mumbai
Date : 21.04.2025

Canara Bank Securities Ltd.

(A Wholly Owned Subsidiary of Canara Bank)

Member: NSE, BSE




canmoney.in

A route to making money online

Regd. and Correspondance Office Address:

VII Floor, Maker Chambers III,
Nariman Point, Mumbai 400021
SEBI Registration- INZ000279135

 +91 7208924798


 Canara Bank Securities

 Canmoney_Official

 Canara bank Securities Limited

 www.canmoney.in

 customercare@canmoney.in

 1800 103 1369

 [canara-bank-securities-limited](https://www.linkedin.com/company/canara-bank-securities-limited)