



TRANSWARRANTY FINANCE LIMITED

TFL/SEC/2015-16

26/02/ 2016

The Manager,
Corporate Relations Dept.,
Bombay Stock Exchange Ltd.,
P.J. Towers,
Dalal Street, Fort
Mumbai- 400 001

The Manager
Listing Department
National Stock Exchange of India Ltd.
Bandra Kurla Complex
Bandra (East)
Mumbai

BSE Scrip Code : 532812

NSE Scrip Code : TFL

Dear Sir,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This is to inform you that our Subsidiary Company, Vertex Securities Limited is conducting postal ballot for obtaining shareholder's approval for the resolutions mentioned in the Notice of Postal ballot (a copy of which is attached).

We request you to kindly take the same on record.

Thanking You,

Yours Faithfully,

For Transwarranty Finance Limited

Managing Director

Encl: As above

CIN : L65920MH1994PLC080220

403, Regent Chambers, Nariman Point, Mumbai - 400 021. • Tel : 6630 6090 / 2204 7965
Fax : 6630 6655 / 4001 0999 • e-mail : mail@transwarranty.com • website : www.transwarranty.com



VERTEX SECURITIES LIMITED

CIN: L67120KL1993PLC007349

Regd. Office: Thottathil Towers, 2nd Floor, Market Road, Kochi – 682 018
Tel.: 0484-2384848 • Fax: 0484-2394209 • Website: www.vertexbroking.com
Email: secretarial@vertexbroking.com

POSTAL BALLOT NOTICE

(NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013)

Dear Member(s),

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 (the “Act”) read with the Companies (Management and Administration) Rules, 2014, (the “Rules”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to other applicable laws and regulations, if any, that the Special Resolutions appended below are proposed to be passed by the Members by way of Postal Ballot/ e-Voting.

The Explanatory Statement pertaining to all the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form (the “Form”).

In accordance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the provisions of sections 108 and 110 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Amendment Rules, 2015 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any amendments thereto), the Company is pleased to provide electronic voting (“e-voting”) facility as an alternative, to enable the Members to cast their votes electronically instead of casting votes through the Form.

Mr. K. P. Gopimohan, Practicing Company Secretary of Gopimohan, Satheesan and Associates has been appointed as the Scrutinizer (the “Scrutinizer”) for conducting the Postal Ballot process in a fair and transparent manner.

The Company has availed electronic voting platform of NSDL to provide e-voting facility to its members. Members having shares in demat form and in physical form may vote either by way of Postal Ballot Form or by way of e-voting. In case the member has exercised the vote in physical as well as electronic mode, the vote by electronic mode only will be considered.

You are requested to carefully read the instructions printed on the Form and return the same in original, duly completed, in the attached self addressed postage prepaid business reply envelope so as to reach the Scrutinizer before the closing hours (i.e. upto 17:00 hrs IST) on March 27, 2016. The envelope may also be deposited personally at the address given thereon. Forms received after this date will not be considered. Also, no other form or photocopy thereof is permitted. It should be noted that the response received from Members after March 27, 2016 shall be treated as invalid.

The Scrutinizer will submit his report after completion of the scrutiny and the result of the voting by Postal Ballot will be announced on the Notice Board at the Registered Office of the Company on Monday March 28, 2016 on or before 17.00 hrs IST by the Chairman or a person authorised by him in writing. Also, the result of the Postal Ballot will be displayed on the Company’s website www.vertexbroking.com as well as on the website of NSDL <https://www.evoting.nsdl.com/> besides communicating to the Bombay Stock Exchange where the shares of the company are listed.

SPECIAL BUSINESS:

Item No. 1

Alteration of the Articles of Association of the Company to enable reclassification of shares

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

“RESOLVED THAT in accordance with the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company be and is hereby amended by adding a new Article 3A, as follows:

3A: ‘The Company may from time to time with the consent of the Members by Special Resolution classify and reclassify such shares from the shares of one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner and by such person as may for the time being be permitted under the provisions of the Articles of Association of the Company or legislative provisions for the time being in force in that behalf.’

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

Item No. 2

Reclassification of the Authorised Share Capital of the Company and consequent alteration of Memorandum of Association and Articles of Association

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

“RESOLVED THAT in accordance with the provisions of Sections 13, 14 and 61 and all other applicable provisions of the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force (collectively, the “Act”), and subject to such approvals, consents, permissions and sanctions, if any, required from any authorities, the existing Authorised Share Capital of the Company of Rs. 25,73,25,000 (Rupees Twenty Five Crore Seventy Three Lakhs Twenty Five Thousand) divided into 7,37,53,805 (Seven Crores Thirty Seven Lakhs Fifty Three Thousand Eight Hundred and Five) Equity Shares of Rs. 2/- (Rupees Two) each, and 59,81,739 (Fifty Nine Lakhs Eighty One Thousand Seven Hundred and Thirty Nine) 0.5% Fully Convertible Preference shares of Rs. 10/- (Rupees Ten) each and 5,00,000 (Five Lakhs) 15% Non-Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each be and is hereby reclassified to Rs. 25,73,25,000 (Rupees Twenty Five Crore Seventy Three Lakhs Twenty Five Thousand) divided into 12,72,74,600 (Twelve Crore Seventy Two Lakhs Seventy Four Thousand and Six Hundred) Equity Shares of Rs.2 / - (Rupees Two) each and 27,758 (Twenty Seven Thousand Seven Hundred and Fifty Eight) 15% Non-Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each .

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V relating to share capital by the following new clause V to reflect the reclassification of the Authorized Share Capital of the Company as under:

V: The Authorised Share Capital of the Company is Rs.25,73,25,000/- (Rupees Twenty Five Crore Seventy Three Lakhs Twenty Five Thousand) divided into 12,72,74,600 (Twelve Crore Seventy Two Lakhs Seventy Four Thousand and Six Hundred) Equity Shares of Rs.2 / - (Rupees Two) each and 27,758 (Twenty Seven Thousand Seven Hundred and Fifty Eight) 15% Non-Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each.

RESOLVED FURTHER THAT consequent upon the reclassification, the existing Article 3 of the Articles of Association of the Company regarding Authorised Share Capital be and is hereby amended as under:

3. The Authorised Share Capital of the Company is Rs.25,73,25,000/- (Rupees Twenty Five Crore Seventy Three Lakhs Twenty Five Thousand) divided into 12,72,74,600 (Twelve Crore Seventy Two Lakhs Seventy Four Thousand and Six Hundred) Equity Shares of Rs.2 / - (Rupees Two) each and 27,758 (Twenty Seven Thousand Seven Hundred and Fifty Eight) 15% Non-Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

Item No. 3

Alteration of Articles of Association of the Company by giving right to the Holding Company to exercise control over the Company

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

“RESOLVED THAT the pursuant to the provision of Sections 2(87), 14 and other applicable provision, if any, of the Companies Act 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company be and is hereby altered by inserting a new article as Article 23A of the Articles of Association of the Company under the heading ‘DIRECTORS’

23 A: ‘Notwithstanding anything contained in any other provisions of this Articles of Association, so long as the parent

Company, Transwarranty Finance Limited and/or its associates/affiliates and/or subsidiary companies together with its directors, relatives or nominees hold a minimum of twenty six percent of the paid up share capital of the Company, Transwarranty Finance Limited shall have the right to appoint majority of the directors on the Board of Directors of the Company and shall be deemed to be the promoter of the Company as defined in Regulation 2(s) of the Securities Exchange Board Of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and shall exercise control over the Company, as defined under Regulation 2(e) of the said Regulations including any amendments, modifications or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to enter into and execute at its absolute discretion, any agreements or undertakings with the holding company, Transwarranty Finance Limited or with any other entity for giving effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

Item No. 4

Approval for investments/loans/guarantees/securities under Section 186 of the Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Members, be and is hereby accorded to the Board of Directors (hereinafter referred to as the Board) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, excluding loans / guarantees / securities given or provided to wholly owned subsidiaries or joint venture companies (as the case may be), whether situated in India or abroad provided that the aggregate of the loan given or the guaranty provided or investments made and outstanding shall not exceed Rs.150 Crores (Rupees One Hundred and Fifty Crore only) at any time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

Item No. 5

Issue of Equity Shares on Preferential basis – consideration other than cash (share swap)

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 and in accordance with the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time (“SEBI ICDR Regulations”) and other applicable regulations/ guidelines of SEBI, if any enabling provisions of the Memorandum and Articles of Association of the Company and subject to such modifications and considered appropriate by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include any committees thereof for the time being to which all or any of the powers hereby conferred on the Board by these resolution, have been delegated) and subject to such consents and approvals of SEBI, Stock Exchange, Registrar of Companies or such other bodies or authorities as may be required by law and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals, and which may be agreed to by or any other authority as may be necessary for that purpose, the consent of the members of the Company be and is hereby accorded to the Board to offer, issue and allot 21,440,029 Equity Shares of face value of Rs. 2 each of the Company, fully paid up by way of preferential allotment to the below mentioned shareholders of Sharewealth Securities Limited holding 5,717,341 fully paid up Equity and Fully Convertible Preference Shares of Sharewealth Securities Limited at such price (including premium) being not less than the price determined in accordance with SEBI ICDR Regulations on preferential allotment basis for consideration other than cash by way of swap of shares of the Company, in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations on such terms and conditions as the Board may think fit.

Sr No.	Name of Shareholder	No of equity & convertible preference shares in Sharewealth Securities Limited	Proposed No of Equity Shares in Vertex Securities Ltd. to be allotted	Post issue percentage of shareholding
1	Mr.RAMAKRISHNAN T B	1,143,983	4,289,936	4.51
2	Mrs.JYOTHI N C	271,678	1,018,793	1.07
3	Mr.PEETHAMBARAN N C	81,620	306,075	0.32
4	Dr.ANIL MENON	478,060	1,792,725	1.88
5	Mr.ANCHERY RAMANATHAN	320,650	1,202,438	1.26
6	Mr.UNNIKRISHNAN ANCHERY	279,840	1,049,400	1.10
7	Mrs.SARASA RAMANATHAN	27,401	102,754	0.11
8	Mrs.SAUDAMINI ANCHERY	21,864	81,990	0.09
9	Mr.CHANDRAN ANCHERY	18,190	68,213	0.07
10	M/s.CAPVEST FINANCIAL SERVICES LTD	691,120	2,591,700	2.72
11	Mr.RAJAN T S	137,800	516,750	0.54
12	Mr.CHUMMAR N C	208,135	780,506	0.82
13	Mr.JOSEPH P ANTONY	42,347	158,801	0.17
14	Mr.SHIBU JOB C	190,804	715,515	0.75
15	Mrs.NIMMY RUSSAL	152,597	572,239	0.60
16	Mrs.DEEPA MOHANDAS	80,230	300,863	0.32
17	Mr.NEVIN MUSTHAFA K	160,272	601,020	0.63
18	Dr.SAIFU A KOKKAT.	103,996	389,985	0.41
19	Mr.MANI PAUL	105,894	397,103	0.42
20	Mr.RAMPRASAD H	95,730	358,988	0.38
21	Mr.SAMEER K T	143,824	539,340	0.57
22	Mr.MINI GEORGE	107,166	401,873	0.42
23	Mr.ANTO A V	354,840	1,330,650	1.40
24	Mr.GEORGE V T	143,609	538,534	0.57
25	Mr.SURENDRAN C G	125,155	469,331	0.49
26	Dr.RAVI C	75,949	284,809	0.30
27	Mr.NANDAKUMAR N	57,395	215,231	0.23
28	Mr.SHOBY PAUL	97,192	364,470	0.38
	TOTAL	5,717,341	21,440,029	
	Paid up Capital	11,018,403	95,193,779	
	Percentage of Paid up Capital	51.89	22.52	22.52

RESOLVED FURTHER THAT the “Relevant Date” for preferential issue, for the purpose of determining issue price is Friday, 26 February 2016 The Relevant Date is 30 days prior to the date of declaration of results of postal ballot which will be declared on Monday, 28 March, 2016. As the 30th day prior to the date of declaration of results falls on a weekend, the day preceding the weekend will, as per the SEBI ICDR Regulations, be reckoned to be the relevant date.

RESOLVED FURTHER THAT the issue of equity shares shall be subject to the following terms and conditions:

- The equity shares shall be allotted within a period of 15 days from the date of shareholders approval on the preferential issue of equity shares provided that where the allotment of the said equity shares is pending on account of pendency of any approval of such allotment by any regulatory authority, the allotment shall be completed within a period of 15 days from the date of receipt of such approval.
- The equity shares allotted shall be subject to lock-in for a period of 1 year from the date of trading approval
- The equity shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the existing shares of the Company in all respects.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

**BY ORDER OF THE BOARD
FOR VERTEX SECURITIES LIMITED**

Sd/-
COMPANY SECRETARY

Place: Kochi

Date: February 22, 2016

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 stating all material facts and the reasons for the proposal is annexed herewith.
2. The Postal Ballot Notice along with the Postal Ballot Form is being sent by permitted mode along with a postage-prepaid self-addressed Business Reply Envelope to the Shareholders who have not registered their e-mail id and whose names appear on the Register of Shareholders / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on February 22, 2016. The Postal Ballot Notice is being sent to Shareholders who have their email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding) in electronic form.
3. In compliance with Sections 108, 110 of the Act and the Rules made there under, and pursuant to Regulation 44 of the Listing Regulations the Company has provided the facility to the Shareholders to exercise their votes electronically and vote on all resolutions through the e-voting service facility arranged by NSDL. The instructions for electronic voting are annexed to this Notice.
4. Shareholders whose names appear on the Register of Shareholders / List of Beneficial Owners as on February 22, 2016 will be considered for the purpose of voting.
5. Resolutions passed by the Shareholders through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Shareholders.
6. The Shareholders can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Shareholders cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.
7. Shareholders desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 17:00 Hours IST) on March 27, 2016. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Shareholders will also be accepted. If any postal ballot is received after 17:00 Hours IST on March 27, 2016, it will be considered that no reply from the Shareholder has been received.
8. The Scrutinizer will submit his report to the Chairman or any other Director of the Company, after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any other person authorized by the Chairman on Monday, March 28, 2016 at the registered office of the Company and will also be displayed on the Company website (www.vertexbroking.com), as well as on the website of NSDL <https://www.evoting.nsdl.com/> and communicated to the Stock Exchange on the said date.
9. The date of declaration of results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
10. Voting through Electronic means

In compliance with Regulation 44 of the Listing Regulations and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules there under, the Company is pleased to provide e-voting facility, as an

alternative, to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Shareholders. The instructions for e-voting are as follows:

A. The voting period begins on February 27, 2016 at 10.00 hrs and ends on March 27, 2016 at 17.00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of February 22, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

B. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:

(i) Open the e-mail and also open PDF file viz; "Vertex "e-voting". Pdf" with your Client ID or Folio No. as password. The said PDF file contains your "User ID" and "Password for "e-voting"". Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>

(iii) Click on Shareholder – Login.

(iv) Put user ID and password as initial password noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of "e-voting" opens. Click on "e-voting"- Active Voting Cycles.

(vii) Select "EVEN" of "Vertex Securities Limited".

(viii) Now you are ready for "e-voting" as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to kpgmohan@hotmail.com with a copy marked to evoting@nsdl.co.in

C. In case a Member receives physical copy of the Notice of Postal Ballot [for members Whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:

i) Initial password is printed on the Postal Ballot Form.

ii) Please follow all steps from Sl. No. (ii) To Sl. No. (xii) As mentioned in (B) above, to cast vote.

D. 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 Downloads section of www.evoting.nsdl.co.in

E. If you are already registered with NSDL for "e-voting" then you can use your existing user ID and password for casting your vote.

F. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

11. The Company has designated an exclusive email Id viz. secretarial@vertexbroking.com to enable the investors to post their grievances and monitor its redressal.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item 1: Alteration of the Articles of Association of the Company to enable reclassification of shares

The present Articles of Association of the Company do not have a clause for the reclassification of shares.

The alteration is proposed by adding a new article 3A to enable the Company to reclassify its shares into such shares as may be required within its total Authorised Share Capital limit.

The Board recommends the special resolution set forth in Item 1 above for approval of the members.

None of the Directors, Manager and Key Managerial Personnel or any of their relatives of the Company are directly or indirectly interested in this resolution.

Item 2: Reclassification of Authorised Share Capital and Consequent Alteration of Memorandum of Association and Articles of Association

The present authorised capital of the Company Rs. 25,73,25,000 (Twenty Fifty Crore Seventy Three Lakhs Twenty Five Thousand) divided into 7,37,53,805 (Seven Crores Thirty Seven Lakhs Fifty Three Thousand Eight Hundred and Five) Equity Shares of Rs. 2/- (Rupees Two) each, and 59,81,739 (Fifty Nine Lakhs Eighty One Thousand Seven Hundred and Thirty Nine) 0.5% Fully Convertible Preference shares of Rs. 10/- (Rupees Ten) each and 5,00,000 (Five Lakhs) 15% Non-Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each.

A separate proposal for Preferential Issue of 21,440,029 Equity Shares of face value of Rs. 2 each has been submitted for the approval of Shareholders under item no. 5 of this Notice. The authorized capital is sought to be reclassified to enable this issue.

Your Board of Directors is of the view that instead of increasing the Authorised Share Capital of the Company, it is prudent to reclassify part of the existing Preference Shares into Equity Shares of the Company.

As per the provisions of Sections 13 and 14 of the Companies Act, 2013, a Company can alter the Share Capital Clause of its Memorandum of Association and Articles of Association only with the consent of Shareholders.

On reclassification of authorised capital, it would be necessary to amend Clause V of the Memorandum of Association and also Article 3 of Articles of Association. The Resolution seeks approval of Members to reclassify the Share Capital and to amend the said Clause and Article.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at the Registered Office between 11.00 a.m. to 1.00 p.m. on any working day of the Company.

The Board of Directors recommends the passing of this Resolution by special resolution.

The Directors, Manager and Key Managerial Personnel or any of their relatives of the Company may be deemed to be concerned or interested in this resolution to the extent of their shareholdings in the Company.

Item no. 3: Alteration of Articles of Association of the Company by giving right to the holding Company to exercise control over the Company

Our Company is the subsidiary of Transwarranty Finance Limited.

The proposed amendment is to ensure that Transwarranty Finance Limited and/or its associates/affiliates and/or subsidiary companies together with its directors, relatives and nominees exercise control over the Company by giving them the right to appoint majority of the directors on the Board of Directors of the Company and shall be deemed to be the promoter of the Company as defined in Regulation 2(s) of the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 provided that they hold a minimum of twenty six percent of the paid-up share capital of the Company.

As per the provisions of Section 14 of the Companies Act, 2013, a Company can alter the Articles of Association only with the consent of Shareholders.

The Resolution seeks approval of Members to insert new Article 23A under the heading 'Directors' in the Articles of Association of the Company.

A copy of the Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at the Registered Office between 11.00 a.m. to 1.00 p.m. on any working day of the Company.

Mr. Kumar Nair and Mr. Ramachandran U., also being the Directors of Transwarranty Finance Limited on the Board of Directors of the Company, may be deemed to be concerned or interested in the resolution. No other Director, Manager and Key Managerial Personnel or any of their relatives of the Company is, in any way, concerned or interested in the said Resolution.

The Board of Directors recommends the passing of this Resolution by special resolution.

Item no. 4: Approval for investments/loans/guarantees/securities under Section 186 of the Companies Act, 2013

Section 186(2) of the Act provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Section 186(3) of the Act read with Rule 13 of the Rules provides that where the aggregate of the loans and investments so far made and the amount for which guarantees or securities so far provided to or in all other bodies corporate along with the investment, loan, guarantee or security proposed to be made or given by the Board of Directors (the "Board") of a company exceed the limits specified under Section 186(2) of the Act, no investment or loan is permitted to be made or given or guarantee/ security permitted to be provided unless previously authorised by a Special Resolution.

Notwithstanding the above, it may be noted that as per Rule 11(1) of the Rules, no approval of the Shareholders is required if

a company gives loans/ guarantees or provides securities to its wholly owned subsidiary company or a joint venture company or makes investments in the securities of its wholly owned subsidiary company, in excess of the limits specified under Section 186(2) of the Act.

Considering the increasing business operations and future growth plans of the Company which would require to give any loan or guarantee or provide any security in connection with a loan or make investments in the securities of other bodies corporate, over a period of time, exceeding the limit of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, it is necessary to empower the Board to undertake the said activities upto an amount of Rs. 150 Crore.

The Board recommends passing of the resolution set out in Item No.4 as a special resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their directorships and shareholding in the bodies corporate in which investments may be made or loans/ guarantees may be given or securities may be provided pursuant to this Special Resolution.

Item no. 5 Issue of Equity Shares on Preferential basis – consideration other than cash (share swap)

The Company proposes to issue equity shares for consideration other than cash on a share swap basis to the shareholders of Sharewealth Securities Limited.

For this purpose, the Board of Directors has approved the execution of the Agreement with the persons who agreed to transfer/ swap their shareholdings in Sharewealth Securities Limited. The agreement sets out various matters agreed between them after the acquisition of equity shares pursuant to obtaining all necessary approvals. According to the terms and conditions of agreement, it is proposed to issue 21,440,029 equity shares of the Company to the said shareholders of Sharewealth Securities Limited. Your Board has approved the same at its meeting held on February 22, 2016. The proposed preferential issue for consideration other than cash by way of share swap, will be subject to customary conditions including receipt of shareholders approval, compliance with the provisions of Chapter VII of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations), as amended from time to time, Listing Regulations, Memorandum and Articles of your Company and other applicable rules, Regulations of SEBI and other appropriate authorities.

The Equity shares proposed to be allotted shall rank pari passu with all other equity shares of your company in respect of all rights including dividend.

Pursuant to provisions of Section 62 (1)(c) of Companies Act, 2013 (the “Act”) any preferential allotment of Securities needs to be approved by the shareholders by way of Special Resolution. Further, in terms of Chapter VII of SEBI ICDR Regulations, the following disclosures are needed to be made in the Explanatory Statement to the Notice of the General Meeting.

The Board of Directors recommends the passing of this Resolution by special resolution.

a. The objects of the preferential issue:

The proposed issue of 21,440,029 Equity Shares of Rs. 2 each on preferential allotment is being made for consideration other than cash with the object of acquiring 51.89% issued, subscribed and paid up Share Capital of Sharewealth Securities Limited, a company registered under the Companies Act, 1956 on a share swap basis.

Subject to the necessary statutory approvals, our Company will acquire 5,717,341 equity and convertible preference shares (51.89% of the paid up capital) of Sharewealth Securities Limited from its shareholders in consideration of which preferential allotment of 21,440,029 Equity Shares of our Company would be made to the shareholders and promoters of Sharewealth Securities Limited.

Sharewealth Securities Limited, based out of Thrissur, is in the business of stock broking. The acquisition is expected to bring in positive value to our Company by enhancing its size and business, creating a larger broking company.

b. Proposal of the Promoters/Directors/ Key Managerial Personnel of the Company to subscribe to the offer:

Promoters/ Directors/Key Managerial Personnel do not intend to subscribe the offer.

c. Relevant Date:

The Relevant date as per the ICDR Regulations for the determination of issue price of the equity shares pursuant to the aforesaid preferential allotment is fixed as Friday, 26 February, 2016. The Relevant Date is 30 days prior to the date of declaration of results of postal ballot which will be declared on Monday, 28 March, 2016. As the 30th day prior to the date of declaration of results falls on a weekend, the day preceding the weekend will, as per the SEBI ICDR Regulations, be reckoned to be the relevant date.

d. Pricing of Preferential Issue:

The proposed preferential issue of 21,440,029 Equity Shares of Rs. 2 each for consideration other than cash on preferential basis will be made at such price being not less than the price determined in accordance with Chapter VII of the ICDR Regulations.

The price determined in accordance with Regulation 76 of Chapter VII of the ICDR Regulations is Rs.3.25 per equity share. As required under the ICDR Regulations, wherever it is required, the Company shall re-compute the issue price in accordance with the Regulations.

e. Undertaking that if the amount payable on account of re-computation of price is not paid within the limits stipulated in ICDR Regulations, the specified securities shall continue to be locked in till the time such amount is paid by allottee- Not applicable.

f. Lock in

The equity shares to be allotted will be subject to lock-in for a period of one year from the date of trading approval. The entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date upto a period of six months from the date of trading approval.

The allottees have confirmed that they do not hold any shares of the Company.

g. Proposed time within which the allotment shall be completed:

As required under the SEBI (ICDR) Regulations, the Company shall complete the allotment of equity shares as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or in the event allotment of equity shares would require any approval(s) from any regulatory authority or the Central Government, within 15 (fifteen) days from the date of such approval(s), as the case may be.

h. Identity of the proposed allottees:

Sr No.	Name of Shareholder	No of equity & convertible preference shares in Share-wealth Securities Limited	Proposed No of Equity Shares in Vertex Securities Ltd.
1	Mr.RAMAKRISHNAN T B	1,143,983	4,289,936
2	Mrs.JYOTHI N C	271,678	1,018,793
3	Mr.PEETHAMBARAN N C	81,620	306,075
4	Dr.ANIL MENON	478,060	1,792,725
5	Mr.ANCHERY RAMANATHAN	320,650	1,202,438
6	Mr.UNNIKRISHNAN ANCHERY	279,840	1,049,400
7	Mrs.SARASA RAMANATHAN	27,401	102,754
8	Mrs.SAUDAMINI ANCHERY	21,864	81,990
9	Mr.CHANDRAN ANCHERY	18,190	68,213
10	M/s.CAPVEST FINANCIAL SERVICES LTD	691,120	2,591,700
11	Mr.RAJAN T S	137,800	516,750
12	Mr.CHUMMAR N C	208,135	780,506
13	Mr.JOSEPH P ANTONY	42,347	158,801
14	Mr.SHIBU JOB C	190,804	715,515
15	Mrs.NIMMY RUSSAL	152,597	572,239
16	Mrs.DEEPA MOHANDAS	80,230	300,863
17	Mr.NEVIN MUSTHAFA K	160,272	601,020
18	Dr.SAIFU A KOKKAT.	103,996	389,985
19	Mr.MANI PAUL	105,894	397,103
20	Mr.RAMPRASAD H	95,730	358,988
21	Mr.SAMEER K T	143,824	539,340
22	Mr.MINI GEORGE	107,166	401,873
23	Mr.ANTO A V	354,840	1,330,650
24	Mr.GEORGE V T	143,609	538,534
25	Mr.SURENDRAN C G	125,155	469,331
26	Dr.RAVI C	75,949	284,809
27	Mr.NANDAKUMAR N	57,395	215,231
28	Mr.SHOBY PAUL	97,192	364,470
	TOTAL	5,717,341	21,440,029
	Paid up Capital	11,018,403	95,193,779
	Percentage of Paid up Capital	51.89	22.52

i. Change in control:

There will be no change in the management or control of the Company pursuant to the issue of equity shares.

j. The shareholding pattern of the Company before and after the preferential issue:

Sr. No	Category of Shareholder	Pre-preferential issue shareholding		Post preferential issue shareholding	
		No. of shares held	% of share holding	No. of shares held	% of share holding
A	Promoter & promoter Group				
1	Indian	54,176,503	73.46	54,176,503	56.91
2	Foreign	0	0	0	0
	Total shareholding of promoter and promoter group(A)	54,176,503	73.46	54,176,503	56.91
B	Public shareholding				
1	Institutions				
a	Mutual Funds	0	0	0	0
b	Insurance Companies	0	0	0	0
c	Financial Institutions/Banks	0	0	0	0
d	Venture Capital Funds	0	0	0	0
e	Foreign Portfolio Investors/FII's	0	0	0	0
	Subtotal (B)(1)	0	0	0	0
2	Non-Institutions				
a	Bodies Corporate	2,390,444	3.24	4,982,144	5.23
b	Individuals	13,926,727	18.88	32,775,056	34.43
c	NRI	2,169,803	2.94	2,169,803	2.28
d	Qualified Foreign Investor	0	0	0	0
e	Others	1,090,273	1.48	1,090,273	1.15
	Subtotal (B)(2)	19,577,247	26.54	41,017,276	43.09
	Total Public Shareholding (B) = (B)(1) + (B)(2)	19,577,247	26.54	41,017,276	43.09
C	Shares Held by Custodians and against which Depository receipts have been issued				
a	Promoter and Promoter Group	0	0		
b	Public	0	0		
	Sub Total [C]	0	0		
	Grand Total [A+B+C]	73,753,750	100.00	95,193,779	100.00

k. Auditor's Certificate:

The Company is in the process of obtaining certificate of the Statutory Auditors of the Company to the effect that the present preferential offer is being made in accordance with the requirements contained in Chapter VII of the SEBI. As it is proposed to issue and allot the aforesaid Securities on preferential allotment basis, special resolution is required to be approved by members pursuant to the provisions of Section 62(1)(c) of the Act and Chapter VII of the SEBI ICDR Regulations.

The Board believes that the proposed offer, issue and allotment will be in the interest of the Company and its shareholders.

The Board recommends passing of the aforesaid Resolution as a Special Resolution.

The Directors, Manager and Key Managerial Personnel or any of their relatives of the Company may be deemed to be concerned or interested in this resolution to the extent of their shareholdings in the Company.

BY ORDER OF THE BOARD
FOR VERTEX SECURITIES LIMITED

Place: Kochi

Date: February 22, 2016

Sd/-
COMPANY SECRETARY

VERTEX SECURITIES LIMITED

CIN: L67120KL1993PLC007349

Regd. Office: Thottathil Towers, 2nd Floor, Market Road, Kochi – 682 018
Tel.: 0484-2384848 • Fax: 0484-2394209 • Website: www.vertexbroking.com
Email: secretarial@vertexbroking.com

BALLOT FORM **(In lieu of E-voting)**

1. Name & Address of _____ :
The First Named Member

2. Name(s) of the Joint Member(s), if any _____ :

3. Registered Folio No. / DP ID No. / Client ID No. :

4. No. of Shares held _____ :

I/We hereby exercise my/our vote in respect of the following Special Resolution(s) to be passed through Postal Ballot for the business stated in the notice of Postal Ballot dated February 22, 2016 of the Company, by sending my/our assent or dissent to the said Resolution(s) by placing the tick(√) mark at the appropriate box below:-

Sr. No.	Description	No. of shares held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	To approve the Alteration of the Articles of Association of the Company to enable reclassification of shares.			
2.	To approve the reclassification of the authorised share capital of the company and consequent alteration of Memorandum of Association and Articles of Association			
3.	To approve the Alteration of Articles of Association of the Company by giving right to the holding Company to exercise control over the Company			
4.	To approve the investments/ loans/ guarantees/ securities under section 186 of the Companies Act, 2013			
5.	To approve the issue of Equity Shares on a Preferential basis – consideration other than cash (share swap)			

Place:

Date: _____ (Signature of the Member)

Shareholder NOTE: Kindly read the instructions printed overleaf before filling the form. Valid Ballot Forms received by the Scrutinizer by 17.00 hrs IST on March 27, 2016 shall only be considered.

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD
103832		

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. K. P. Gopimohan, Company Secretary so as to reach by 17.00 hrs of March 27, 2016. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. A tick mark (✓) should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form. The assent / dissent received in any other form shall not be considered valid. Postal Ballot Form bearing (✓) mark in both the columns will render the form invalid.
4. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
5. In the event member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
6. The right of voting by Ballot Form shall not be exercised by a proxy.
7. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/ demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e. Link Intime Pvt. Ltd. Members are requested to keep the same updated.
8. There will be only one Ballot Form for every Folio / DP ID Client ID irrespective of the number of joint members.
9. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/ her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
10. Where the Ballot Form has been signed by an authorized representative of the body corporate/ Trust/Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
11. Instructions for e-voting procedure are available in the Notice of Postal Ballot and are also placed on the website of the Company.

Postage
will be
paid by the
addressee

BUSINESS REPLY ENVELOPE

PERMIT NO : L/BRP/347/2015-16
M. G. Road Post Office,
Ernakulam
Kerala 682 016

No postage
stamp
necessary
if posted
in India

The Scrutnizer
Mr. K. P. Gopimohan, Company Secretary
Gopimohan Satheesan & Associates
39/4781, 2nd Floor, Thoufeeq Complex
M.G.Road, Ravipuram
Cochin- 682 016

Postage
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