



**Securities Limited**  
(A Subsidiary of Transwarranty Finance Limited)

## 26<sup>th</sup> Annual Report 2018-19



## Board of Directors



### **Mr. Kumar Nair**

He is the Chairman of the Company. He is B.Sc., F.C.A. & OPM (Harvard Business School). He is also the Managing Director of Transwarranty Finance Limited and has over two decades of experience in Financial Services, Capital Market and Investment Banking. He was a key member of the core senior management team in Kotak Mahindra Finance Limited.

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### **Mr. U. Ramachandran**

He is the Managing Director & CEO of the Company. He is B.Com, FCA and has close to 3 decades experience in Audit, Accounting, Capital Market and Investment Banking. He is also the Director and CFO of our Holding Company, Transwarranty Finance Limited.

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### **Mr. Jose Thomas Polachira**

He is the Independent Director of the Company. He is B.Com, CAIIB, Post Graduate Diploma in Banking, Industrial Relations & Personnel Management, He is an experienced banking professional with over three decades of experience in various aspects of banking and finance. He was also responsible for setting up the HDFC Bank in Kerala.

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### **Mr. James Pothan**

He is the Independent Director of the Company. He is a Post Graduate in Science with various specialized qualifications in management and banking. He had been with the Reserve Bank of India for over 26 years in various management positions and has many years of director-level experience in Scheduled Commercial Banks.

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### **Mrs. Latha Anand**

She is the Independent Woman Director of the Company. She is a Graduate in Law. She is a Managing Partner of the Law Firm, M/s. B.S. Krishnan Associates. She specializes in Contracts, Constitution, Arbitration, Labour and Service Laws. She is practicing before the Hon'ble High Court of Kerala and is the Standing Counsel for various companies including Central and State Government Companies. Her Court cases were reported in Legal Journals. She has nearly 3 decades of varied legal knowledge and expertise.

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### **Mr. George Mampillil**

He is the Director & CFO of the Company. He is a B.Sc. Graduate in Physics. He was the earlier the Chief Executive Officer of our Company and a Director of our subsidiary Company, Vertex Commodities & Finpro Pvt. Ltd. from 2004 to 2007. Thereafter, he worked as Chief Executive Officer, of Acumen Group, Cochin based Financial Services Company from October 2007 to December 2016. He has rich experience of around 20 years in the financial markets.



**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Kumar Nair  
U. Ramachandran  
James Pothan  
Jose Thomas Polachira  
Latha Anand  
George Mampillil

Chairman  
Managing Director & CEO  
Independent Director  
Independent Director  
Independent Director  
Director (w.e.f. 13.08.2018)

**CHIEF FINANCIAL OFFICER**

George Mampillil

(w.e.f. 05.05.2018)

**COMPANY SECRETARY**

Pranali Kadam

**AUDITORS**

Rahul Gautam Divan & Associates  
Chartered Accountants,  
134, Mittal Tower, C Wing,  
Nariman Point, Mumbai - 400 021

**SECRETARIAL AUDITOR**

CS Yogesh M. Sharma

**BANKERS**

Axis Bank  
Bank of Baroda  
Canara Bank  
Federal Bank  
HDFC Bank  
ICICI Bank  
South Indian Bank  
State Bank of India  
State Bank of Travancore

**REGISTERED OFFICE**

CIN: L67120KL1993PLC007349  
Thottathil Towers, 2nd Floor, Market Road,  
Ernakulam, Kochi - 682 018  
Tel. No. 0484-2384848  
Fax No. 0484-2394209  
e-mail id : secretarial@vertexbroking.com

**CORPORATE OFFICE**

403, Regent Chambers  
Nariman Point, Mumbai 400 021  
Tel. No. 91-22-6630 6090 / 40010900  
Fax No. 91-22-66306655  
e-mail id : vsl@vertexbroking.com

**REGISTRAR & TRANSFER AGENTS**

M/s. Link Intime India Pvt. Ltd  
C-101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai- 400 083  
Tel. No. 91-22-49186000  
Fax No. 91-22-49186060  
e-mail id: rnt.helpdesk@linkintime.co.in  
website: www.linkintime.co.in

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## NOTICE

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of Vertex Securities Limited will be held on Wednesday, 25<sup>th</sup> September, 2019 at Conference Hall of the Company at Third Floor, Thotathil Towers, Kombara Junction, Market Road, Ernakulam, Kochi- 682 018 at 4.00 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. U. Ramachandran (DIN-00493707), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, S.S. Khan & Co, Chartered Accountants ( Firm Registration No. 133324W), be and are hereby appointed as the Auditors of the Company to hold such office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the Thirty First Annual General Meeting, at a remuneration of ₹ 1,90,000/- (Rupees One Lakh Ninety Thousand only) to conduct statutory audit including Limited Reviews for the financial year 2019-20, payable in one or more installments plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.”

### SPECIAL BUSINESS:

4. **Re-appointment of Mr. James Pothan as an independent director for a second term of five consecutive years w.e.f. 20<sup>th</sup> September, 2019**

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

**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) including the rules made thereunder read with Schedule IV to the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. James Pothan

(DIN 02492330), who was appointed as an independent director of the Company for a term of five years up to 19<sup>th</sup> September, 2019 and who being eligible for re-appointment as an independent director has given his consent alongwith a declaration that he meets criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom a notice in writing pursuant to Section 160 of the Act has been received from a member in the prescribed manner be re-appointed as an independent director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 20<sup>th</sup> September, 2019 to 19<sup>th</sup> September, 2024.”

5. **Re-appointment of Mr. Jose Thomas Polachira as an independent director for a second term of five consecutive years w.e.f. 20<sup>th</sup> September, 2019**

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

**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) including the rules made thereunder read with Schedule IV to the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Jose Thomas Polachira (DIN 01049189), who was appointed as an independent director of the Company for a term of five years up to 19<sup>th</sup> September, 2019 and who being eligible for re-appointment as an independent director has given his consent alongwith a declaration that he meets criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom a notice in writing pursuant to Section 160 of the Act has been received from a member in the prescribed manner be re-appointed as an independent director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 20<sup>th</sup> September, 2019 to 19<sup>th</sup> September, 2024.”

6. **Re-appointment of Mrs. Latha Anand as an independent director for a second term of five consecutive years w.e.f. 12<sup>th</sup> May, 2020**

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

**“RESOLVED THAT** pursuant to provisions of Sections



149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') including the rules made thereunder read with Schedule IV to the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mrs. Latha Anand (DIN 06404421), who was appointed as an independent director of the Company for a term of five years up to 11<sup>th</sup> May, 2020 and who being eligible for re-appointment as an independent director has given her consent alongwith a declaration that she meets criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom a notice in writing pursuant to Section 160 of the Act has been received from a member in the prescribed manner be re-appointed as an independent director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 12<sup>th</sup> May, 2020 to 11<sup>th</sup> May, 2025."

## 7. Approval for material related party transaction

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of the Regulation 23 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the members of the Company be and is hereby accorded to the Board of Directors (including its committee thereof), to ratify/ approve all existing contracts / arrangements /agreements entered into/to be entered by the Company with Transwarranty Finance Limited, being a related party, in which some of the Directors and their relatives are interested, and hence related party within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, by an amount not exceeding ₹ 50 Crores (Rupees Fifty Crores); as per the details mentioned in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board be and is hereby

authorised to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms and conditions thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above resolution."

**By Order of the Board of Directors,  
For VERTEX SECURITIES LIMITED**

**Pranali Kadam  
Company Secretary**

### Registered Office:

Thothatthil Towers, 2<sup>nd</sup> Floor,  
Market Road, Ernakulam,  
Kochi 682018

**Place: Kochi**

**Date: 27 August, 2019**

### NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto. Additional Information required pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with regard to director seeking appointment/ re-appointment at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.



Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable to attend and vote on their behalf at the meeting. Proxies are requested to bring their ID proof at the meeting for the purpose of identification. A Proxy Form is annexed to this Report.

3. During the period beginning 24 (Twenty-Four) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, members would be entitled to inspect the proxies lodged with the Company at any time during the business hours at the Registered Office of the Company, provided not less than 3 (Three) days' of notice in writing is given to the Company.
4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 19<sup>th</sup> September, 2019 to Wednesday, 25<sup>th</sup> September, 2019 (both days inclusive).
6. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by notifying the company at [secretarial@vertexbroking.com](mailto:secretarial@vertexbroking.com) or Registrar & Share Transfer Agents of the Company, Link Intime India Pvt. Ltd. at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
7. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members, whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are

requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

8. Relevant documents referred to in the Notice will be available for inspection at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days except Saturdays, Sundays and Public Holidays, up to and including the date of the Annual General Meeting of the Company.
  9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents (RTA), Link Intime India Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
- The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.
10. SEBI had vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated July 05, 2018 and NSE circular no. NSE/CML/2018/26 dated July 09, 2018 and as per Regulation 40 of the Listing Regulations, as amended, directed that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. However, Shareholders can continue to hold shares in physical form. Accordingly, Shareholders holding securities in physical form were separately communicated at their registered address by RTA vide three letters sent on September 15, 2018 (by Registered Post), October 1, 2018 (by Registered Post) and November 20, 2018 (by Registered Post), to dematerialise their physical holding for any further transfer.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized

form. Shareholders can contact the Company or RTA for assistance in this regard.

11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Pvt. Ltd., for consolidation into a single folio.

12. Members/proxies are requested to bring the attendance slip/proxy form duly filled and signed for attending the meeting. Proxies are requested to bring their ID proof at the meeting for the purpose of identification.

In case of joint holders attending the meeting, only such joint holder whose name appears first in the order of names will be entitled to vote at the meeting.

13. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide the remote e-voting facility to Members to exercise their right to vote by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

14. The facility for voting through polling paper/ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

15. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on the cut-off date i.e. 18<sup>th</sup> September, 2019 i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on 21<sup>st</sup> September, 2019 and will end on 24<sup>th</sup> September, 2019 at 5.00 p.m. The Company has appointed Mr. Jameskutty Antony, Practicing Chartered Accountant, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

## 16. STEPS FOR REMOTE E-VOTING :-

- I. The remote e-voting period commences at 9.00 a.m. IST on 21<sup>st</sup> September, 2019 will end at 5.00 p.m. on 24<sup>th</sup> September, 2019. During this period, the members of the Company holding shares in either in physical form or in dematerialized form, as on the cut-off date of 18<sup>th</sup> September, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

**The instructions for members for voting electronically are as under:-**

### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

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

### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*



4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 111909 then user ID is 111909001***.

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- Members can also use the OTP(One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jantonyca@gmail.com](mailto:jantonyca@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - II. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  - III. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of 18<sup>th</sup> September, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
  - IV. Mr. Jameskutty Antony, Practicing Chartered Accountant has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - V. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- VI. The Scrutinizer shall, after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty-eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- VII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.vertexbroking.com](http://www.vertexbroking.com) and on the website of NSDL within two working days of passing of resolutions at the AGM of the Company after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be communicated to the Stock Exchange.
17. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Link Intime India Pvt. Ltd. having their office at C-101, 247 Park, LBS Road, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14. Both the forms are also available on the website of the Registrar and Share Transfer Agents of Company at the weblink: <https://linkintime.co.in/downloads.html>
18. Members are requested to address all correspondences, including dividend matters to the Registrars and Transfer Agents of the Company.
19. The Company has designated an exclusive email Id viz. [secretarial@vertexbroking.com](mailto:secretarial@vertexbroking.com) to enable the investors to post their grievances and monitor its redressal.

For VERTEX SECURITIES LIMITED

**Pranali Kadam**  
Company Secretary

**Registered Office:**

Thothathil Towers, 2<sup>nd</sup> Floor,  
Market Road, Ernakulam,  
Kochi 682018

**Place: Kochi**

**Date: 27 August, 2019**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 & ADDITIONAL INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 WITH REGARD TO THE DIRECTOR SEEKING APOINTMENT/RE-APPOINTMENT AT THE 26TH ANNUAL GENERAL MEETING**

**Item No. 2:**

**Re-appointment of Mr. U. Ramachandran (DIN 00493707)**

<b>Name of Director</b>	Mr. U Ramachandran
<b>DIN</b>	00493707
<b>Date of Birth</b>	25/11/1956
<b>Type of Appointment</b>	Director retiring by rotation
<b>Date of first appointment by the Board</b>	10/07/2009
<b>Qualification</b>	B. Com(Hons), F.C.A.
<b>No. of Shares held</b>	12,500 Equity Shares of ₹ 2 each
<b>Experience in Specific</b>	He is a successful Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India. He was a Senior Partner with M/s. Haridas Associates, a leading firm of Chartered Accountants in Mumbai. He has an excellent knowledge in Audit, Capital Market and Investment Banking. He is also the Director & CFO of the subsidiary Company, Transwarranty Finance Limited and a Director of wholly owned subsidiary Vertex Commodities And Finpro Pvt. Ltd.
<b>Directorships held in other companies</b>	1. Transwarranty Finance Limited 2. Vertex Commodities & Finpro Pvt. Ltd. 3. Transwarranty Capital Market Services Pvt. Ltd. 4. Welworth Sales & Services Pvt. Ltd. 5. Suncem Surface Coatings Pvt. Ltd.
<b>Membership of Committees of other listed public companies</b>	-
<b>Disclosure of relationships between directors inter-se</b>	None of the directors are related to each other
<b>Justification for appointment</b>	Excellent knowledge in Audit and accounting profession, Financial Services and Capital Market.

**Item No. 3**

**Appointment of Auditors**

The Members of the Company at the 22nd Annual General Meeting ('AGM') held on 7th September, 2015 approved the appointment of M/s. Rahul Gautam Divan & Associates, Chartered Accounts, as the Auditors of the Company for a period of four years from the conclusion of the said AGM. The said auditors will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of M/s. Rahul Gautam Divan & Associates is ₹ 1,90,000 to conduct statutory audit including Limited Reviews for the financial year 2018-19 plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred and excluding the tax audit fees of ₹ 30,000.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'),

recommended for the approval of the Members, the appointment of S. S. Khan & Co, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 31st AGM, subject to his Peer review certification. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of ₹ 1,90,000 for the financial year 2019-20 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, clientele served, technical knowledge etc., and found S. S. Khan & Co, Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

S S Khan & Co (Firm Registration No.: 133324W), ("the Audit Firm") is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was