

# VERTEX SECURITIES LTD.

COCHIN - 682 014

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		DIV	NA
TRA	NA		AC	✓
AGM	✓	✓	SHH	✓
YE	✓	✓		✓



## 5th ANNUAL REPORT

1997 - 98

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# **VERTEX SECURITIES LIMITED**

## **FIFTH ANNUAL REPORT**

### **BOARD OF DIRECTORS**

**RANJAN VERGHESE**  
Chairman & Wholetime Director

**K. P. THOMAS**  
**DILIP VERGHESE**  
Alternate Director :  
**M. V. SATHEESAN**  
**DR. GEORGE VARKEY THALODY**  
Alternate Director :  
**THALODY VIMALA GEORGE**  
**DR. LUCYAMMA THALODY**  
Alternate Director :  
**JOSEPH FRANCIS XAVIER**  
**DR. THOMAS ALAPPAT**  
Alternate Director :  
**DR. GEORGE V. KOLUTHARA**  
**IVAN J. COELHO**  
**KURIAN CHACKO**  
**TESSY VERGHESE**  
**THRESIAMMA NEMRI**

### **AUDITORS**

**K. A. KISHORE KUMAR**  
Chartered Accountants  
Kochupally Road, Thoppumpady,  
Cochin - 682 005.

### **BANKERS**

**HDFC BANK**  
**VIJAYA BANK**  
**CANARA BANK**  
**STATE BANK OF INDIA**  
**STATE BANK OF SAURASHTRA**  
**STATE BANK OF TRAVANCORE**

**REGISTERED OFFICE**  
Thottathil Towers, IInd Floor,  
Market Road, Ernakulam,  
Cochin - 682 014.

**NOTICE**

NOTICE is hereby given that the Fifth Annual General Meeting of VERTEX SECURITIES LIMITED will be held at the Registered Office of the Company at 10.30 A.M. on Tuesday, the 29th day of September, 1998 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1998 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in the place of Mrs Lucyamma Thalody, who retires by rotation, and being eligible, offers herself for re-appointment.
3. To appoint a Director in the place of Mrs Thressiamma Nemri, who retires by rotation and being eligible, offers herself for re-appointment.
4. Mr. Kurian Chacko, Director, is retiring in this meeting and he has not sought his re-appointment.
5. To appoint the Auditors to the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS**

6. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"Resolved that the removal of Mr.K.G. Mohan from the position of Managing Director of the Company with effect from 21.01.98 made as per the Board decision, be and is hereby approved and ratified."

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

"RESOLVED that pursuant to the provisions of Section 269, Schedule XIII and other applicable provisions of the Companies Act, 1956, Mr. Ranjan Verghese, now holding the position of Chairman & Wholtime Director of the Company, be and is hereby appointed as the Chairman & Managing Director with effect from 1st July, 1998 for a period of 5 Years, not liable to retire by rotation, subject to the approval of the Members at the forthcoming Annual General Meeting, on the terms and conditions set out in the draft agreement to be entered into by the Company with him, submitted to the meeting and initialled by the Chairman for the purpose of identification".

By Order of the Board,

Sd/-

(RANJAN VERGHESE)

CHAIRMAN.

Place : Kochi

Date : 29th June, 1998.

**NOTES:**

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VERTEX SECURITIES LIMITED

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective should be lodged with the Company at the Registered Office at least 48 hours before the commencement of the Meeting.
3. The Register of Members and Share transfer Books of the Company will remain closed from 16th September, 1998 to 30th September, 1998 (both days inclusive).

**ANNEXURE TO NOTICE**

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.

**Item No:6**

The Board of Directors of the Company at their Meeting held on 7th January 1998 have decided to remove Mr. K.G. Mohan from the position of Managing Director of the company on various charges and in the best interest of the company.

None of the Directors other than Mr.K.G. Mohan, are interested or concerned in the aforesaid resolution.

**Item No. 7**

In view of the valuable contribution of Mr. Ranjan Verghese, Chairman and Wholetime Director, in the efficient management of the Company, your Board decided at its meeting held on 29.06.98 to appoint him as Chairman and Managing Director of the Company for a period of 5 years with effect <sup>from</sup> 1st July, 1998.

Your Board, considering Mr. Ranjan Verghese's significant contribution and able administration which is of great value to the Company, commends the resolution for your approval. The following are the terms and conditions of his appointment:

**CATEGORY - A**

- (a) **Salary:** Rs.30,000/= per month in the scale of Rs.30,000 - 5,000 - 50,000. This will include dearness allowance and all other allowances not otherwise specified herein.
- (b) **Perquisites as follows:**
  - i) The expenditure incurred by the Chairman & Managing Director on Gas, Electricity, Water and Furnishing shall be reimbursed by the Company.
  - ii) Reimbursement of Medical Expenses incurred for him and his family subject to a ceiling of 1 month's salary in a year or 3 month's salary over a period of 3 years.

- iii) Leave Travel Concession for self and family once in a year incurred in accordance with the rules of the Company.
- iv) Fees of Clubs subject to a maximum of two clubs; this will not include admission and life membership fees.
- v) Personal Accident Insurance, the premium of which shall not exceed Rs. 3,000 per annum.

**CATEGORY - B**

- vi) Contribution to Provident Fund, Superannuation Fund, as per the rules of the company, but the same are not taxable under the Income Tax Act.
- vii) Gratuity not exceeding one-half month's salary for each completed year of service.

**CATEGORY - C**

- viii) Provision for Car with driver and telephone at the residence.
- ix) Leave unavailed of to be allowed to be encashed as per rules of the Company. In the event of loss of office of the Chairman & Managing Director, he shall be paid compensation in the manner and to the extent permissible under the provisions of Section 318 of the Companies Act, 1956.

Excepting Mr. Ranjan Verghese himself and Mrs. Tessy Verghese and Mr. Dilip Verghese, being relatives of Mr. Ranjan Verghese, no other Director is interested in this resolution.

By Order of the Board,

*Sd/-*  
(RANJAN VERGHESE)  
CHAIRMAN.

Place : Kochi  
Date : 29th June, 1998.

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Fifth Annual Report with audited Accounts for the year ended 31st March, 1998.

**FINANCIAL RESULTS**

Your company had made satisfactory progress during the year under review despite the prevailing tight money Conditions and uninspiring capital market scenario. During the year under review your company has achieved a net profit of Rs. 6.25 lakhs, after providing for depreciation and taxation.

**DIVIDEND**

Due to the inadequacy of profits your directors regret their inability to recommend any dividend.

**PUBLIC DEPOSITS**

During the year your company has not accepted any deposits from the public.

**DIRECTORS**

The Chairman and Whole time Director Mr. Ranjan Verghese was appointed as the Chairman and Managing Director of the Company.

Mrs. Lucyamma Thalody, Mrs. Thressiamma Nemri and Mr. Kurian Chacko, Directors retire by rotation at the ensuing Annual General Meeting. Mrs. Lucyamma Thalody and Mrs. Thressiamma Nemri, being eligible, offer themselves for re-appointment.

**EMPLOYEES**

Your directors record their appreciation of the co-operation received from the employees during the year.

The particulars of employees under Section 217 (2-A) of the Companies Act, 1956 is not applicable as there was no employee drawing a remuneration as per the limits prescribed under the Section.

**AUDITORS**

Mr. K.A. Kishore Kumar, FCA, Chartered Accountant, the retiring auditor, have furnished certificate of their eligibility as required by Section 224 (i) of the Companies Act, 1956 and is recommended for re-appointment.

Particulars as per "Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988".

1. Part (A) and (B) pertaining to conservation of energy and technology absorption are not applicable to the company.
2. There has been no Foreign Exchange earning and outgo.

For and on behalf of the Board of Directors,

Sd/-

(RANJAN VERGHESE)

CHAIRMAN.

Ernakulam,  
29-06-1998.