



VERTEX SECURITIES LIMITED
(A Subsidiary of Transwarranty Finance Limited)
Thottathil Towers, II Floor, Market Road, Ernakulam, Kochi - 682018
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Website : www.vertexbroking.com
Email : vsnl@vertexbroking.com

CIN: L67120KL1993PLC007349

September 04, 2024

The Manager,
Listing Department
BSE Limited
P. J. Towers,
Dalal Street,
Mumbai – 400 001
BSE Scrip Code: 531950

Dear Sir/Madam,

Sub: Annual Report of Vertex Securities Limited (“the Company”) for the Financial Year 2023-24 along with the Notice convening the 31st Annual General Meeting (“AGM”)

This is to inform you that the 31st AGM of the Members of the Company will be held on Friday, September 27, 2024 at 04.00 p.m. IST, through Video Conferencing / Other Audio Visual Means in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, to transact the businesses as listed in the Notice of AGM.

Pursuant to Companies Act, 2013 and SEBI (LODR) Regulations, 2015, please find enclosed herewith the Annual Report for the FY 2023-24 and Notice convening 31st AGM which is dispatched to all the Members, through electronic mode on Wednesday, September 04, 2024.

The Annual Report for the FY 2023-24 and Notice of the AGM are also made available on the website of the Company i.e. www.vertexbroking.com.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For **Vertex Securities Limited**

Aniket Malekar

Company Secretary and Compliance Officer
Membership No.: A62478

STOCK / SHARES / COMMODITY BROKING : DEMAT SERVICES / INVESTMENT CELL

MEMBER : NATIONAL STOCK EXCHANGE, BOMBAY STOCK EXCHANGE, DEPOSITORY PARTICIPANT - NSDL



31st
ANNUAL
REPORT
2023-2024

VERTEX SECURITIES LIMITED

Via
VERTEX
App for wealth creation

orooro
WEALTH

Mission

Rooted in the past focused on the future

Vision

Financial inclusion, Financial Literacy and
Bridging the digital divide

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

Mr. Ramachandran Unnikrishnan

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.



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

Mr. James Pothen

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.



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

Mr. George Mampillil

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



Mr. George Abraham Vithayathil (From 1st September 2024)

Mr. George Abraham Vithayathil (DIN: 10764257) holds a Bachelors Degree in Science with specialisation in Chemistry and Physics is a has an experience over four decades in the domain of Labour Laws, International Business,, Journalism and Public Relations. He has served as an officer of Custom Services at Air India at Mumbai International Airport for more than 32 years.

Mr. Mathews Varghese (From 1st September 2024)

Mr. Mathews Varghese is a veteran in the field of Hotels and Hospitality and has over an experience of over a decade and specialises in Operations Management and Executive Leadership with a proven track record of defining enterprise goals and workflows to ensure operational excellence.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Kumar Nair	Chairman
Mr. Ramachandran Unnikrishnan	Managing Director and CEO
Mr. George Mampillil	Executive Director & CFO
Mr. Jose Thomas Polachira	Independent Director
Mr. James Pothan	Independent Director
Ms. Latha Anand	Independent Director
Mr. George Abraham Vithayathil	Independent Director (From 1st September 2024)
Mr. Mathews Varghese	Independent Director (From 1st September 2024)

KEY MANAGERIAL PERSONNEL

Mr. Ramachandran Unnikrishnan	Managing Director and CEO
Mr. George Mampillil	Chief Financial Officer (CFO)
Mr. Aniket Ashok Malekar	Company Secretary and Compliance Officer (CS)

SENIOR MANAGEMENT

Mr. Jolly M.M.	Associate Vice President, Business Development
Mr. Sunil Ghosh M C	Associate Vice President, Business Development
Mr. Jerome Joseph	Associate Vice President, Business Development
Mr. Arun Kumar S L	Associate Vice President, Digital Business
Ms. Treesa Anthony	Senior Manager Compliance and Legal
Ms. Elizabeth Varghese	Manager, Finance & Accounts

AUDITORS

S S Khan and Co., Chartered Accountants Statutory Auditors	Yogesh Sharma and Co., Company Secretaries Secretarial Auditor
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BANKERS

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

REGISTERED OFFICE

CIN: L67120KL1993PLC007349
Thottathil Towers, 2nd Floor, Market Road,
Ernakulam, Kochi - 682 014
Tel. No. 0484-2384848
Fax No. 0484-2394209
e-mail id : secretarial@vertexbroking.com
website: www.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 & SHARE 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 Thirty First Annual General Meeting (“AGM”) of the Members of Vertex Securities Limited (VSL) will be held through Video Conferencing (“VC”) /Other Audio-Visual Means (“OAVM”) on Friday, September 27, 2024 at 4:00 p.m. (IST) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements for the financial year ended March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the Auditors report thereon.
3. To re-appoint Mr. Ramachandran Unnikrishnan, Director of the Company (DIN-00493707), who retires by rotation and being eligible offers himself for re-appointment.
4. Appointment of M/s. Deoki Bijay and Co., Chartered Accountants as the Statutory Auditors of the Company To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with applicable rules made thereunder, and in accordance with the Circular No. RBI/2021-22/25-Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021 issued by The Reserve Bank of India, inter-alia, on Guidelines for appointment of Statutory Auditors of NBFCs (“RBI Circular”), including any statutory amendment(s), modification(s) thereto or re-enactment(s) thereof, for the time being in force and Company’s Policy on Appointment of Statutory Auditors, and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded for appointment of M/s. Deoki Bijay and Co., Chartered Accountants (Firm Registration No. 313105E), who have confirmed their eligibility to be appointed in terms of Section 141 of the Act and said RBI Circular, as the Statutory Auditor of the Company, to hold office for a period of 5 (Five) consecutive years from the conclusion of the Thirty First Annual General Meeting of the Company till the conclusion of the Thirty Sixth Annual General Meeting of the Company to be held in the year 2029, at a remuneration to be determined by the Board of Directors (including any Committee thereof) of the Company in addition to out-of-pocket expenses as may be incurred by them during the course of the audit.

RESOLVED FURTHER THAT the Board of Directors of the Company, be authorised on behalf of the Company, including but not limited to determine role and responsibilities/ scope of work of the Statutory Auditors, to negotiate, finalise, amend, sign, deliver and execute the terms of appointment, including any contract or document in this regard and to alter and vary any terms and conditions of the contract including vary the remuneration arising out of increase in scope of work, due to amendments to the Accounting Standards or the Act or Rules framed thereunder or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other requirements resulting in any change in the scope of work, etc., without being required to seek any further consent or approval of the Members of the Company and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion deem necessary or desirable for the purpose of giving effect to this Resolution and with power to the Board to settle all questions, difficulties or doubts that may arise in respect of the implementation of this Resolution.”

SPECIAL BUSINESS:

5. **Appointment of Mr. George Abraham Vithayathil (DIN: 10764257) as an Independent Director**

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

“**RESOLVED** that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. George Abraham Vithayathil (DIN: 10764257), who was appointed as an Additional Director (Independent and Non-Executive) of the Company, with effect from 01st September, 2024 under Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from 01st September, 2024 to 31st August, 2029 (both days inclusive).”

6. Appointment of Mr. Mathews Varghese (DIN: 01631142) as an Independent Director

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

“**RESOLVED** that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Mathews Varghese (DIN: 01631142), who was appointed as an Additional Director (Independent and Non-Executive) of the Company, with effect from 01st September, 2024 under Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 01st September, 2024 to 31st August, 2029 (both days inclusive).”

7. Material Related Party Transaction(s) with Subsidiary Companies, step-down subsidiaries and associate companies

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

“**RESOLVED THAT** pursuant to provision of Regulation 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, the provisions of Section 177 and 188 of Companies Act, 2013 (“the Act”) read with Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transaction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise

its powers conferred by this Resolution) to continue with the existing contract(s)/ arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/ arrangement(s)/ transaction(s)(whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise),as mentioned in the Explanatory Statement annexed herewith, with the Subsidiary Company/ companies, for an aggregate amount as mentioned in the explanatory statement to be entered/entered upto the 32nd Annual General Meeting of the Company to be held in the year 2025, subject to such transaction(s) / contract(s) / arrangement(s) / agreement(s) being in the ordinary course of business and being carried out at an arm’s length basis.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to the Director(s) or Chief Financial Officer or Company Secretary or any other officer(s) of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects.”

8. Material related party transaction between the Company on one hand and Executive Directors/KMPs/ relatives thereof of the company/Holding Company/ on other hand subsidiaries

To consider and if fit through pass the following resolution as an **Ordinary resolution**:

“**RESOLVED THAT** pursuant to provision of Regulation 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, the provisions of Section 177 and 188 of Companies Act, 2013 (“the Act”) read with Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transaction(s), the consent of the Members of the Company be and is



hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this Resolution), to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or carry out new contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or a series of transactions or otherwise) with respect to availing loans/NCDs/other borrowings from and repayments thereof to, the Executive Directors (EDs) / Key Management Personnel / relatives of EDs/KMPs, of the Company/ subsidiaries/ step down subsidiaries/ associates as mentioned in the Explanatory Statement annexed herewith on such terms and conditions as may be mutually agreed between the Company on one hand and Executive Directors/KMPs/ relatives thereof on the other hand, for an amount not exceeding Rs. 20 crores, individually from any of the EDs/KMPs/ relatives, entered/to be entered upto the 32nd Annual General Meeting of the Company to be held in the year 2025 and being carried out in the ordinary course of business and at an arm's length basis.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to the Director(s) or Chief Financial Officer or Company Secretary of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

9. To consider and approve entering into Related Party Transaction between the Company and its subsidiary on one hand and Holding Company and any of the subsidiaries/associates on other hand

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

"**RESOLVED THAT** pursuant to provision of Regulation 23(4) and other applicable Regulations, if any, of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the provisions of Section 177 and 188 of Companies Act, 2013 ("the Act") read with Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transaction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to continue with the existing contract(s)/ arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/ arrangement(s)/ transaction(s)(whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise),as mentioned in the Explanatory Statement annexed herewith, with the Holding Company i.e. Transwarranty Finance Limited or any/ all of its Subsidiaries/ Associate Company/companies, for an aggregate amount as mentioned in the explanatory statement to be entered/ entered upto the 32nd Annual General Meeting of the Company to be held in the year 2025, subject to such transaction(s) / contract(s) / arrangement(s) / agreement(s) being in the ordinary course of business and being carried out at an arm's length basis.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to the Director(s) or Chief Financial Officer or Company Secretary or any other officer(s) of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

10. Re-appointment of Mr. George Mampillil, Executive Director & CFO as a Director for a period of three years w.e.f. 13th August, 2024

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

“**RESOLVED THAT** pursuant to the provisions of Section 152, 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the “Managerial Personnel Rules”), (including any statutory modification(s) or re-enactment thereof for the time being in force), as amended from time to time, read Schedule V to the Act and based on the recommendation of the Nomination, Remuneration and Compensation Committee and the approval of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for re-appointment of Mr. George Mampillil (DIN 01976386) as the Executive Director & CFO of the Company for a period of three years w.e.f. 13th August, 2024 on the following terms and conditions including remuneration:

Terms of Remuneration:

A. **Salary:** Remuneration not exceeding Rs. 12 Lakhs per annum including perquisites, allowances as may be determined by the Board of Directors of the Company or Nomination, Remuneration and Compensation Committee.

B. Perquisites and other allowances:

- i. Company provided Car with a driver
- ii. Leave Travel Allowance - As per rules of the Company.
- iii. Children’s education allowance: In case of children studying in or outside India, an allowance limited to maximum of Rs. 100 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children.
- iv. HRA, DA, Other Allowances, Special Allowances and Reimbursements- As per the rules of the Company.

The following perquisites will not be included in the computation of the ceiling of perquisites:

- (i) Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service
- (ii) Encashment of leave at the end of tenure.

- (iii) Performance incentive, if any- As per the rules of the Company

RESOLVED FURTHER THAT the Board be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Mr. George Mampillil which shall be in accordance with the prescribed provisions of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force).

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. George Mampillil’s office as an Executive Director, he shall be paid the above remuneration as minimum remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, to do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

11. Re-appointment of Mr. Ramachandran Unnikrishnan as a Managing Director & Chief Executive Officer for three years w.e.f. 21st May, 2024

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) read with Schedule V to the Act and Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Nomination, Remuneration and Compensation Committee and the approval of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for appointment of Mr. Ramachandran Unnikrishnan (DIN 00493707) as the Managing Director and Chief Executive Officer of the Company for a period of three years w.e.f. 21st May, 2024 on the following terms and conditions including remuneration:



Terms of Remuneration:

A. **Salary:** Remuneration not exceeding Rs. 18 Lakhs per annum including perquisites, allowances as may be determined by the Board of Directors of the Company or Nomination, Remuneration and Compensation Committee.

B. **Perquisites and other allowances:**

- i. Leave Travel Allowance, Reimbursements of medical expenses - As per rules of the Company.
- ii. HRA, DA, Other Allowances, Special Allowances and Reimbursements- As per the rules of the Company.

The following perquisites will not be included in the computation of the ceiling of perquisites:

- (iv) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service
- (v) Encashment of leave at the end of tenure.
- (vi) Performance incentive, if any- As per the rules of the Company

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Ramachandran Unnikrishnan's office as Managing Director, when in any financial year, the

Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Ramachandran Unnikrishnan in accordance with the applicable provisions of Schedule V of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things at its absolute discretion, as it may consider necessary or desirable to give effect to this resolution."

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

Aniket Malekar

Company Secretary and Compliance Officer

Place: Kochi

Date: August 08, 2024

Registered Office:

Thottathil Towers, 2nd Floor,
Market Road, Ernakulam,
Kochi 682014

CIN: L67120KL1993PLC007349

Email: secretarial@vertexbroking.com

website: www.vertexbroking.com

Tel: 0484 2384848 ; Fax: 0484 2394209

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Item No. 5 to 9 forms part of this Notice. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/ re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished forms Parts of Explanatory Statement to this Notice.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act,2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule20 of the Companies (Management and Administration) Rules, 2014 (as amended)and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://vertexbroking.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e.www.evoting.nsdl.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on September, 23, 2024 at 09:00 A.M. and ends on September, 26, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 20, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 20, 2024.

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: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.

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 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 101456 then user ID is 101456001***



5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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.
 - c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 csymsharma@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
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.nsd.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 or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to lochan.chavan@linkintime.co.in.
2. In case shares are held in Demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to lochan.chavan@linkintime.co.in. If you are an Individual shareholders holding securities in Demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name Demat account number/folio number, email id, mobile number at secretarial@vertexbroking.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions with respect to the agenda items of the meeting will be required to register themselves as speaker by sending e-mail to secretarial@vertexbroking.com from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by



5.00 p.m. on September 20, 2024 will be able to speak at the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time, for smooth conduct of the AGM.

7. Any person, who acquires shares of the Company and becomes Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or ashok.sherugar@linkintime.co.in.
8. 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 only i.e. September 20, 2024 shall be entitled to avail the facility of remote e-Voting as well as E-Voting at the AGM.
9. Mr. Yogesh Sharma, Practicing Company Secretary 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.
10. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after completion of the scrutiny of e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than Two working days the conclusion of the AGM. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company 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.

11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for electronic inspection. Members seeking to inspect such documents can send an email to secretarial@vertexbroking.com.
12. Members are requested to address all correspondence to the Registrars and Transfer Agents of the Company.
13. The Company has designated an exclusive email Id viz. secretarial@vertexbroking.com to enable the investors to post their grievances and monitor its redressal.

**By Order of the Board
VERTEX SECURITIES LIMITED**

Aniket Malekar
Company Secretary and Compliance Officer

Registered Office:

Thottathil Towers, 2nd Floor,
Market Road, Ernakulam,
Kochi 682014

Place: Kochi

Date: August 08,2024

ANNEXURE TO 31st AGM NOTICE

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

Item No. 3 and 10 :

Additional Information Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. With Regard to the Director Seeking Re-Appointment at the 31st Annual General Meeting and Secretarial Standard-2 issued by the Institute of Company Secretaries of India:

Name of Director	Mr. Ramachandran Unnikrishnan	Mr. George Mampillil
DIN	00493707	01976386
Date of Birth	25/11/1956	19/04/1948
Nationality	Indian	Indian
Type of Appointment	Director retiring by rotation	Re-appointment as a Executive Director and CFO
Date of first appointment on Board	10/07/2009	13/08/2018
Qualification	B. Com(Hons),F.C.A.	B. Sc.
No. of Shares held	12,500 Equity Shares of Rs. 2 each	5,50,000 Equity Shares of Rs. 2 each
Experience in Specific	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 over 26 years of experience in the Financial Markets. He was the Chief Executive Officer of Acumen Group, Cochin based Financial Services Company for 10 years.
Directorships held in other companies	1. Transwarranty Finance Limited 2. Vertex Commodities And Finpro Pvt. Ltd. 3. Transwarranty Capital Market Services Pvt. Ltd. 4. Suncem Surface Coatings Pvt. Ltd.	-
Membership of Committees of other listed public companies	He has an excellent knowledge in Audit, Capital Market and Investment Banking.	Nil
Disclosure of relationships between directors inter-se	None of the directors are related to each other	None of the directors are related to each other
Justification for appointment	He is also the Director & CFO of the Holding Company, Transwarranty Finance Limited and a Director of wholly owned subsidiary Vertex Commodities And Finpro Pvt. Ltd.	Excellent knowledge of Financial Markets
No. of Board Meetings attended during the financial year 2023-24	3 out of 4	4 out of 4
Details of last remuneration drawn from the Company	Rs. 889,502/- in FY 2023-24	Rs. 11,34,670/- in FY 2023-24
Terms and conditions of appointment/ re-appointment	Mr. Ramachandran Unnikrishnan is proposed to be reappointed as a Director of the Company and is liable to retire by rotation.	Mr. George Mampillil is proposed to be re-appointed as Executive Director on the terms and conditions contained in the Explanatory Statement to the Notice and is liable to retire by rotation



Item no. 4 - Appointment of M/s. Deoki Bijay and Co., Chartered Accountants as the Statutory Auditors of the Company

Background:

The Members of the Company at their Annual General Meeting held on 25th September, 2019 had appointed M/s. S. S. Khan & Co., Chartered Accountants as the Statutory Auditors of the Company for a period of five consecutive years to hold office till conclusion of the 30th AGM of the Company to be held in September 2024.

The current Statutory Auditor have completed their tenure of 5 consecutive years with the Company and as per the said RBI Guidelines, the said audit firms would not be eligible for reappointment in the Company for another term. Hence, it is necessary to appoint new Statutory Auditors.

After necessary due diligence and the recommendation of the Audit Committee, the Company has selected M/s. Deoki Bijay and Co. the Board of Directors have approved and recommended their appointments as Joint Statutory Auditors of the Company subject to the approval of the Members of the Company .

Proposal:

The approval of the Members of the Company is sought for appointment of M/s. Deoki Bijay and Co., Chartered Accountants (Firm Registration No. 313105E) as the Statutory Auditors of the Company, for a period of 5 (five) consecutive years, to hold office from the conclusion of the 31st AGM till the conclusion of the 36th AGM of the Company, to be held in the year 2029. They would replace the current set of Statutory Auditors M/s. S. S. Khan & Co. Chartered Accountants who would be retiring from the Company.

Brief Profiles:

M/s. Deoki Bijay and Co. is a ISO Certified firm of Chartered Accountants founded by Mr. D N Agarwal in the year 1984. The firm has offices in Kolkata, Mumbai, Ranchi, Raygatha and Bhubaneshwar. The Firm has been rendering services from Four Decades in the fields of Audit and Assurances, Taxation, Corporate Advisory, Valuation and Mergers and Acquisitions. The firm fulfills all the criterias for being appointed as Statutory Auditors of the company.

Details of declarations /confirmations received from the firm:

M/s. Deoki Bijay and Co. has declared/ confirmed as under :

- a) That their appointment, if made, will be within the limits specified under the Act and that they are qualified to be appointed as statutory auditors in terms of the provisions of Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the said RBI Circular.

- b) That they have subjected themselves to the peer review process of Institute of Chartered Accountants of India ('ICAI') and hold valid certificate issued by the Peer Review Board of ICAI as on date.
- c) That their firm or any partner of the firm has no business relationship with the Company or its Promoter Company. They do not have any common partners and they are not under the same network of audit firms.
- d) That there are no proceedings against the said firms or any partner of the firm with respect to professional matters of conduct under the Chartered Accountant Act, 1949 and the rules and regulations made thereunder or before any competent authority or any court.
- e) That they do not have any affiliation/association with the existing firm, (M/s. S. S. Khan & Co. , Chartered Accountants or with the Promoter of the Company.

M/s. Deoki Bijay and Co. comply with the technical specifications and requirements as stated in RBI Circular dated 27th April, 2021 in terms of number of partners, technology experience, statutory audit experience of NBFCs, capability, assessment of independence, association of fellow chartered accountant partners with the firms, partners with CISA/ISA qualification, minimum number of audit experience, etc. and fulfill the eligibility criteria prescribed under the Act and Companies (Audit and Auditors) Rules, 2014.

Scope and Terms and Conditions of the appointment:

Their scope of services would include audit of annual standalone and consolidated financial statements and financial results, audit of internal financial controls over financial reporting, limited reviews of quarterly/half-yearly results as per SEBI Listing Regulations, tax audit and permitted certifications.

The terms and conditions of the appointment of the Statutory Auditors of the Company will inter-alia also include the conditions mentioned in Clauses 6A & 6B of the SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18th October, 2019.

Basis the recommendation of the Audit Committee, the Board of Directors ("Board") have approved and recommended remuneration (comprising audit fees) of an aggregate amount of up to ₹ 2.5 lakhs for FY 2025 to the Statutory Auditors of the Company, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. Besides the audit services, the Company would also avail other permitted services from the Statutory Auditors, as may be required from time to time, for which the Auditors will be remunerated separately on mutually agreed terms.

The remuneration proposed to be paid to the Statutory Auditors for the subsequent years till the end of their term (AGM 2029) will be determined judiciously by the Board from time to time based on the recommendations of the Audit Committee which would be commensurate with the services rendered by them during their tenure.

The Board may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The audit fee/ remuneration proposed to be paid to M/s. Deoki Bijay and Co. as mentioned above for FY 2025 is equivalent to audit fees paid to the erstwhile statutory auditor to the audit fees paid to erstwhile Statutory Auditor, who was paid an aggregate remuneration of Not exceeding Rs. 2.5 Lakhs for FY 2024 (excluding fees paid for permitted services u/s 144 of the Act, applicable taxes and reimbursement of out-of-pocket expenses on actuals). The proposed fees are deemed commensurate with enhanced scale of operations of the Company's business and are comparable to audit fees in industry to Audit firms with similar credentials, clientele, repute and standing and enhanced scope of work due to increase in number of certifications in their Audit reports emanating from regulatory requirements.

The proposed appointment of M/s. Deoki Bijay and Co. as the Statutory Auditors of the Company is in compliance with the Company's Policy on appointment of Statutory Auditors of the Company, which can be accessed on the website of the Company.

The Board is of the opinion that appointment of the said Joint Statutory Auditors will enhance the internal financial processes and enable the Company to reap the benefit of technical competency, industry and domain expertise of both the firms and enhance stakeholders' trust in financial reporting framework.

Interest and recommendation:

None of the Directors, Key Managerial Personnel(s) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution(s) set out at Item No. 4 of this Notice.

The Board recommends ordinary resolution(s) as set out at Item Nos. 4 of this Notice for approval of the Members of the Company.

SPECIAL BUSINESS

ITEM NO. 5: Appointment of Mr. George Abraham Vithayathil (DIN: 10764257) as an Independent Director

Proposal:

The Board of Directors of the Company vide its resolution by circulation (CR) dated 01st September, 2024, pursuant to the recommendation of the Nomination and Remuneration Committee ("NRC"), has approved the appointment of Mr. George Abraham Vithayathil (DIN: 10764257) as an Additional Director (Independent and Non-Executive) of the Company with effect from 01st September, 2024 to hold office up to the date of the next Annual General Meeting of the Company pursuant to section 161 of the Companies Act, 2013 ("the Act") and subject to approval of the Members at the said Annual General Meeting,

to hold office as an Independent Director, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 01st September, 2024 to 31st August, 2029 (both days inclusive).

Process & Basis of Appointment:

The NRC evaluated profiles of various candidates as an Independent Director of the Company was reaching end of tenure in the year 2024. The NRC had identified skills, expertise and competencies required by the Board for the effective functioning of the Company. The process of shortlisting and selection of the new Independent Director was carried out and concluded by NRC members who were Independent Directors and not considered interested in such proposal. After considering qualifications, skillsets, experience, independence, knowledge, ability to devote sufficient time, the NRC selected and recommended to the Board, the appointment of Mr. George Abraham Vithayathil as Independent Director of the Company. In line with this strategic approach, this appointment of Independent director reflects the Company's commitment to long term sustainability and seamless leadership transitions. His appointment which is in line with the requirements of the Company Policy on "Appointment of Directors and Senior Management" is a proactive stance which underscores the Company's dedication to maintaining a dynamic and resilient board, poised to navigate challenges and seize opportunities on the horizon.

The Company has received a notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director of the Company. Brief resume of his age, qualification, nature of expertise in specific functional areas, disclosure of relationships between directors inter-se, names of listed entities and other companies in which he holds directorships and memberships of Board Committees alongwith the listed companies from which he has resigned in the past three years, shareholding in the Company, the number of Meetings of the Board attended during the year, along with disclosure pertaining to his resignation from listed entities in the past three years, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein and are also provided in the Corporate Governance Report forming part of the Annual Report.

Profile:

Mr. George Abraham Vithayathil (DIN: 10764257) holds a Bachelors Degree in Science with specialisation in Chemistry and Physics is a has an experience over four decades in the domain of Labour Laws, International Business,, Journalism and Public Relations. He has served as an officer of Custom Services at Air India at Mumbai International Airport for more than 32 years.



He has a vast experience in the field of Labour Laws and its implementation and he has served as:

1. All India General Secretary – Aviation Industry Employees Guild
2. Chairman – Civil Aviation Section, Asia Pacific Region- International Transport Workers' Federation
3. Member- Civil Aviation Think Tank Committee, ILO, Geneva.
4. Executive Committee Member :- Hind Mazdoor Sabha.
5. Member & Chairman- Labour Relations Committee- Air India (1984 to 1990).
6. Municipal Councillor 3 terms, BMC, Kalina, Vakola
7. Chairman-H/East and H/West Ward Committee, BMC 2001/02
8. Member :-Law & General Purposes Committee, Improvements Committee, Public Health Committee, B.M.C.
9. Member :- Telephone Advisory Committee.

Directorships:

Mr. George Abraham Vithayathil does not hold any directorship in the company.

Committee positions:

No committee positions are held by Mr. George Abraham Vithayathil.

Resignation as a Director from Listed Entities in the past three years:

Not Applicable

Attendance at Board Meetings during 1st April, 2023 to 31st March, 2024.

Not Applicable since he has been appointed as a Director with effect from 01st September, 2024.

Remuneration:

Mr. George Abraham Vithayathil would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof.

Other information:

Mr. George Abraham Vithayathil does not hold any Ordinary (Equity) Shares in the Company.

The NRC has identified certain skills and capabilities required by the Directors of the Company. The skill sets possessed by him is aligned to those identified by NRC and complete details of the same are provided in the Corporate Governance Section of the Annual Report of the Company for the financial year ended 31st March, 2024.

He is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as a Director. The Company has received declarations from him

stating that he meets the criteria of independence as prescribed under sub-section (6) of section 149 of the Act and Listing Regulations. He not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority. In the opinion of the Board, he fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management.

The Board is of the view that his knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends his appointment to the Members.

A copy of the draft letter setting out terms and conditions of his appointment is available for inspection by the Members in electronic form as per the instructions provided in this Notice.

The Articles of Association of the Company are available for inspection by the Members in electronic form as per the instructions provided in this Notice.

Save and except Mr. George Abraham Vithayathil, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in this Notice. He is not related to any other Director / KMP of the Company.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6: APPOINTMENT OF MR. MATHEWS VARGHESE (DIN: 01631142) AS AN INDEPENDENT DIRECTOR

Proposal:

The Board of Directors of the Company vide its resolution by circulation (CR) dated 01st September, 2024, pursuant to the recommendation of the Nomination and Remuneration Committee ("NRC"), has approved the appointment of Mr. Mathews Varghese (DIN: 01631142) as an Additional Director (Independent and Non-Executive) of the Company with effect from 01st September, 2024 to hold office up to the date of the next Annual General Meeting of the Company pursuant to Section 161 of the Companies Act, 2013 ("the Act") and subject to approval of the Members at the said Annual General Meeting, to hold office as an Independent Director, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 01st September, 2024 to 31st August, 2029 (both days inclusive).

Process & Basis of Appointment:

The NRC evaluated profiles of various candidates as an Independent Director of the Company was reaching end of tenure in the year 2024. The NRC had identified skills, expertise and competencies required by the Board for the effective functioning of the Company. The process of shortlisting and selection of the

new Independent Director was carried out and concluded by NRC members who were Independent Directors and not considered interested in such proposal. After considering qualifications, skillsets, experience, independence, knowledge, ability to devote sufficient time, the NRC selected and recommended to the Board, the appointment of Mr. Mathews Varghese as Independent Director of the Company. In line with this strategic approach, this appointment of Independent director reflects the Company's commitment to long term sustainability and seamless leadership transitions. His appointment which is in line with the requirements of the Company Policy on "Appointment of Directors and Senior Management" is a proactive stance which underscores the Company's dedication to maintaining a dynamic and resilient board, poised to navigate challenges and seize opportunities on the horizon.

The Company has received a notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director of the Company. Brief resume of his age, qualification, nature of expertise in specific functional areas, disclosure of relationships between directors inter-se, names of listed entities and other companies in which he holds directorships and memberships of Board Committees alongwith the listed companies from which he has resigned in the past three years, shareholding in the Company, the number of Meetings of the Board attended during the year, along with disclosure pertaining to his resignation from listed entities in the past three years, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are stated herein and are also provided in the Corporate Governance Report forming part of the Annual Report.

Profile:

Mr. Mathews Varghese is a veteran in the field of Hotels and Hospitality and has over an experience of over a decade and specialises in Operations Management and Executive Leadership with a proven track record of defining enterprise goals and workflows to ensure operational excellence.

Directorships:

Managing Director

1. Eastend Hotels & Resorts - April 2013 to present (Edassery Enterprises Pvt Ltd)
2. Hotel Yuvaraj Pvt Ltd - August 2011 to present

Director

1. Edassery Estates Pvt Ltd - March 2018 to present
2. Edassery Spices Garden Pvt Ltd - March 2018 to present
3. Edassery Beach and Spa Pvt Ltd - August 2017 to present

Committee positions:

Mr. Mathews does not hold any Committee positions.

Resignation as a Director from Listed Entities in the past three years:

Not Applicable

Attendance at Board Meetings during 1st April, 2023 to 31st March, 2024:

Not Applicable since he has been appointed as a Director with effect from 01st September, 2024.

Remuneration:

Mr. Mathews Varghese would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof.

Other information:

Mr. Mathews Varghese does not hold any Ordinary (Equity) Shares in the Company.

The NRC has identified certain skills and capabilities required by the Directors of the Company. The skill sets possessed by him is aligned to those identified by NRC and complete details of the same are provided in the Corporate Governance Section of the Annual Report of the Company for the financial year ended 31st March, 2024.

He is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as a Director. The Company has received declarations from him stating that he meets the criteria of independence as prescribed under sub-section (6) of section 149 of the Act and Listing Regulations. He not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority. In the opinion of the Board, he fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management.

The Board is of the view that his knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends his appointment to the Members.

A copy of the draft letter setting out terms and conditions of his appointment is available for inspection by the Members in electronic form as per the instructions provided in this Notice.

The Articles of Association of the Company are available for inspection by the Members in electronic form as per the instructions provided in this Notice.

Save and except Mr. Mathews Varghese, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (“KMP”) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in this Notice. He is not related to any other Director / KMP of the Company.

The Board recommends the Special Resolution set out at Item No. 06 of the Notice for approval of the Members.

Context for Item Nos 7,8 and 9:

Material Related Party Transactions

Regulation 23 of the SEBI Listing Regulations, inter alia, states that all Material Related Party Transactions (‘RPTs’) shall require prior approval of the Members by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm’s length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1,000 crore or 10% of the annual consolidated turnover of

a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Further, Regulation 2(1)(zb) of the SEBI Listing Regulations has provided the definition of Related Party and Regulation 2(1)(zc) of the SEBI Listing Regulations has enhanced the definition of Related Party Transaction which now includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

The Management has provided the Audit Committee with relevant details of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the RPTs. The Audit Committee has noted that the said transaction(s) will be at an arm’s length pricing basis.

It is in the above context that, Resolution Nos. 7 and 8 are placed for approval of the Members of the Company.

Item No. 7: Material Related Party transactions with subsidiaries / step-down subsidiaries/ Associate Companies

Details of the proposed RPTs between the Company and Vertex Securities Limited (‘VSL’) including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No	Description	Details of Proposed RPT between VSL and its subsidiaries
1.	Name of the Related Party and its relationship with the Company	Vertex Commodities and Finpro Private Limited (Subsidiary Company) The above mentioned company is a Related Party of the Company, as on the date of this Notice.
2.	Name of the director or key managerial personnel who is related, if any and nature of relationship	None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 7 of the Notice.
3.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company have entered into/ proposes to enter into the following RPTs from date of this AGM till date of next AGM, for an amount as mentioned below: <ul style="list-style-type: none"> i. Intercorporate Loans/Deposits/advances taken/given/repaid for an aggregate value not exceeding Rs. 100 crores for each of the companies. (11 Times of the Annual Consolidated Turnover of the company) ii. Interest and other expenses paid for an aggregate value not exceeding Rs. 10 crores for each of the companies (100% of the Annual Consolidated Turnover of the Company) iii. Interest and any Income received for an aggregate value not exceeding Rs. 10 crores for each of the companies (100% of the Annual Consolidated Turnover of the Company) iv. Any sale / purchase of investments / assets and receipt / payments thereof for an amount not exceeding Rs. 20 crores for each of the companies. (200% of the Annual Consolidated Turnover of the Company)

Sr. No	Description	Details of Proposed RPT between VSL and its subsidiaries
4.	Percentage of the Company's annual consolidated Turnover	As stated above
5.	Value of Transaction	Not exceeding Rs. 100 / 10/10/20 Crores as mentioned above.
6.	Justification for the proposed RPTs	The Company and its subsidiary require funds from time to time to meet the urgent working capital requirements.
7.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its Related Party	As mentioned in the Item No 3 above
8.	Details of the source of funds in connection with the proposed transaction	The Company and its Subsidiaries/ Step Down Subsidiaries/ Associates shall provide loans from their own sources /internal accruals.
9.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: • Nature of Indebtedness • Cost of fund and • Tenure	No
10.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Terms as mentioned in Item No 3 above Tenure: Upto the Date of 32 nd AGM to be held in year 2025 The above inter-corporate deposits are under unsecured category.
11.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet the working capital requirement and other general corporate purposes of the Company.
12.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	Not Applicable.
13.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

A brief detail on the mode of determination of arm's length pricing of financial RPT is provided below:

Inter Corporate Loans - The interest rate range will be determined on the basis of applicable government securities/Commercial Papers/Bonds and/or market conditions, prevailing at that time and relevant tenor.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 7 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 7 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.



Item No. 8: Material Related Party transactions between company on one hand and Executive Directors/ KMP/ relatives of the company/ Holding Company and subsidiary Companies on other hand.

Details of the proposed RPTs between the Company and Executive Director of the Company including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No	Description	Details of Proposed RPT between VSL on one hand and Directors of the Executive Directors/KMP/ relatives of the company/Holding Company and subsidiary companies on other hand
1.	Name of the Related Party and its relationship with the Company	Mr. Kumar Nair (Executive Director of the Company) Mr. George Mampilly (Executive Director of subsidiary) and / or relatives thereof The above-mentioned directors/ relatives are Related Party of the Company, as on the date of this Notice.
2.	Name of the director or key managerial personnel who is related, if any and nature of relationship	None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 8 of the Notice.
3.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company have already entered into / propose to enter into the following RPTs : For loans / NCDs taken/ repaid / redeemed from / to some of the executive Directors / KMPs / relatives individually for amounts not exceeding Rs. 20 Crores (200% of Annual Consolidated turnover of the Company)
4.	Percentage of the Company's annual consolidated Turnover	As mentioned in Point No 3
5.	Value of Transaction	Not exceeding Rs. 20 Crores for each executive directors/relatives
6.	Justification for the proposed RPTs	The Company requires funds from time to time to meet the urgent working capital requirements. Funds are arranged to meet the urgent working capital requirements of the Company at short notice at reasonable cost.
7.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its Related Party	As mentioned in the Item No 3 above
8.	Details of the source of funds in connection with the proposed transaction	The executive directors / relatives shall provide loans from their own sources funds.
9.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: • Nature of Indebtedness • Cost of fund and • Tenure	No
10.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	The transactions as mentioned above will be carried out in multiple tranches and/ or at multiple times from individual executive director/relatives for an amount not exceeding in aggregate, Rs. 20 crores from each. Tenure: Upto the Date of 32 nd AGM held to be in Year 2025 The above loans are under unsecured category.

Sr. No	Description	Details of Proposed RPT between VSL on one hand and Directors of the Executive Directors/KMP/ relatives of the company/Holding Company and subsidiary companies on other hand
11.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet the working capital requirement of the Company
12.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	Not applicable.
13.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 8 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 8 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 8 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

Item No. 9 : To consider and approve entering into Related Party Transaction between the Company and its subsidiary one part and Holding Company and any of the subsidiaries/associates on other part

Sr. No	Description	Details of Proposed RPT between VSL and its subsidiaries on one hand and TFL and its subsidiaries on other hand
1.	Name of the Related Party and its relationship with the Company	Transwarranty Finance Limited (Holding Company) Transwarranty Capital Market Services Private Limited (Wholly Owned Subsidiary of Transwarranty Finance Limited) Vertex Commodities and Finpro Private Limited (Wholly Owned Subsidiary of Vertex Securities Limited) The above mentioned company is a Related Party of the Company, as on the date of this Notice.
2.	Name of the director or key managerial personnel who is related, if any and nature of relationship	None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 9 of the Notice.
3.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company have entered into/ proposes to enter into the following RPTs from date of this AGM till date of next AGM, for an amount as mentioned below: i. Intercompany Loans/Deposits/advances taken/given/repaid for an aggregate value not exceeding Rs. 100 crores for each of the companies. (11 Times of the Annual Consolidated Turnover of the company) ii. Interest and other expenses paid for an aggregate value not exceeding Rs. 10 crores for each of the companies (100% of the Annual Consolidated Turnover of the Company) iii. Interest and any Income received for an aggregate value not exceeding Rs. 10 crores for each of the companies (100% of the Annual Consolidated Turnover of the Company) iv. Any sale / purchase of investments / assets and receipt / payments thereof for an amount not exceeding Rs. 20 crores for each of the companies. (200% of the Annual Consolidated Turnover of the Company)



Sr. No	Description	Details of Proposed RPT between VSL and its subsidiaries on one hand and TFL and its subsidiaries on other hand
4.	Percentage of the Company's annual consolidated Turnover	As stated above
5.	Value of Transaction	Not exceeding Rs. 100 / 10/10/20 Crores as mentioned above.
6.	Justification for the proposed RPTs	The Company and its subsidiary require funds from time to time to meet the urgent working capital requirements.
7.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its Related Party	As mentioned in the Item No 3 above
8.	Details of the source of funds in connection with the proposed transaction	The Holding Company and its Subsidiaries/ shall provide loans from their own sources /internal accruals.
9.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: <ul style="list-style-type: none"> • Nature of Indebtedness • Cost of fund and • Tenure 	No
10.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Terms as mentioned in Item No 3 above Tenure: Upto the Date of 32 nd AGM to be held in year 2025 The above inter-corporate deposits are under unsecured category.
11.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet the working capital requirement and other general corporate purposes of the Company.
12.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	Not Applicable.
13.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Item No. 10

Re-appointment of Mr. George Mampillil, Director & CFO (DIN 01976386) as an Executive Director & CFO

Mr. George Mampillil, CFO was appointed as the Executive Director of the Company w.e.f. 13th August, 2021 for a period of three years upto 12th August, 2024.

The Board of Directors of the Company at their meeting held on 08th August, 2024 and after taking into consideration recommendation of the Nomination, Remuneration and Compensation Committee of the Board, have approved the re-appointment of Mr. George Mampillil as Executive Director & CFO w.e.f. from 13th August, 2024 for a further period of three years, liable to retire by rotation, subject to the approval of the Shareholders of the Company.

The Executive Director shall not be paid sitting fees for attending the meetings of the Board or any Committee thereof.

He has rich experience of around 26 years in the financial markets. Mr. George Mampillil is not related to any Director of the Company. The Nomination and Remuneration Committee and the Board, having regard to his qualification and experience, considered him to be a fit and proper person for the post of Executive Director of the Company.

A statement containing information required to be provided to the shareholders as per the provisions of Schedule V in respect of remuneration payable to Mr. George Mampillil is given below:

I. General Information:

Nature of Industry: The Company is in the business of stock broking. Besides, it is a SEBI registered Merchant Banker.

Date or expected date of commencement of commercial production: Not applicable as the company is an existing Company.

Financial performance based on given indicators: (Rs. in Lakhs)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
	Standalone		
Total Income	870.09	785.37	899.16
Total Expenditure (including Finance Cost, depreciation and tax and exceptional items)	833.38	855.89	876.97
Profit/(Loss) After Tax	36.51	70.51	22.18
Earnings per share	0.05	(0.10)	0.03

*as restated as per Ind AS

Foreign investments or collaborations: No foreign investments or collaborations

II. Information about appointee:

- Background details: Mr. George Mampillil (DIN 01976386), aged 76, is a B.Sc. Graduate in Physics. He was earlier the Chief Executive Officer of our Company and a Director of our subsidiary Company, Vertex Commodities and 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 joined Vertex Securities Limited on 7th April, 2018. He was designated as Chief Financial Officer of the Company on 5th May, 2018. Mr. George Mampillil was appointed as the Executive Director of the Company w.e.f. 13th August, 2021 for a period of three years.

He brings along with him rich experience of around 26 years in the financial markets.

- Past remuneration: The Remuneration drawn by Mr. George Mampillil in his capacity as Executive Director & CEO during the last three is as follows:

Particulars	2023-24	2022-23	2021-22
Salary drawn (in Rs.)	11,34,670	9,76,801	9,79,650

- Recognition or awards: Nil
- Job profile and suitability: Mr. George Mampillil is responsible for the overall management of the Company. He is a significant contributor and key management personnel in your Company and has played an influential role in implementing the strategies of your Company. He has about 23 years of experience in the stock broking industry. His qualification, outstanding experience and general management skills are most suitable for the responsibilities shouldered by him.
- Remuneration proposed: Details of remuneration proposed for approval of the Shareholders at this 31st Annual General Meeting of the Company are as provided in this Explanatory Statement for item No. 10 of this Notice.
- Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person: The remuneration offered to Mr. George Mampillil is at par with the industry norms considering the industry, size of the Company, profile of the position and person.
- Pecuniary Relationship directly or indirectly with the company, or relationship with the managerial personnel: Mr. George Mampillil is an executive director of the Company holding 5,50,000 equity shares in the Company. He has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholdings in the Company.

III. Other information:

- Reasons of loss or inadequate profits: The business of the Company and its performance is linked to capital market conditions. Uncertain conditions prevailing in the capital markets over the last few years have resulted in performance leading to inadequate profits.
- Steps taken or proposed to be taken for improvement: The Company has been continuously enhancing its client list. The Company has made significant strides in establishing stronger client relationships. The Company has taken various measures for achieving the aspiration and goals of the organization.

- (3) Expected increase in productivity and profits in measurable terms: With better capital market conditions and increased client relationships, the Company will be committed to its vision which will increase the productivity and profitability of the Company.

The disclosures as required on elements of remuneration package, etc. have been made under “Report on Corporate Governance” forming part of the Annual Report for 2023-24.

Special Resolution is proposed for appointment of Mr. George Mampillil pursuant to the provisions of Section 196(3) of the Companies Act, 2013, since he has attained the age of 76 years.

Except Mr. George Mampillil and his relatives, none of the directors or Key Managerial Personnel and their relatives is interested or concerned in the resolution as set out in item No. 3 of the Notice.

Mr. George Mampillil, satisfies all the conditions as set out in Part I of Schedule V referred to in Section 196 of the Companies Act, 2013 for being eligible to be appointed as Executive Director of the Company. Mr. George Mampillil is not debarred or disqualified from continuing to act as a director of companies by SEBI, MCA or any other statutory authority.

Pursuant to provisions of Section 160 of the Companies Act, 2013 read with the relevant Rules the Company has received notice in writing from a member proposing the candidature of Mr. George Mampillil as an Executive Director of the Company.

In the opinion of the Board, the appointment of Mr. George Mampillil as Executive Director is in the best interest of the Company and accordingly, your Directors recommend the special resolution set out at item no. 10 for approval of the Members.

The letter of appointment of Mr. George Mampillil as Executive Director & CFO is available for inspection by the members of the Company through electronic mode during normal business hours (9:00 am to 5:00 pm) on any working day, except Saturdays, Sundays and Public Holidays upto the date of the Annual General Meeting of the Company.

Item No. 11:

Appointment of Mr. Ramachandran Unnikrishnan (DIN 00493707) as a Managing Director and Chief Executive Officer

Mr. Ramachandran Unnikrishnan was appointed as the Managing Director & CEO of the Company w.e.f 21st May, 2021 for a period of three years.

The Board of Directors of the Company at their meeting held on 30th April, 2024 and after taking into consideration recommendation of the Nomination, Remuneration and

Compensation Committee of the Board, have approved the re-appointment of Mr. Ramachandran Unnikrishnan as Managing Director & CEO w.e.f from 21st May, 2024 for a further period of three years, liable to retire by rotation, subject to the approval of the Shareholders of the Company.

The Managing Director shall not be paid sitting fees for attending the meetings of the Board or any Committee thereof.

A statement containing information required to be provided to the shareholders as per the provisions of Schedule V in respect of remuneration payable to Mr. Ramachandran Unnikrishnan is given below:

I. General Information:

Nature of Industry: The Company is in the business of stock broking. Besides, it is a SEBI registered Merchant Banker.

Date or expected date of commencement of commercial production: Not applicable as the company is an existing Company.

Financial performance based on given indicators:

(Rs. in Lakhs)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
	Standalone		
Total Income	870.09	785.37	899.16
Total Expenditure (including Finance Cost, depreciation and tax and exceptional items)	833.38	855.89	876.97
Profit/(Loss) After Tax	36.51	70.51	22.18
Earnings per share	0.05	(0.10)	0.03

*as restated as per Ind AS

Foreign investments or collaborations: No foreign investments or collaborations

II. Information about appointee:

- Background details: Mr. Ramachandran Unnikrishnan 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 Holding Company, Transwarranty Finance Limited.

2. Past remuneration: Remuneration drawn by Mr. Ramachandran Unnikrishnan in his capacity as Managing Director & CEO during the two years is as follows:

Particulars	2023-24	2022-23	2021-22
Salary drawn (in Rs.)	8,89,502	9,63,425	11,12,061

3. Recognition or rewards: Nil
4. Job profile and suitability: Mr. Ramachandran Unnikrishnan is responsible for the overall management of the Company. His qualification, outstanding experience and general management skills are most suitable for the responsibilities shouldered by him.
5. Remuneration proposed: Remuneration not exceeding Rs. 18,00,000 per annum including perquisites and other allowances as may be determined by the Board of Directors of the Company or Nomination, Remuneration & Compensation Committee.
6. Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person: The remuneration offered to Mr. Ramachandran Unnikrishnan is at par with the industry norms considering the industry, size of the Company, profile of the position and person.
7. Pecuniary Relationship directly or indirectly with the company, or relationship with the managerial personnel: Mr. Ramachandran Unnikrishnan is an executive director of the Company holding 12,500 equity shares in the Company. He has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholdings in the Company.

III. Other information:

- (1) Reasons of loss or inadequate profits: The business of the Company and its performance is linked to capital market conditions. Uncertain conditions prevailing in the capital markets over the last few years have resulted in performance leading to inadequate profits.
- (2) Steps taken or proposed to be taken for improvement: The Company has been continuously enhancing its client list. The Company has made significant strides in establishing stronger client relationships. The Company has taken various measures for achieving the aspiration and goals of the organization.

- (3) Expected increase in productivity and profits in measurable terms: With better capital market conditions and increased client relationships, the Company will be committed to its vision which will increase the productivity and profitability of the Company.

Mr. Ramachandran Unnikrishnan is a director of following Companies:

- Transwarranty Finance Limited
- Vertex Commodities And Finpro Pvt. Ltd.
- Transwarranty Capital Market Services Pvt. Ltd.
- Suncem Surface Coatings Pvt. Ltd.

Except Mr. Ramachandran Unnikrishnan and his relatives, none of the directors or Key Managerial Personnel and their relatives is interested or concerned in the resolution as set out in item No. 11 of the Notice.

Mr. Ramachandran Unnikrishnan is not debarred or disqualified from continuing to act as a director of companies by SEBI, MCA or any other statutory authority.

Pursuant to provisions of Section 160 of the Companies Act, 2013 read with the relevant Rules the Company has received notice in writing from a member proposing the candidature of Mr. Ramachandran Unnikrishnan as a Managing Director of the Company.

The Board recommends the Special Resolution as set out in Item no. 11 for approval of members.

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

Aniket Malekar
Company Secretary and Compliance Officer

Registered Office:

Thottathil Towers, 2nd Floor,
Market Road, Ernakulam,
Kochi 682014

Place: Kochi

Date: August 08, 2024

DIRECTORS' REPORT

To,
The Members

Vertex Securities Limited

The Directors of your Company are pleased to present the 31st Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2024.

COMPANY OVERVIEW

Vertex Securities Limited in offers comprehensive brokerage services across various financial segments, including equity, equity derivatives, currency derivatives, and commodities. The Company provides a well-diversified portfolio of financial services which includes online mutual funds, online insurance support/services, and online account opening. The Company provides an extensive array of products and services thoughtfully curated to empower customers in their pursuit of expanding their financial assets.

FINANCIAL HIGHLIGHTS

The table below gives the standalone and consolidated financial highlights of the Company for the year ended March 31, 2024, as compared to the previous year.

(Rs. in lakh)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Total Income	870.09	785.38	908.85	838.19
Total Expenditure	833.38	855.90	862.64	893.83
Profit / (Loss) before Exceptional Items and Tax	36.71	(70.52)	46.20	(55.63)
Exceptional Items	0.00	0.00	0.00	0.00
Total Tax Expenses	(1.24)	0.00	(0.31)	(0.71)
Profit/(Loss) for the Year	37.96	(70.52)	46.51	(54.92)
Other Comprehensive Income	(1.66)	(0.67)	(1.75)	(0.50)
Total Comprehensive Income	36.29	(71.19)	44.75	(55.42)

PERFORMANCE REVIEW

STANDALONE PERFORMANCE

The total revenue of the Company for FY 2023-24 stood at Rs. 870.09 lakh as compared to Rs. 785.38 lakh in the previous year. The operations have recorded a profit of Rs. 36.71 lakh for the year as compared to loss of Rs. 70.52 lakh in the previous year.

CONSOLIDATED PERFORMANCE

The total consolidated revenue of the Company for FY 2023-24 stood at Rs. 908.85 lakh as compared to Rs. 838.19 lakh in the previous year. The consolidated operations have recorded a profit of Rs. 46.20 lakh as compared to a loss of Rs. 55.63 lakh in the previous year.

Detailed information on operational and financial performance of the Company for the financial year is given in the Management Discussion and Analysis Report which is set out separately with the Directors' Report.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of the Company are prepared in accordance with Section 129 of the Companies Act, 2013 ("Act") read with relevant Accounting Standards issued by the Institute of Chartered Accountants of India and forms part of this Annual Report. Pursuant to Section 136 of the Act, the standalone financial statements of the Company and the consolidated financial statements along with the relevant documents form part of this Annual Report and separate audited accounts in respect of the subsidiary are available on the website of the Company at <https://vertexbroking.com/Investors/VertexCommoditiesFinancialResults>.

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

The Company plays a pivotal role in guiding investors to efficiently direct their household savings into the dynamic capital market, thus fostering the cultivation of long-term wealth.

The Company has introduced Aadhar-based digital onboarding. This innovative approach empowers customers to seamlessly initiate their engagement with the Company and conduct transactions from the secure confines of their homes. Further, the Company has enhanced its portfolio analysis and financial planning applications. Moreover, the efforts to diversify its business portfolio by distribution of Third-Party Products, such as Mutual Funds, Non-Convertible Debentures and insurance products, are anticipated to yield tangible outcomes in the coming years.

DIVIDEND

Considering the small profit made by the Company, your Directors have not recommended any dividend for the year.

TRANSFER TO RESERVE

The Company has not transferred any amount to the Reserves for the year ended March 31, 2024.

SHARE CAPITAL

AUTHORIZED CAPITAL

The Authorized Capital of the Company is Rs. 35,00,00,000/- (Rupees Thirty Five Crores) comprising Rs. 33,00,00,000/- (Rupees Thirty Three Crores Only) of 16,50,00,000 (Sixteen Crore Fifty Lakhs) Equity Shares of Rs.2/-(Rupees Two Only) each and Rs. 2,00,00,000/- (Rupees Two Crores Only) of 200,000 Non-cumulative Redeemable Preference Shares of Rs. 100/- (Rupees Hundred Only) each.

ISSUED, SUBSCRIBED & PAID UP CAPITAL

The issued, subscribed and paid-up Share Capital as on March 31, 2024 was Rs 14.80 Crores, comprising of 7,40,12,189 Equity Shares of the face value of Rs. 2 each, fully paid-up.

Further, the Company has not issued any convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

RIGHTS ISSUE OF SHARES:

Your company is proposing the Rights Issue of Equity Shares. The company has already received in-principle approval from BSE on dated August 05, 2024. The time, pricing, and entitlement ratio will be decided by the Board Shortly.

OPERATIONS OF SUBSIDIARY

VERTEX COMMODITIES AND FINPRO PRIVATE LIMITED

Vertex Commodities And Finpro Private Limited (VCFPL) is a wholly owned subsidiary of the Company engaged in commodity broking business. VCFPL is a member of the Multi Commodity Exchange of India Ltd. (MCX).

During the year ended March 31, 2024, VCFPL had total revenue of Rs. 38.75 lakh and net profit of Rs. 8.55 lakh as against the total revenue of Rs. 52.81 lakh and net profit of Rs 15.59 lakh in the previous year.

The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary company.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company.

Your Company has also formulated a policy for determining material subsidiaries, which is available on the website of the Company at the web link: <https://www.vertexbroking.com/Home/CompanyPolicy>

PUBLIC DEPOSITS

The Company has not accepted any deposits from public and as such no amount on account of principal or interest on public deposit under section 73 and 76 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014 was outstanding as on March 31, 2024.

LOAN FROM DIRECTORS

During the financial year, the Company has taken loan from Directors. The details of which have been provided in the Financial Statements part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act, are separately disclosed in this Annual Report, as part of the notes to the Financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34(2)(e) of SEBI Listing Regulations, a separate section on Management Discussion and Analysis Report highlighting the business of your Company forms part of the Annual Report. It, *inter-alia*, provides details about the economy, business, performance review of the Company's various businesses and other material developments during the year 2023-24 and is separately attached as **Annexure A**.

REPORT ON CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of ethics and governance, resulting in enhanced transparency for the benefit of all stakeholders. The Company has complied with the requirements under the Act and as stipulated under the provisions of the SEBI Listing Regulations.



The Report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms part of this Report as **Annexure B**. A certificate of the Statutory Auditor confirming compliance of the Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Following mentioned are the Directors of the Company as on March 31, 2024 :

S. No	Name of the Director	Designation
1.	Mr. Kumar Nair	Chairman
2.	Mr. Ramachandran Unnikrishnan	Managing Director
3.	Mr. George Joseph Mampillil	Director & Chief Financial Officer
4.	Mr. James Pothen	Independent Director
5.	Mr. Jose Thomas Polachira	Independent Director
6.	Mrs. Latha Anand	Independent Director

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act, read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Ramachandran Unnikrishnan (DIN: 00493707), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board has recommended his re-appointment.

Pursuant to Regulation 36(3) of the SEBI Listing Regulations, brief resume of the Director proposed for appointment/re-appointment has been given in the statement annexed to the Notice convening the Annual General Meeting.

Completion of the Term of Directors and Appointment of Directors:

The tenure of Mr. James Pothen and Mr. Jose Polachira, as an Independent Director of the company, is coming to an end on 19th September, 2024. The Board deeply appreciates the valuable services and guidance provided by the Directors during their tenure.

The company has decided to appoint Mr. George Abraham Vithayathil and Mr. Mathews Varghese as Independent Directors in place of retiring directors and the approval of the members for same is sought from the members in the ensuing Annual General Meeting.

DECLARATION BY INDEPENDENT DIRECTORS

The Company after due assessment took on record the necessary declarations received from each of the Independent Directors under Section 149(7) of the Act, that they meet the criteria of Independence laid down in Section 149(6) of the Act, and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. Further, all the Independent Directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Haryana (“IICA”) as notified by the Central Government under Section 150(1) of the Act and shall undergo online proficiency self-assessment test within the time prescribed by the IICA, if applicable. The Board after taking these declarations/ disclosures on record and acknowledging the veracity of the same, is of the opinion that the Independent Directors of the Company possess requisite qualifications experience, expertise, hold highest standards of integrity and are independent of the Management of the Company. The terms and conditions of appointment of Independent Directors are available on the website of the Company at <https://www.vertexbroking.com/Home/CompanyPolicy>

FAMILIARIZATION PROGRAMME FOR DIRECTORS

The Independent Directors of the Company are persons of integrity, possessing rich experience and expertise in the field of corporate management, finance, capital market, economic and business information. The Company has issued appointment letter to the Independent Directors setting out in detail, the terms of appointment, duties, roles & responsibilities and expectations of the Independent Director. The Board of Directors has complete access to the information within the Company. Presentations are regularly made to the Board of Directors / Audit Committee / Nomination, Remuneration and Compensation Committee / Stakeholders’ Relationship Committee on various related matters, where Directors have interactive sessions with the Management. Further the Managing Director also holds one to one discussion with the newly appointed Director to familiarize with the Company’s operations.

The details of the Company’s familiarization programme for Independent Directors can be accessed at <https://www.vertexbroking.com/Home/CompanyPolicy>

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination, Remuneration and Compensation Committee of the Company has laid down the criteria for performance evaluation of the Board and individual directors including the

Independent Directors and Chairperson covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board Culture, execution and performance of specific duties, obligations and governance. It includes circulation of evaluation forms separately for evaluation of the Board, its Committees, Independent Directors / Non-Executive Directors / Executive Directors and the Chairman of your Company.

The Board and the Nomination, Remuneration And Compensation Committee reviewed the performance of individual Directors including the Chairman and the Managing Director on their personal performance, participation, contribution and offering guidance and understanding of the areas which were relevant to them in their capacity. The Directors were also assessed on selected parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the Company's Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

In a separate meeting of Independent Directors held on February 13, 2024, performance of Non-Independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board expressed its satisfaction with the evaluation results, which reflects the high degree of engagement of the Board and its Committees with the Company and its Management.

KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to the provisions of Section 203 of the Act, following are the KMP of the Company as on March 31, 2024:

S. no	Name of the KMP	Designation
1.	Mr. Ramachandran Unnikrishnan	Managing Director
2.	Mr. George Joseph Mampillil	Director & Chief Financial Officer
3.	Mr. Aniket Malekar	Company Secretary and Compliance Officer

During the year, Ms. Preeti Jain resigned as Company Secretary and Compliance Officer of the Company effective May 08, 2023. The company appointed Mr. Hussain Bohra as a Company Secretary and Compliance Officer with effect from June 01, 2023. Subsequently, Mr. Hussain Bohra resigned from the said position on July 15, 2023 due to unavoidable personal reasons and Mr. Aniket Malekar was appointed as a Company Secretary and Compliance Officer with effect from July 24, 2023.

MEETINGS OF THE BOARD AND COMMITTEES

The Board met 4 (four) times during the year, the details of which are given in the Corporate Governance report. The intervening gap between two consecutive meetings was within the period prescribed under the Act, Secretarial Standards on Board Meetings and SEBI Listing Regulations as amended from time to time.

The Board on the recommendation of the Nomination, Remuneration and Compensation Committee has adopted a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management. The said policy is available on the website at <https://www.vertexbroking.com/Home/CompanyPolicy>.

The salient features of the Policy are provided in the Corporate Governance Report.

BOARD COMMITTEES

The Board has constituted following Committees in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders' Relationship Committee

All decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference/role of the Committees are taken by the Board of Directors.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided in the Corporate Governance Report, which forms a part of the Annual Report.

AUDIT COMMITTEE

As on March 31, 2024 the Audit Committee comprises of Mr. James Pothan, Mr. Jose Thomas Polachira and Mr. Ramachandran Unnikrishnan as its Members. The Committee comprises of majority of Independent Directors with Mr. James Pothan, being the Chairman.

NOMINATION REMUNERATION AND COMPENSATION COMMITTEES

As on March 31, 2024 the Nomination, Remuneration and Compensation Committee comprises Mr. Jose Thomas Polachira, Mr. James Pothan and Mr. Kumar Nair as its members. The Committee comprises of majority of Independent Directors with Mr. Jose Thomas Polachira, being the Chairman.

STAKEHOLDER RELATIONSHIP COMMITTEE

As on March 31, 2024 the Stakeholder Relationship Committee comprises Mr. James Pothan, Mr. Jose Polachira and Mr. Ramachandran Unnikrishnan as its Members. The Committee comprises of majority of Independent Directors with Mr. James Pothan, being the Chairman.



The details with respect to the composition, powers, roles, terms of reference, etc. of the aforesaid Committees are given in the Corporate Governance Report which is presented in a separate section and forms part of the Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Board of Directors affirms that the Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Companies Secretaries of India and that such systems are adequate and operating effectively. The Company has complied with the applicable Secretarial Standards.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control over financial reporting includes those policies and procedures that pertain to maintenance of records, provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's Board and Audit Committee reviews the adequacy and effectiveness of internal control systems, internal audit reports and legal compliances and provides guidance for further strengthening them. The Audit Committee reviews all quarterly and yearly financial results of the Company and recommends the same to the Board for its approval.

SIGNIFICANT AND MATERIAL ORDERS IMPACTING GOING CONCERN STATUS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

MAINTENANCE OF COST RECORDS

The provisions of Section 148 of the Act are not applicable to the Company. Accordingly, there is no requirement of maintenance of cost records as specified under Section 148(1) of the Act.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act, the Company had appointed Mr. Yogesh Sharma, Practicing Company Secretary, as the Secretarial Auditor of the Company for the year under review, to conduct Secretarial Audit of the Company.

The Secretarial Audit Report for the year under review issued by Mr. Yogesh Sharma is annexed to this Report as **Annexure C**. There are no audit qualifications, in the said Secretarial Audit Report.

VCFPL, material subsidiary of the Company as per Regulation 16(1)(c) of SEBI Listing Regulations, has also obtained Secretarial Audit Report from Mr. Yogesh Sharma, Practicing Company Secretary. The said report also forms a part of this Annual Report as **Annexure D**.

Further, in terms of the provisions of the Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India, the Company has obtained the Annual Secretarial Compliance Report for the financial year ended March 31, 2023, thereby confirming compliance of the applicable SEBI Regulations and circulars / guidelines issued thereunder, on behalf of the Company.

STATUTORY AUDITORS

At the 26th Annual General Meeting (AGM) of the Company held in the year 2019, the Shareholders had approved the appointment of S. S. Khan & Co., Chartered Accountants, (Firm Registration No.133324W), as the Statutory Auditors of the Company for a period of five years from the conclusion of the 26th AGM till the conclusion of the 31st AGM, in terms of the applicable provisions of Section 139(1) of the Act, read with the Companies (Audit and Auditors) Rules, 2014.

The Auditors' Report on the Financial Statements (Standalone and Consolidated) of the Company for the year under review, "with an unmodified opinion", as given by the Statutory Auditors, is disclosed in the Financial Statements forming part of this Annual Report. The Auditors' Report is clean and there are no qualifications in their Report.

The Notes to the Financial Statements (Standalone and Consolidated) are self-explanatory and do not call for any further comments.

The term of Statutory auditors is coming to an end at the conclusion of ensuing AGM and the company has proposed to appoint M/s Deoki Bijay and Co., as statutory auditors of the company. The resolution for the same and further details are contained in the Notice of AGM as contained in Annual Report for FY 2023-24.

REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the Statutory Auditors or Secretarial Auditors have reported to the Audit Committee under Section 143(12) of the Act, any instances of fraud committed against your Company by its officers and employees, details of which would need to be mentioned in the Directors' Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE ACT, 2013

All related party transactions that were entered into during the year were on arm's length basis and in the ordinary course of business except as disclosed in Form AOC-2 which form part of the Board report as **Annexure E**. The Audit Committee has approved the related party transactions and subsequently the same were approved by the Board of Directors from time to time and the same are disclosed in the Financial Statements of the Company for the year under review.

Further, pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board of Directors has, on recommendation of the Audit Committee, adopted a Policy on Related Party Transactions and the said policy is available on the website of the Company at <https://www.vertexbroking.com/Vertex/CompanyPolicy>

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return of the Company for the financial year ended March 31, 2024 is uploaded on the website of the Company and can be accessed at <https://www.vertexbroking.com/Investors>

POLICIES

NOMINATION AND REMUNERATION POLICY

Pursuant to Section 178 of the Act, the Board has devised Nomination and Remuneration Policy for determining director attributes and remuneration of Directors, Key Managerial Personnels and Senior Management Employees. The said Policy is available on the website of the Company <https://www.vertexbroking.com/Home/CompanyPolicy>

CODE FOR PREVENTION OF INSIDER TRADING

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted a Code of Fair Disclosure to formulate a framework and policy for disclosure of events and occurrences that could impact price discovery in the market for its securities as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Fair Disclosure has been made available on the Company's website at <https://vertexbroking.com/Home/CompanyPolicy>

RISK MANAGEMENT POLICY

Risks are an integral part of business and it is imperative to manage these risks at acceptable levels in order to achieve

business objectives. The risks to which the Company is exposed to are both external and internal. The Company has in place a Risk Management Policy, to identify and evaluate the various elements of risk, which may pose a threat to the business and existence of the Company. After identifying the risk and assessing the level of impact, controls are put in place to mitigate the risk. The policy has different risk models, which help in identifying risks trend, exposure and potential impact analysis at the Company Level.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has Whistle Blower Policy encompassing vigil mechanism to report genuine concerns and grievances of directors and employees in confirmation with section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations. The Policy provides adequate safeguards against victimization of persons who use the Whistle Blower mechanism. It provides appropriate avenues to the employees to bring to the attention of the management any issue, which is perceived to be in violation or in conflict with the fundamental business of the Company. The employees are encouraged to voice their concerns by way of the policy and have been given access to the Audit Committee. The policy is available on the website of the Company at <https://www.vertexbroking.com/Home/CompanyPolicy>

CORPORATE SOCIAL RESPONSIBILITY POLICY

Pursuant to provision of Section 135 of the Act, the Company is required to form a Corporate Social Responsibility (CSR) Committee and spend 2% of the average net profits of the last three financial years on CSR activities. Accordingly, provisions related to CSR is not applicable to the Company.

POLICY ON SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

The Company has constituted an Internal Complaints Committee as per Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Directors state that during the year under review, there was no complaint received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company ensures optimized and efficient consumption of energy in all the offices/branches of the Company located across India. With the implementation of its digital initiatives, the Company has also substantially reduced its paper consumption.

The Company has always leveraged technological innovations to improve its operational efficiency and satisfy and retain its customer base. Keeping in line with the SEBI guidelines, the Company has been automating the customer on-boarding process. This has enabled the Company to reduce time-consuming activities and complexity of physical on-boarding of clients.

The details regarding foreign exchange earnings and outgo are given below:

Earnings: Nil

Outgo: Nil

HUMAN RESOURCES

As a service Company, the Company's operations are heavily dependent on qualified and competent personnel. As on March 31, 2024 the total strength of the Company's permanent employees stood at 68 excluding casual & contract staff. Your Company takes significant effort in training all employees at various levels.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no employees drawing a monthly or yearly remuneration in excess of the limits specified under Section 197 of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any amendments thereof.

The information containing particulars of employees as required under Section 197 of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time is attached herewith as **Annexure F**.

MATERIAL CHANGES AND COMMITMENTS

There has been no change in the nature of business during the year. There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013, your Directors confirm that:—

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, wherever necessary.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profit/loss of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on an ongoing concern basis.
- e) The Directors have laid down internal financial controls system to be followed by the Company and that such internal financial controls system is adequate and was operating effectively.

The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT

The Board has adopted a Code of Conduct for Directors & Senior Management in accordance with the provisions of the Act, and Regulation 17(5) of SEBI Listing Regulations. The Code also incorporates the duties of Independent Directors. All the Board Members and Senior Management Personnel have confirmed compliance with the Code. A declaration to that effect signed by the Managing Director forms part of the Corporate Governance Report. A copy of the Code has been put on the Company's website.

TRANSFER OF FUNDS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF" or "Fund") Account established by the Central Government, after completion of seven years from the date the dividend is transferred to unpaid/ unclaimed account. Further, according to the Rules, the shares in respect of which

dividend has not been paid or claimed by the members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority after complying with the procedure laid down under the Rules.

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to investor Education and Protection Fund (IEPF).

INSOLVENCY AND BANKRUPTCY CODE

During the financial year under review, no applications was made or proceeding initiated against the Company under the Insolvency and Bankruptcy Code, 2016 nor any such proceeding was pending at the end of the financial year under review.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

There was no instance of one-time settlement with any Bank or Financial Institutions during the period under review.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the co-operation and continued support received from customers, shareholders, investors, parent company, collaborators, vendors, financial institutions, banks, regulatory authorities and the society at large during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and On behalf of the Board of Directors

Ramachandran Unnikrishnan
Managing Director
(DIN 00493707)

George Mampillil
Director & CFO
(DIN 01976386)

Place: Kochi

Date: August 08, 2024



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy Overview

India emerged as the fastest growing major economy of the world amidst the slowdown in the global economy and geopolitical adversities. It is the world's fifth-largest economy, with GDP growth estimates at 8.2% in FY2024. This growth was propelled by robust domestic consumption, increased government capital investment, a strengthened financial sector, and stable monetary policies. The CPI averaged at the rate of 5.4% in FY2024, and it is expected to further reduce to 4.5% in FY2025 subject to, of course, the usual upside risks. Overall retail inflation is now stable and within the tolerance band of the RBI.

India's economic outlook for FY25 remains robust, with a projected growth rate of 7.2% and a gradual

decline in inflation. The reforms instituted and implemented by the Government over the past decade have laid a solid foundation for sustained long-term economic expansion. The ongoing digital revolution, transforming regulatory environment and diversification of export portfolios are some of the catalysts to growth.

Industry Overview

India's Equity stock market achieved a historic milestone, surpassing the \$4 trillion (Rs. 333 lakh crores) market value for in November 2023. The Nifty 50 and BSE Sensex indices surged about 28.6% and 24.9%, respectively, showcasing market resilience. Mid-small and PSU stocks were outperformers, while large-cap stocks also delivered significant returns. Strong economic growth, solid corporate results, phenomenal rise of retail investors and robust domestic and foreign institutional investor inflows fuelled the market growth. The robust IPO market and Regulatory advancements helped the bullish trend.

So far as Commodities market is concerned, the total trades for futures and options on Multi Commodity Exchange of India (MCX) witnessed a 50% growth to 9.3 lakh in FY 2023-24. Similarly, the turnover of futures and options on the NSE also surged twofold in last 2 years.

Company Overview

Vertex Securities Limited ("Vertex" / "VSL") is a prominent broking company, with a history spanning over three decades since its establishment in 1993. The Company has been a significant player in the Indian Capital Market, serving a large client base and operates through 200+ branches & franchisees with a large presence in Kerala. The Company provides brokerage services in equity, equity derivatives and currency derivative and in commodities segments through its network of branches and franchisees. During the year company made substantial upgradation of technology with launch of mobile App for trading and e-kyc. The Company has successfully executed Merchant Banking valuation assignments during the year.

During the year under review, Total revenue of the company increased by 11% to Rs. 870.10 lakhs as compared to Rs. 785.38 Lakhs in the previous year. This was mainly attributable to large participation by retail investors and favourable market conditions. The company has turned the corner and made a profit of Rs. 36.71 lakhs during the year against loss of Rs. 70.52 lakhs in previous year.

On consolidated basis, the Company achieved total revenue of Rs. 908.85 lakhs as compared to Rs. 838.19 Lakhs in the previous year.

On standalone basis, Vertex Commodities And Finpro Pvt. Ltd (VCFPL) achieved revenue of Rs. 38.75 lakhs against RS.52.81 lakhs in the previous year. This company has surrendered broking license of VCMFPL and commodities trading is being done through Vertex Securities Ltd .

Business Outlook

The Company expects the robust growth to continue in the financial year 2024-25. The revenue from broking business is expected to maintain a normal steady pace. The company has taken steps to improve retail participation, client acquisition and increase daily volume across all the branches as well as franchisees. The introduction of mobile application and technology upgradation should help further in increasing the volume of business. The distribution business of third-Party Products including Mutual Funds, NCDs and Insurance products will also add to the overall revenue. The Company also expects increased revenue from Merchant Banking activities. With the tailwind behind us, the Company expects to end the financial year with a modest profit. The company expects to come out with an attractive Rights Issue shortly, which will help accelerate the growth in the 2nd half of the year.

Strengths, Weakness, Opportunities and Threats (SWOT) analysis:

Strengths:

- Professional / ethical management
- Infusion of equity funds
- Stringent cost control
- Strong Technological base

Weakness:

- Capturing large scale of business
- Operations limited to a few States

Opportunities:

- Long-term economic outlook positive, will lead to opportunity for financial services
- Licensed Merchant Banking activities
- Wealth management opportunities, particularly with growing retail participation
- Distribution of various financial products

Threats:

- Geopolitical tensions affecting the world economy
- Lurking global slowdown / recession
- Exposed to systemic risks and economic risks
- Fierce competition from discount brokers

Risks & Concerns

The company is primarily exposed to credit risk, liquidity risk and operational risks. Risk management and regulatory compliance are an integral part of the business model due to the nature of the industry. We have dedicated risk management & compliance teams to ensure that we conform to all the applicable regulations.

Internal Control systems

The Company maintains adequate internal control systems commensurate with the nature of business, size, and complexity of its operations. The Company has a system of continuous review of internal control policies and systems. The Internal Auditor's reports are reviewed regularly by the Audit Committee and the Board.

Human Resources

Human resources are a focus area for the Company. Effective utilization of the human resources is done through reward and recognition of talent and rationalization of non-performers. Our employee strength was 68 as on 31st March, 2024.

Key Ratios

Key Indicators	2023-24	2022-23
PBT/Total Income	4.22%	-9%
PBT/Total Assets	1.01%	-1.5%
RONW (Avg. Net Worth)	3.59%	-4.76%
Debt/Equity	1.89:1	1.84:1
Interest Coverage Ratio	1.86	1.59
Current Ratio	0.56	1.021

Cautionary Note

Statements in this Report describing the Company's objectives, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. These statements are subject to risks & uncertainties. Actual results could differ materially from those expressed or implied since there could be many factors which are beyond the control of the management. The Company assumes no responsibility in respect of forward-looking statements that may change due to subsequent developments.

For and On behalf of the Board of Directors

Ramachandran Unnikrishnan
Managing Director
(DIN 00493707)

George Mampillil
Director & CFO
(DIN 01976386)

Place: Kochi
Date: August 08, 2024



REPORT ON CORPORATE GOVERNANCE

Corporate governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically, generate long term wealth and create value for all its stakeholders. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and the Company always seeks to ensure that its performance goals are met with integrity. The Company has always worked towards building trust with its shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward.

Corporate Governance is about promoting corporate fairness, transparency, accountability and integrity of the management. It also aims to align as nearly as possible the interests of individuals, corporate and society and enhancing the stakeholders' value. Best results are achieved when companies begin to treat the Corporate Governance system not as a mere structure but as a way of corporate life. A Good Corporate Governance framework incorporates a system of robust checks and balances between key players; namely, the Board, its Committees, the management, auditors and various other Stakeholders. Corporate Governance practice have always been an integral part of your Company's philosophy and your Company is committed to achieving and maintaining the highest standards of Corporate Governance.

2. BOARD OF DIRECTORS

The Board of Directors is the apex body for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of shareholders and other stakeholders.

The Board of Directors of the Company play a crucial role in overseeing how the management serves the short and long term interests of stakeholders. This belief is reflected in the governance practices, under which the Company strives to maintain an effective, informed and independent Board.

a) Composition of the Board:

The Company's policy is to have a judicious mix of Executive and Non-Executive Directors as governed by the Companies Act, 2013 ("Act"). The size and composition of the Board, conforms to the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

As on March 31, 2024, the Company's Board comprised of six Directors including one woman director having considerable professional experience in their respective fields. Out of the six Directors, one is the Managing Director, two are Executive Directors and three are Independent Directors.

None of the Directors are related to each other.

All the Directors possess the requisite qualifications and experience in general corporate management, audit, finance, banking, legal and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

b) Board Meetings:

The Board of Directors met four times during the financial year 2023-24. The meetings were held on May 08, 2023, July 24, 2023, November 03, 2023, February 13, 2024. The gap between these meetings was within the prescribed period under the Act and SEBI Listing Regulations.

The necessary quorum was present for all the meetings. The notice and detailed agenda along with the relevant notes and other material information were sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board.

Pursuant to Section 149 of the Act, read with Schedule IV of the said Act and Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was held on February 13, 2024 to review the performance of Non-Independent Directors of the Company and the Board as a whole.

c) Record of Attendance of Directors and other details:

Name of the Director	Designation	Board Meeting Attended	Whether attended last AGM	#No. of Directorships in other public companies including this company	@No. of Committee** Position in other Public Company		Directorship in other listed entities	
					Chairperson	Member	Name of the entity	Category of Directorship
Mr. Kumar Nair	Chairman	4	Yes	2	Nil	2	Transwarranty Finance Limited	Executive Director
Mr. Ramachandran Unnikrishnan	Managing Director	3	Yes	2	Nil	2	Transwarranty Finance Limited	Executive Director
Mr. James Pothen	Independent Director	4	Yes	1	Nil	Nil	Nil	Nil
Mr. Jose Thomas Polachira	Independent Director	4	Yes	1	Nil	2	Nil	Nil
Mrs. Latha Anand	Independent Director	4	Yes	1	Nil	Nil	Nil	Nil
Mr. George Mampillil	Director and Chief Financial Officer	4	Yes	1	Nil	Nil	Nil	Nil

#Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

**For the purpose of determination of limit of the Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

@Only chairmanship/membership of Audit Committee and Stakeholders' Relationship Committee of Listed and Public Limited Company has been considered.

None of the Directors on the Board hold directorships in more than twenty companies at the same time and in more than ten public limited companies. Further none of the Directors is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director.

The necessary disclosure regarding Directorships and Committee positions have been made by the Directors who are on the Board of the Company as on March 31, 2024.

As per the declaration received from the Directors, none of the Directors of the Company is an independent director in more than seven listed companies or in more than three listed companies in case he/she is a whole-time director in any listed company.

d) Details of equity shares held by the Directors as on March 31, 2024 are as given below:

Name	Category	Number of equity shares held
Mr. Kumar Nair	Executive Director	1,41,77,543
Mr. Ramachandran Unnikrishnan	Executive Director	12,500
Mr. James Pothen	Non-Executive –Independent Director	10,000
Mr. Jose Thomas Polachira	Non-Executive –Independent Director	Nil
Mrs. Latha Anand	Non-Executive–Independent Director	Nil
Mr. George Mampillil	Executive Director	5,50,000



e) Re-appointment of Directors:

Mr. Ramachandran Unnikrishnan, Director (DIN: 00493707) shall retire by rotation at the ensuing Annual General Meeting pursuant to Section 152 of Companies Act, 2013 and being eligible offers himself for reappointment.

The brief resume and information relating to Mr. Ramachandran Unnikrishnan is furnished as part of the Notice convening the Annual General Meeting.

The term of Mr. George Mampillil, Director and CFO (DIN: 01976386) whose term has completed on August 12, 2024. The Board vide resolution dated 30th April, 2024 approved the re-appointment of Mr. George Mampillil as a Director and CFO of the company for the period of three years commencing from 13th August, 2024.

The brief resume and information relating to Mr. George Mampillil is furnished as a part of notice convening the Annual General Meeting.

f) Meeting of Independent Directors:

During the year under review the Independent Directors met on February 13, 2024 to discuss inter alia:

- (i) Evaluation of performance of Non-Independent Directors and Board of Directors as a whole.
- (ii) Evaluation of the performance of the Chairman of the Company.
- (iii) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Company has adopted well-structured induction programmes for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarize themselves with the Company, its management, its operations and the industry in which the Company operates.

The Board has an active communication channel with the executive management, which enables Directors to raise queries, seek clarifications for enabling a good understanding of the Company and its various operations.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company (<https://www.vertexbroking.com/Home/CompanyPolicy>).

g) Confirmation regarding Independence of Independent Directors:

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, read with Rules framed thereunder, and Regulation 16 (1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

All Independent Directors of the Company have been appointed as per the provisions of the Act and SEBI Listing Regulations. They have also confirmed compliance with the Section 150 of the Act and Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 relating to the inclusion of their name in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs.

Based on the disclosures received from all the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in Section 149 of the Act and the SEBI Listing Regulations and are independent of the Management.

h) Performance Evaluation Criteria for Independent Directors

Performance evaluation criteria for Independent Directors is determined by the Nomination, Remuneration & Compensation Committee. The evaluation of performance is carried out by considering the factors such as experience and skills, participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality.

i) A Chart/Matrix setting out the skills/expertise/competence of the Board of Directors:

As stipulated under Schedule V to the SEBI Listing Regulations, core skills/expertise/competencies as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

The list of core skills/expertise/competencies identified by the Board as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Directors is stated below:

Core Skill/Expertise/ /Competencies	Mr. Kumar Nair	Mr. Ramachandran Unnikrishnan	Mr. George Joseph Mampillil	Mr. Jose Thomas Polachira	Mr. James Pothen	Mrs. Latha Anand
Management and strategy	YES	YES	YES	-	-	-
Human Resources and Industrial Relations	YES	YES	YES	YES	YES	-
Banking, Investment, Treasury and Forex Management	-	YES	-	YES	YES	-
Insurance, Mutual Fund and Financial Services	YES	YES	YES	YES	YES	-
Audit and Risk Management	-	YES	YES	-	YES	-
Corporate Governance and Ethics	YES	-	-	-	YES	-
Global Business Leadership	YES	YES	-	-	-	-
Law	-	-	-	-	-	YES
Economics and Statistics	YES	-	-	-	YES	-
Regulatory, Government and Security matters	YES	YES	YES	YES	YES	YES
Academics, Education and Authorship	YES	YES	YES	YES	YES	YES

3. COMMITTEES OF THE BOARD

The Board Committees focus on certain specific areas and make informed decisions within the delegated authority. The Chairperson of each Committee briefs the Board on significant discussions at its meetings. The composition and the terms of reference of various Committees constituted by the Board, *inter-alia* including the details of meetings held during the year and attendance thereat in accordance with the Act and the SEBI Listing Regulations are as below:

a) Audit Committee

In compliance with the provisions of Section 177 of the Act and Regulation 18(3) read with Part C of schedule II of the SEBI Listing Regulations, as on date of this Report, the Committee comprises of 3 members with majority of the members being the Independent Directors of the Company. The members of the Committee possess sound knowledge and experience in the fields of Audit, Accounts, Finance, Taxation and Internal Controls. The quorum of the Committee is two members or one-third of its members, whichever is higher, with at least two Independent Directors being present.

During the financial year 2023-24, Audit Committee met four times on May 08, 2023, July 24, 2023, November 03,

2023 and February 13, 2024. The necessary quorum was present for all the meetings.

Composition and Attendance:

Name	Category	Designation	No. of Meetings held/attended
Mr. James Pothen	Independent Director	Chairman	4/4
Mr. Jose Thomas Polachira	Independent Director	Member	4/4
Mr. Ramachandran Unnikrishnan	Executive Director	Member	3/4

The Board has designated Company Secretary to act as Secretary of the Audit Committee.

Powers of Audit Committee:

- To investigate any activity within the terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if considered necessary



Terms of Reference:

The Audit Committee, *inter-alia*, reviews and reports to the Board on the following:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (2) Recommending the Board, the appointment, re-appointment, terms of appointment and if required replacement or removal of Auditors and fixation of Audit Fees;
- (3) Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors;
- (4) Reviewing with management the annual financial statements and auditor's report before submission to the Board for approval, with particular reference to :
 - a) Matters required to be included in Directors' Responsibility statement to be included in the Board's Report,
 - b) Changes if any, in accounting policies and practices and reasons for the same,
 - c) Major accounting entries involving estimates based on the exercise of judgment by management,
 - d) Significant adjustments made in the financial statement arising out of audit findings,
 - e) Compliance with listing and other legal requirements relating to financial statements,
 - f) Disclosures of related party transactions,
 - g) Qualifications in draft Audit Report;
- (5) Reviewing, with the management, the quarterly financial statement before submission to the Board for approval;
- (6) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency regarding the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management the performance of Statutory and Internal Auditors, adequacy of internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and the seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
- (14) Discussion with Internal Auditors any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;
- (16) Discussion with the Statutory Auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for the substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of Whistle Blower Mechanism;
- (19) Approval of appointment of Chief Financial Officer (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of Audit Committee.
- (21) Reviewing the utilization of loans and/or advances from/ investment in the subsidiary company exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments
- (22) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

In addition to the above, the Audit Committee reviews information mandatorily required to be reviewed as per the SEBI Listing Regulations.

The powers and terms of reference of the Audit Committee are in accordance with the provisions of the SEBI Listing Regulations.

b) Nomination, Remuneration and Compensation Committee:

In compliance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, the Board has constituted the Nomination, Remuneration and Compensation Committee with three members.

The Committee acts as a Nomination and Remuneration Committee under Section 178(1) of the Act and as Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

During the financial year 2023-24, the Committee met twice i.e. on May 08, 2023 and July 24, 2023.

Composition and Attendance:

Name	Category	Designation	No. of Meeting held/attended
Mr. Jose Thomas Polachira	Independent Director	Chairman	2/2
Mr. James Pothen	Independent Director	Member	2/2
Mr. Kumar Nair	Executive Director	Member	2/2

Terms of Reference:

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a policy relating to the Remuneration of the Directors, Key Managerial Personnel and other senior employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- To devise a policy on Board Diversity;

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.

c) Stakeholders' Relationship Committee:

The Board has constituted a Stakeholders' Relationship Committee which is in line with the provisions of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations.

The Committee comprises of three members. The Committee considers and resolves the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

During the year under review, one meeting of the Committee was held on November 03, 2023.

Composition and Attendance:

Name	Category	Designation	No. of Meeting held/attended
Mr. James Pothen	Independent Director	Chairman	1/1
Mr. Jose Thomas Polachira	Independent Director	Member	1/1
Mr. Ramachandran Unnikrishnan	Executive Director	Member	0/1

Mr. Aniket Malekar, Company Secretary of the Company acts as the Compliance Officer of the Company. The investors may register their complaints at the email id : secretarial@vertexbroking.com

Number of Complaints:

Details of investor complaints received and redressed during the year 2023- 24 are as follows:

Number of Complaints at beginning of the Financial Year	Number of Complaints received during the Financial Year	Number of Complaints resolved during the Financial Year	Number of Complaints pending at the end of the Financial Year
Nil	Nil	Nil	Nil

Terms of reference:

The terms of reference of the Stakeholders' Relationship Committee, in accordance with the SEBI Listing Regulations, are:

- (i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- (ii) Review of measures taken for effective exercise of voting rights by shareholders;
- (iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company;

The Stakeholders' Relationship Committee reviews and redresses shareholder grievances / complaints and oversees the performance of the Registrars and Share Transfer Agent(RTA) and recommends measures for overall improvement of the quality of investor services. The Committee also keeps a close watch on the performance of LinkIntime India Private Limited, RTA of the Company.

d) Corporate Social Responsibility Committee

The provisions of Section 135 of the Act is at present not applicable to the Company. Therefore, Corporate Social Responsibility (CSR) Committee has not been formed.

4. RISK MANAGEMENT

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

5. SENIOR MANAGEMENT

Details of senior management as on March 31, 2024 are as follows:

Sr No.	Name	Designation
1	Mr. Jolly M.M	Associate Vice President, Business Development
2	Mr. Sunil Ghosh M C	Associate Vice President, Business Development

Sr No.	Name	Designation
3	Mr. Jerome Joseph	Associate Vice President, Business Development
4	Mr. Arun Kumar S L	Associate Vice President, Digital Business
5	Ms. Treesa Anthony	Senior Manager & Compliance Officer
6	Ms. Elizabeth Varghese	Manager, Finance & Accounts

6. REMUNERATION OF DIRECTORS

The Company's Nomination & Remuneration Policy aims to pay equitable remuneration to all the Directors, Key Managerial Personnel and employees of the Company to harmonize the aspirations of human resources consistent with the goals of the Company. The Policy is designed to attract talented personnel and remunerate them fairly and reasonably.

The remuneration paid to Mr. Ramachandran Unnikrishnan, Managing Director and Mr. George Mampillil, Director & CFO is subject to the limits laid down under Section 197 and Schedule V to the Act and in accordance with the terms of appointment approved by the Shareholders of the Company. The remuneration of the Executive Directors is determined by the Nomination, Remuneration and Compensation Committee based on factors such as the Company's performance and performance/track record of the Executive Directors. The remuneration consists of Salary, Company's contribution to Provident Fund, House Rent Allowance (HRA), Leave Travel Allowance (LTA) and other perquisites and allowances in accordance with the rules of the Company, applicable from time to time.

Mr. Kumar Nair, Chairman is not paid any remuneration.

The Executive Directors are not paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

None of the Non-Executive Directors have any pecuniary relationship with the company apart from sitting fees paid for attending the meetings of the Board or Committees thereof within the limits prescribed under the Act.

Remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employees, responsibilities handled by them, their annual performance, etc.

The details of payments made during the year ended March 31, 2024 is as follows:

Name of the Director	Salary (including allowances)	Performance Linked Incentive	Perquisites	Contribution to P.F., Superannuation and Gratuity	Sitting Fees
Mr. Kumar Nair	Nil	Nil	Nil	Nil	Nil
Mr. Ramachandran Unnikrishnan	Rs. 8,89,502	Nil	Nil	Nil	Nil
Mr. James Pothen	Nil	Nil	Nil	Nil	Rs.1,15,000
Mr. Jose Polachira	Nil	Nil	Nil	Nil	Rs.1,15,000
Mrs. Latha Anand	Nil	Nil	Nil	Nil	Rs.80,000
Mr. George Mampillil	Rs. 11,34,570	Nil	Nil	Nil	Nil

Notes:

- No notice period or severance fee is payable to any Director.
- There were no other pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company.
- Payments to Non – Executive directors are made in accordance with Nomination Remuneration and Compensation Policy of the Company as displayed on the website.
- Company has no system of giving any performance linked incentives and stock options, etc.
- No stock options have been granted or vested during the year to any of the Directors.

7. EMPLOYEE STOCK OPTION SCHEME

The Company has no operative Employee Stock Option Schemes.

8. CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as on March 31, 2024 and a declaration to this effect signed by the Managing Director forms part of this Report. The Code of Conduct is also posted on the website of the Company <https://www.vertexbroking.com/Investors/CodeofConduct>

9. ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to SEBI Circular dated February 8, 2019, the Annual Secretarial Compliance Report for the financial year 2023-24 issued by Yogesh Sharma & Co., Company Secretaries, confirming compliance with all applicable SEBI

Regulations and Circulars/Guidelines issued thereunder, has been submitted to the Stock Exchanges within the prescribed timeline. The report is available on website of the Company at <https://www.vertexbroking.com/Investors/AnnualReport>.

10. GENERAL BODY MEETINGS

a) Annual General Meetings:

Details of Annual General Meetings during the last three (3) years:

Financial year	Day, Date and Time	Venue	Special Resolutions Passed, if any
2020-21	Monday 27/09/2021 At 4.00 p.m.	Through Video Conference/ Other Audio Visual Means (Deemed Venue): Registered Office: 2 nd Floor, Thotathil Towers, Market Road, Ernakulam Kochi - 682014	Yes 1. Re-appointment of Mr. George Mampillil, Executive Director & CFO as a Director for a period of three years w.e.f. 13 th August, 2021.
2021-22	Monday 26/09/2022 At 4.00 p.m.	Through Video Conference/ Other Audio Visual Means (Deemed Venue): Registered Office: 2 nd Floor, Thotathil Towers, Market Road, Ernakulam Kochi 682014	Yes 1. Approval for Material Related Party Transaction
2022-23	Thursday 14/09/2023 At 04.00 pm	Through Video Conferencing/ Other Audio Visual Means (Deemed Venue) Registered Office: 2 nd Floor, Thottathil Towers, Market Road, Ernakulam, Kochi 682014	Yes. 1. Approval of Material Related Party Transactions 2. Approval for giving authority and/or security to the bodies corporate and/or any other person

b) Extra Ordinary General Body Meetings:

No Extra Ordinary General Body Meeting was held during the financial year ended March 31, 2024.

c) Resolution passed/ proposed to be passed through postal ballot:

During the financial year ended March 31, 2024, Special resolution for alteration of Articles of Association with respect to change in Capital Clause.

d) Procedure for Postal Ballot

Postal Ballot whenever conducted will be carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof.

11. MEANS OF COMMUNICATION

a) Quarterly Results

The quarterly results of the Company are usually published in Chandrika (Vernacular) and Business Standard (English)



newspapers. Annual Reports are sent to the Shareholders at their registered address with the Company and is being regularly placed on the website of the Company. As the financial results of the Company are published in the Newspapers and also displayed on the Company's website, half yearly declaration of financial performance is not sent separately to each household of shareholders.

b) Website, where displayed:

In compliance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained two separate sections i.e. 'Investor Relations' and 'Companies Policies' on the Company's website providing all the announcements made by the Company, annual reports, results and Policies of the Company. The Companies website is www.vertexbroking.com

12. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting:

Date	September 27, 2024
Day	Friday
Time	4.00 P.M.
Venue	Deemed to be held at the Registered Office of the Company at Thotatthil Towers, 2nd Floor, Kombara Junction, Market Road, Ernakulam, Kochi-682014.
Book Closure/ Record Date	NA

b) Financial Year:

The Financial Year of the Company covers the financial period from 1stApril, 2023 to 31st March, 2024.

During the financial year under review, the Board Meetings for the approval of the Quarterly and Annual Financial Results were held on the following dates:

1 st Quarter Results	July 24, 2023
2 nd Quarter Results	November 03, 2023
3 rd Quarter Results	February 13, 2024
4 th Quarter/Annual Results	April 30, 2024

For the Financial Year 2024-25, the Board Meeting for the approval of the Quarterly and Annual Financial Results will be held on the following dates:

1 st Quarter Results	July-August 2024
2 nd Quarter Results	October – November 2024
3 rd Quarter Results	January-February 2025
4 th Quarter/Annual Results	April- May 2025
Tentative Date for the Annual General Meeting for the year ended March 31, 2025	September 2025

c) Dividend Payment Date:

No dividend was declared during the financial year 2023-24.

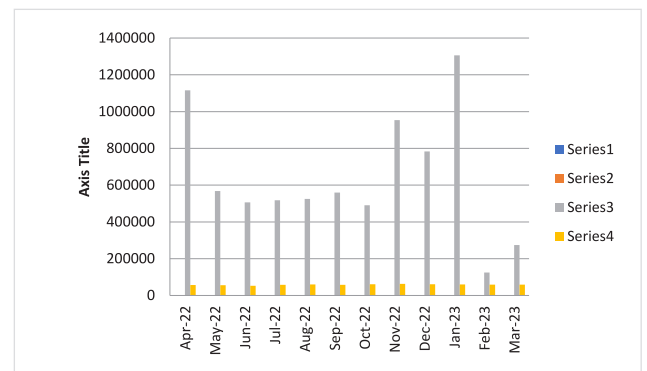
d) Listing:

Stock Exchange	BSE Limited
Address	Phiroze Jeejeeboy Towers, Dalal Street, Mumbai - 400 001
Stock Code	531950
Payment of Listing Fees	Paid for the year
Demat ISIN for NSDL & CDSL	INE316D01024

e) Stock Performance:

Market Price Data –BSE during the year ended 31stMarch, 2024:

Month	High	Low	Number of shares traded	BSE Sensex Close
April-23	2.81	2.07	442326	61112.44
May-23	2.70	2.14	893983	62622.24
June-23	3.08	2.15	1024990	64718.56
July-23	2.81	2.46	874544	66527.67
August-23	3.66	2.55	1273517	64831.41
September-23	4.22	3.28	1562335	65828.41
October-23	3.86	2.71	885522	63874.93
November-23	3.67	2.91	720965	66988.44
December-23	4.29	3.36	2104541	72240.26
January-24	5.25	3.06	1162401	71752.11
February-24	5.48	3.27	1208784	72500.30
March-24	4.62	3.09	198432	73651.35



f) Registrars & Transfer Agents:

NAME	M/S. LINK INTIME INDIA PRIVATE LIMITED
Address	C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai- 400 083
Contact person	Ms. Lochan Chavan
Contact No.	+91 22-49186000
Fax No.	+91 22-49186060
E-Mail Id	rnt.helpdesk@linkintime.co.in
Website	www.linkintime.co.in

g) Share Transfer System:

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2021, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Officers of the Registrars were authorised to approve transfers. On yearly basis, certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges within the prescribed time.

h) Distribution of Shareholding as on 31.03.2024:

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	Total No. of shares held	Percentage of Shares held	
1	1000	7974	76.38	759532	1.0749
1001	2000	1022	9.79	883429	1.1936
2001	4000	522	5.01	820635	1.1088
4001	6000	262	2.51	684479	0.9248
6001	8000	85	0.81	304027	0.4108
8001	10000	137	1.31	664683	0.8981
10001	20000	195	1.87	1532289	2.0703
20001 and above		242	2.31	68327115	92.3187
Total	10439	100	74012189	100.0000	

i) Shareholding:

The Equity Shareholding Pattern as on March 31, 2024 is as follows:

Category	No. of Shares	%
Promoters and Promoter Group	5,43,31,503	73.41
Public	1,96,80,686	26.59
Total	7,40,12,189	100.00

Dematerialization of Shares	More than 99% of the Shares are dematerialized
Outstanding GDRs/ADRs/Warrants or any convertible/instruments, conversion data and likely impact on equity	No convertible shares are outstanding
Commodity price risk or foreign exchange risk and hedging activities	Not applicable
Plant location	Not applicable
Address for Correspondence	VERTEX SECURITIES LIMITED Thottathil Towers, 2nd Floor, Market Road, Kochi, Kerala – 682 014. Phone: 91-484-2384848

Contact Person	Mr. Aniket Malekar, Company Secretary & Compliance Officer
Email Id	secretarial@vertexbroking.com

13. OTHER DISCLOSURES

- a) All Related Party Transactions attracting compliance under Section 188 of the Companies Act are within Arm's Length and in the ordinary course of business and are placed before the Audit Committee as well as the Board for approval. The Board approved policy for related party transactions has been uploaded on the website of the Company and can be accessed at <https://www.vertexbroking.com/Home/CompanyPolicy>.

The transactions have no potential conflict with the interest of the Company. The disclosures on the Related Party Transactions are provided in the Financial Statements and Note No. 31 in the Notes to Financial Statements of the Company.

- b) During the year under review, no penalty was imposed on the company by Stock Exchanges.

c) Vigil Mechanism/ Whistle Blower Policy:

The Company believes in conducting its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all the Directors and Employees to raise concerns about any wrongful conduct. The Board has, in compliance with the provisions of the Act and SEBI Listing Regulations, approved the Vigil Mechanism/ Whistle Blower Policy of the Company which provides a framework to promote responsible and secure whistle blowing. It protects the Directors/Employees wishing to raise a concern about serious irregularities within the Company. It provides for a Vigil Mechanism to channelize reporting of such instances/ complaints/ grievances to ensure proper governance. The Audit Committee oversees the Vigil Mechanism. No personnel have been denied access to the Chairperson of the Audit Committee. The Policy is placed on the website of the Company and can be accessed at <https://www.vertexbroking.com/Home/CompanyPolicy>

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements. Non-mandatory requirements as stipulated in Part E of Schedule II of the SEBI Listing Regulations have been adopted to the extent as applicable and possible.



e) Policy on determining Material Subsidiary

The Company adopted a Policy for Determining Material Subsidiaries of the Company, pursuant to Regulation 16(1) (c) of the SEBI Listing Regulations. This policy is available on the Company's website at <https://www.vertexbroking.com/Home/CompanyPolicy>, pursuant to Regulation 46(2) of the SEBI Listing Regulations.

f) During the year under review, your Company has not raised funds through any Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

g) Certificate of Non-Disqualification of Directors from Practicing Company Secretary

A certificate issued by CS Yogesh Sharma, Practising Company Secretary, pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the SEBI Listing Regulations, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, or any such Statutory Authority is attached at the end of the Corporate Governance Report.

h) During the year under review, there have been no instances whereby the Board of Directors of the Company has not accepted the recommendations made by the Audit Committee/Nomination, Remuneration and Compensation Committee/Shareholder Relationship Committee on any matter which is mandatorily required.

i) Total Fees paid to the Statutory Auditors and all entities in the Network Firm/ Entities

S. S. Khan & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the 26th AGM for a period of five years from the conclusion of the 26th AGM till the conclusion of the 31st AGM.

The details of total fees for all the services paid by the Company and its group companies on a consolidated basis to S. S. Khan & Co., Chartered Accountants, Statutory Auditors and all entities in the network firm/ network entity of which the Statutory Auditors are a part, are given below:

Payment Details	FY 2023-24
Statutory Audit	Rs. 1,60,000
Quarterly Review Audit fees	Rs 40,000
Certification charges	Rs. 20,000
Tax Audit	Rs. 20,000
Total	Rs. 2,40,000

j) Disclosure as per Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

The Company has constituted an Internal Complaints Committee as per Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of Complaints:

Details of sexual harassment complaints received and redressed during the year 2023- 24 are as follows:

Number of complaints at beginning of the year	Number of complaints received during the year	Number of complaints disposed of during the year	Number of complaints pending at the end of the year
Nil	Nil	Nil	Nil

k) The Company has duly fulfilled the following discretionary requirements as prescribed in Part E of Schedule II of the SEBI Listing Regulations:

- i. The Company does not maintain separate office for Chairman at the Company's expenses.
- ii. The Internal Auditor attends Audit Committee meeting every quarter and reports to Audit Committee.

l) The Company is in compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI Listing Regulations.

m) There are no equity shares of the Company lying in the demat suspense account.

n) The Board has adopted a Code of conduct for Directors and senior management. It is available on the Company's website <https://www.vertexbroking.com/Investors/AnnualReport>.

o) The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed by Accounting Standards.

For and On behalf of the Board of Directors

Ramachandran Unnikrishnan
Managing Director
(DIN 00493707)

George Mampillil
Director & CFO
(DIN 01976386)

Place: Kochi

Date: August 08, 2024

FORM No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,

VERTEX SECURITIES LIMITED

Thottathil Tower, 41/3522 D,
2nd Floor, Market Road,
Ernakulam, Kerala 682014

I have conducted the Secretarial Audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by **VERTEX SECURITIES LIMITED (CIN-L67120KL1993PLC007349)** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Auditor's responsibility

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period from 1st April, 2023 to 31st March, 2024 ('the Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (Overseas Direct Investment and External Commercial Borrowings- **Not Applicable to the Company during the Audit period**);

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit period)**
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit period)**
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit period)**
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit period)**
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulation").
- (i) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. ("**BSE**")



During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

- 1) *The Company has entered into Material Related Party Transaction relating to receipt of consideration from holding company for sale of shares of its Wholly Owned Subsidiary without obtaining prior approval of shareholders as per Regulation 23(1) of LODR Regulations.*
- 2) *Sale of 15,00,000 Equity Shares of Step down subsidiary of the Company, being the material event as specified in Para A of Part A of Schedule III was required to be disclosed to the BSE Limited within prescribed time as mentioned in Regulation 30 alongwith the necessary details.*

I further report that, the Board of Directors of the Company is duly constituted with balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the Composition of the Board of Directors during the Audit period.

Adequate notice was given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance (a few meetings were convened at shorter notice for which necessary approvals were obtained as per applicable provisions). A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decision in the board meetings and committee meetings are carried out unanimously or as recorded in the minutes of the meeting of Board of Directors or committee of the Board, as the case may be.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has sold 15,00,000 Equity Shares held in Vertex Commodities and Finpro Private Limited (Wholly Owned Subsidiary) to Transwarranty Finance Limited (Holding company).

This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

For Yogesh Sharma & Co.,
Practicing Company Secretary

Yogesh M. Sharma
Proprietor
FCS No: 11305
COP No: 12366
UDIN: F011305F000951741
Peer Review: 1583/2021

Place: Mumbai

ANNEXURE

To,
The Members,

VERTEX SECURITIES LIMITED

Thottathil Tower, 41/3522 D,
2nd Floor, Market Road,
Ernakulam, Kerala 682014

My report of even date is to be read along with this letter

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that accurate facts are reflected in secretarial records. I believed that the processes and practices that I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Yogesh Sharma & Co.,
Practicing Company Secretary

Yogesh M. Sharma

Proprietor

UDIN: F011305F000951741

FCS No: 11305

Peer Review: 1583/2021

COP No: 12366

Place: Mumbai

Management responses to the observations provided by Secretarial Auditor

Observation	Management Response
The Company has entered into Material Related Party Transaction relating to receipt of consideration from holding company for sale of shares of its Wholly Owned Subsidiary without obtaining prior approval of shareholders as per Regulation 23(1) of LODR Regulations.	Due to some extra-ordinary circumstances, the company has entered into Related Party Transaction with Holding Company. However, the company has obtained approval of Shareholders via Postal Ballot in compliance with Companies Act, 2013.
Sale of 15,00,000 Equity Shares of Step down subsidiary of the Company, being the material event as specified in Para A of Part A of Schedule III was required to be disclosed to the BSE Limited within prescribed time as mentioned in Regulation 30 alongwith the necessary details.	Inadvertently, the company has not reported event related to Sale of Equity shares of subsidiary of Listed Entity. In future we will ensure to report all events properly in the manner as specified by SEBI and Stock Exchanges.



FORM No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,

VERTEX COMMODITIES AND FINPRO PRIVATE LIMITED

Thottathil Towers 41/3522 D,
2nd Floor, Market Road,
Ernakulam, Kerala 682014

I have conducted the Secretarial Audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by **VERTEX COMMODITIES AND FINPRO PRIVATE LIMITED** (CIN - U67120KL1995PTC008610) (hereinafter called 'the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Auditor's responsibility

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period from 1st April, 2023 to 31st March, 2024 ('the Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The SEBI Act, 1992
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Securities and Exchange Board of India (Intermediaries) Regulations, 2008

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that, the Board of Directors of the Company is duly constituted, there was no change in the Composition of the Board of Directors during the Audit period.

Adequate notice was given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decision in the board meetings and committee meetings are carried out unanimously or as recorded in the minutes of the meeting of Board of Directors or committee of the Board, as the case may be.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period Vertex Securities Limited (Holding company) has sold 15,00,000 Equity Shares of the Company to Transwarranty Finance Limited (Ultimate holding company) as a result of which, now the Company is no longer Wholly Owned Subsidiary of Vertex Securities Limited.

This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

For Yogesh Sharma & Co.,
Practicing Company Secretary

Yogesh M. Sharma
Proprietor

UDIN: F011305F000951805
FCS No:11305
PR NO: 1583/2021
COP No: 12366

Place: Mumbai

To,
The Members,

VERTEX COMMODITIES AND FINPRO PRIVATE LIMITED

Thottathil Towers 41/3522 D,
2nd Floor, Market Road,

Ernakulam, Kerala 682014

My report of even date is to be read along with this letter

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

For Yogesh Sharma & Co.,
Practicing Company Secretary

Yogesh M. Sharma
Proprietor

UDIN: F011305F000951805
FCS No:11305
PR NO: 1583/2021
COP No: 12366

Place: Mumbai



FORM NO. AOC -2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

1. Details of contracts or arrangements or transactions not at Arm’s length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions’	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

2. (a) Details of contracts or arrangements or transactions at Arm’s length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Transwarranty Finance Limited, Holding Company
b)	Nature of contracts/arrangements/transaction	Advance
c)	Duration of the contracts/arrangements/transaction	FY 2023-24
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	100 Crores
e)	Date of approval by the Board	08-05-2023 24-07-2023 03-11-2023 13-02-2024
f)	Amount paid as Inter Corporate Deposit, if any	Transactions for an amount of Rs. 2 Crore

2. (b) Details of contracts or arrangements or transactions at Arm’s length basis

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Transwarranty Finance Limited, Holding Company
b)	Nature of contracts/arrangements/transaction	Interest over Advance
c)	Duration of the contracts/arrangements/transaction	FY 2023-24
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	10 Crores
e)	Date of approval by the Board	08-05-2023 24-07-2023 03-11-2023 13-02-2024
f)	Amount paid as Inter Corporate Deposit, if any	Transactions for an amount of Rs. 2.10 Lakhs

2. (c) Details of contracts or arrangements or transactions at Arm's length basis

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Transwarranty Finance Limited, Holding Company
b)	Nature of contracts/arrangements/transaction	Professional Charges
c)	Duration of the contracts/arrangements/transaction	FY 2023-24
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	10 Crores
e)	Date of approval by the Board	08-05-2023 24-07-2023 03-11-2023 13-02-2024
f)	Amount paid as Inter Corporate Deposit, if any	Transactions for an amount of Rs. 22.50 Lakhs

3. (a) Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Vertex Commodities and Finpro Private Limited
b)	Nature of contracts/arrangements/transaction	Inter Corporate Deposit
c)	Duration of the contracts/arrangements/transaction	FY 2023-24
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	20 Crores
e)	Date of approval by the Board	08-05-2023 24-07-2023 03-11-2023 13-02-2024
f)	Amount paid as advances, if any	Transactions for an amount of Rs. 1.25 Crore

4. (a) Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1. Mr. Kumar Nair 2. Mr. George Mampillil
b)	Nature of contracts/arrangements/transaction	Loan From Director
c)	Duration of the contracts/arrangements/transaction	FY 2023-24
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	20 Crores (Individually)
e)	Date of approval by the Board	08-05-2023 24-07-2023 03-11-2023 13-02-2024
f)	Loan Taken from Director, Individually	Transactions for an amount of Rs. 2 Crore from Kumar Nair Transaction for an amount of Rs. 5 Crore from George Mampillil



4. (b) Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1. Mr. Kumar Nair 2. Mr. George Mampillil
b)	Nature of contracts/arrangements/transaction	Interest over Loan from Director
c)	Duration of the contracts/arrangements/transaction	FY 2023-24
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	20 Crores (Individually)
e)	Date of approval by the Board	08-05-2023 24-07-2023 03-11-2023 13-02-2024
f)	Loan Taken from Director, Individually	Interest from Loan for an amount of Rs. 17.97 Lakhs to Mr. Kumar Nair Interest from Loan for an amount of Rs. 4.75 Lakhs to Mr. George Mampillil

For and On behalf of the Board of Directors

Kumar Nair
Chairman
(DIN: 00320541)

Place: Kochi

Date: 08th August, 2024

PARTICULARS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016.

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-2024:

Name of the Director	Ratio
Ramachandran U	4.64
George Joseph Mampillil	5.06

Other Directors of the Company are paid only sitting fees which are not considered as remuneration.

- (ii) The percentage increase / decrease in the remuneration of each Director, Chief Financial Officer and Company Secretary or Manager in the Financial Year 2023-2024:

Name	% increase (decrease)
Ramachandran U	NIL
George Joseph Mampillil	NIL
Company Secretary	NIL

Other Directors of the Company are paid only sitting fees which are not considered as remuneration. Also, during the year, there was reduction in the salary due to covid19 pandemic.

- (iii) The percentage increase in the median remuneration of employees in the Financial Year 2023-24: 5%
- (iv) The number of permanent employees on the rolls of the Company: 68 employees as on March 31, 2024
- (v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average increase in managerial remuneration and for employees other than Managerial Personnel is : NIL
- (vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: The Company affirms that the remuneration is as per the Remuneration Policy of the Company.
- (vii) The names of the top ten employees in terms of remuneration drawn and the name of every employee who:
- If employed throughout the financial year, was in receipt of remuneration for that year in which, in the aggregate, was not less than one crore and two lakhs rupees.
 - If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month-
 - If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

For and on behalf of the Board of Directors

Ramachandran Unnikrishnan
Managing Director
(DIN: 00493707)

George Mampillil
Director & CFO
(DIN: 01976386)

Date: August 08, 2024

Place: Kochi



CEO/CFO CERTIFICATION

We hereby certify to the Board that:

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

For VERTEX SECURITIES LIMITED

RAMACHANDRAN UNNIKRISHNAN

Chief Executive Officer
(DIN 00493707)

Place: Kochi

Date: August 08, 2024

For VERTEX SECURITIES LIMITED

GEORGE MAMPILLIL

Chief Financial Officer
(DIN 01976386)

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

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct and Ethics during the financial year ended March 31, 2024.

For VERTEX SECURITIES LIMITED

Ramachandran Unnikrishnan

Managing Director
(DIN 00493707)

Place: Kochi

Date: August 08, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members
VERTEX SECURITIES LIMITED
 Thottathil Towers 41/3522
 D II Floor Market Road
 Ernakulam KI 682014

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **VERTEX SECURITIES LIMITED** having **CIN: L67120KL1993PLC007349** and having registered office at Thottathil Towers 41/3522 D, II Floor, Market Road, Ernakulam KL 682014 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or by any other regulatory authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Kumar Nair	00320541	31/07/2008
2	Mr. Ramachandran Unnikrishnan	00493707	10/01/2009
3	Mr. Jose Thomas Polachira	01049189	10/01/2009
4	Mr. George Joseph Mampillil	01976386	13/08/2018
5	Mr. James Pothen	02492330	10/01/2009
6	Mrs. Latha Anand	06404421	12/05/2015

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Yogesh Sharma & Co

Yogesh M Sharma
Peer Review Certificate No.: 1583/2021
 FCS 11305
 C.P. 12366
UDIN: F011305F000951904

Place: Mumbai
Date: 12th August, 2024



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

VERTEX SECURITIES LIMITED

1. We, S S Khan & Co, Chartered Accountants, the Statutory Auditors of Vertex Securities Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company for the year ended on 31 March 2024, as stipulated in the relevant provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, as above, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
8. We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S S Khan & Co Chartered Accountants

ICAI Firm Registration No. 133324W

Sarfaraz Khan
Proprietor
Membership No. 144212
UDIN: 24144212BKBOFP1889

Place: Mumbai
Date: August 08, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Vertex Securities Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Vertex Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2024, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter(s)	How our audit addressed the key audit matter
<p>Impairment of financial assets as at balance sheet date (expected credit losses) (Refer Note No. 6 to the standalone financial statements)</p> <p>Ind AS 109 requires the Company to provide for impairment of its financial assets using the expected credit loss (ECL) approach.</p> <p>The Company recognizes lifetime ECL from initial recognition of trade receivables by using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.</p> <p>In the process, a significant degree of judgment has been applied by the Management for:</p> <ul style="list-style-type: none"> • Staging of Trade Receivables [i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories]; • Grouping of receivables based on homogeneity by using appropriate statistical techniques; • Determining macro-economic factors impacting credit quality of receivables; <p>In view of the high degree of Management's judgment involved in estimation of ECL it is a key audit matter.</p>	<ul style="list-style-type: none"> • Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. • Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. • Assessed the criteria for staging of receivables based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) receivables to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. • Evaluated the completeness, accuracy and relevance of data used in the expected credit loss model and checked the mathematical accuracy of the calculations. • Obtained an ageing report of trade receivables and tested the accuracy by checking the ageing of select invoices on a sample basis • Assessed the additional considerations applied by the Management for staging of receivables as SICR or default categories in view of Company's policy on receivables. • Tested assumptions used by the Management in determining the overlay for macro-economic factors.



Emphasis of Matter

We draw attention to Note No. 6 to the standalone financial statements wherein the Company has provided for impairment losses of Rs. 19,752,358/- on trade receivables as on 31st March 2024.

Our opinion is not modified in respect of the above matter.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the standalone Ind AS financial statements, and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act; In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 30 on Contingent Liabilities to the standalone Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The management has represented to us that, to the best of their knowledge and belief,



other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented that, to the best of its knowledge and belief to the standalone financial statements no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- (v) The company had not declared any dividend during the financial year ended March 31, 2024.

- (vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

150As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only with effect from 1 April, 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March, 2024.

For S S Khan & Co
Chartered Accountants
ICAI Firm Registration No.
133324W

Sd/-
Sarfaraz Khan
Proprietor
Membership No. 144212
UDIN: 24144212BKBOEK4126

Place: Mumbai
Date: April 30, 2024

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date.)

i) (a) (A) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, some of the fixed assets have been physically verified by the management according to a programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in fixed assets are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

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

ii) (a) The Company is a service company. Accordingly, it does not hold any physical inventory. Thus, paragraph 3 (ii) (a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii) According to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guarantees and security provided by it, as applicable.

v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits, attracting the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013, and the rules framed thereunder. Thus, paragraph 3(v) of the Order is not applicable to the Company.

vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

vii) (a) According to the records of the Company and the information and explanations given to us, the Company has been regularly depositing with the appropriate authorities undisputed statutory dues including Goods & Service tax, Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service tax, Customs Duty, Excise Duty, Value added Tax, Cess and any other statutory dues applicable to it. There are no undisputed statutory dues as referred to above as at 31st March, 2024 outstanding for a period of more than six months from the date they become payable.

(b) The disputed statutory dues aggregating to Rs. 6,70,642/- that have not been deposited on account of matters pending before the appropriate authority are as under:

Sr. No	Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
1	Finance Act	Tax/ Penalty	632,636	2006-07 to 2009-10	The Customs, Excise and Service Tax Appellate Tribunal.
2	Finance Act	Tax/ Penalty	38,006	FY 2014-15	The Customs, Excise and Service Tax Appellate Tribunal.

viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any



- transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report under paragraph 3(viii) of the Order is not applicable to the Company.
- ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x) a) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditor in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company
- xvi) a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) As per the information and explanations given to us, there are no core investment companies, as defined in

the regulations made by the Reserve Bank of India, as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.

xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year under audit but had incurred cash losses of Rs. 44,89,488/- in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year and accordingly the requirement to report under Clause 3(xviii) of the Order is not applicable to the Company.

xix) On the basis of the financial ratios to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) a) According to the information and explanation given to us and based on our examination of the records of the Company, in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

b) There are no ongoing projects and accordingly, there are no unspent amounts that are required to be transferred to a special account, in compliance with provision of sub section (6) of section 135 of the Companies Act.

xxi) The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of the said clause under this report.

For S S Khan & Co
Chartered Accountants
ICAI Firm Registration No.
133324W

Sd/-
Sarfraz Khan
Proprietor
Membership No. 144212
UDIN: 24144212BKBOEK4126

Place: Mumbai
Date: April 30, 2024



ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date.)

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

We have audited the internal financial controls over financial reporting of Vertex Securities Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For S S Khan & Co
Chartered Accountants
ICAI Firm Registration No.
133324W

Sd/-
Sarfaraz Khan
Proprietor
Membership No. 144212
UDIN: 24144212BKBOEK4126

Place: Mumbai
Date: April 30, 2024


Standalone Balance Sheet as at March 31, 2024

(Rupees in lakhs unless otherwise stated)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
Financial Assets			
Cash and Cash Equivalents	4	119.28	1,180.88
Bank Balances	5	591.25	1,291.25
Receivables	6		
(I) Trade Receivables		393.83	1,136.46
Loans	7	-	0.82
Investments	8	239.18	388.56
Other Financial Assets	9	2,103.31	520.02
		3,446.85	4,517.99
Non-financial Assets			
Current Tax Asset (Net)	10	25.80	32.75
Deferred Tax Assets (Net)	11	6.00	6.00
Property, Plant and Equipment	12	43.60	47.59
Other Intangible Assets	12	9.89	11.13
Right of Use Assets	12	15.01	9.20
Other Non-financial Assets	13	93.79	80.83
		194.09	187.50
Total Assets		3,640.94	4,705.49
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables	14		
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,186.78	2,864.63
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	0.09
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Borrowings (Other than Debt Securities)	15A	287.94	728.12
Subordinated Liabilities	15B	-	-
Other Financial Liabilities	16	73.04	76.36
		2,547.77	3,669.21
Non-Financial Liabilities			
Provisions	17	16.20	8.04
Other Non-financial Liabilities	18	53.75	41.31
		69.95	49.35
EQUITY			
Equity Share Capital	19	1,480.24	1,480.24
Other Equity	20	(457.02)	(493.32)
		1,023.22	986.92
Total Liabilities and Equity		3,640.94	4,705.49

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfaraz Khan
Proprietor
Membership No.: 144212

Place: Mumbai
Date: April 30, 2024

For and on behalf of Board of Directors

Kumar Nair
Chairman
DIN.00320541

George Mampillil
Director & CFO
DIN.01976386

Place: Kochi
Date: April 30, 2024

U. Ramachandran
Managing Director
DIN.00493707

Aniket Malekar
Company Secretary

Standalone Statement of Profit and Loss For the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue from Operations			
Sale of Services		839.55	687.46
Total Revenue from Operations	21	839.55	687.46
Other Income		30.55	97.92
Total Income	22	870.10	785.38
Expenses			
Finance Costs	23	52.52	118.74
Employee Benefits Expenses	24	249.63	274.14
Depreciation and Amortization	25	24.73	25.62
Others Expenses	26	506.50	437.39
Total Expenses		833.38	855.90
Profit / (loss) before exceptional items and tax		36.72	(70.52)
Exceptional items		-	
Profit/(loss) before tax		36.72	(70.52)
Tax Expense:			
(1) Current Tax		-	
(2) Deferred Tax		-	
(3) Excess Provsion of Tax for earlier years		(1.24)	
Profit / (loss) for the period from continuing operations		37.96	(70.52)
Profit/(loss) from discontinued operations			
Tax Expense of discontinued operations		-	
Profit/(loss) from discontinued operations (After tax)		-	
Profit/(loss) for the period		37.96	(70.52)
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit obligation gain / (loss)		(2.28)	(0.71)
Fair valuation on Equity instrument		0.62	0.04
Subtotal (A)		(1.66)	(0.67)
(B) Items that will be reclassified to profit or loss			
Subtotal (B)		-	
Other Comprehensive Income (A)		(1.66)	(0.67)
Total Comprehensive Income for the period		36.30	(71.19)
Earnings per equity share			
Basic (Rs.)		0.05	(0.10)
Diluted (Rs.)		0.05	(0.10)

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfraz Khan
Proprietor
Membership No.: 144212

Place: Mumbai
Date: April 30, 2024

For and on behalf of Board of Directors

Kumar Nair
Chairman
DIN.00320541

George Mampillil
Director & CFO
DIN.01976386

Place: Kochi
Date: April 30, 2024

U. Ramachandran
Managing Director
DIN.00493707

Aniket Malekar
Company Secretary

Standalone Cash Flow Statement for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
I. Cash Flows from Operating Activities:		
Net Profit Before Tax and Extraordinary Items	36.72	(70.52)
<u>Adjustments for:</u>		
Depreciation	24.73	25.62
Reversal of rent expense on lease liability	(14.84)	(14.57)
Remeasurement of the net defined benefit obligation gain / (loss)	(2.28)	(0.71)
Interest Income	(63.28)	(97.32)
Bad Debts written off	0.14	0.03
Impairment Allowance	1.55	0.46
Interest Expense	52.52	118.74
<u>Adjustments for Changes in Working Capital:</u>		
(Increase) / Decrease in Trade Receivables	740.94	(568.72)
Increase / (Decrease) in Trade & Other Payables	(677.95)	(216.02)
(Increase)/decrease in loans		
(Increase)/decrease in other financial assets	(1,589.02)	(1.78)
(Increase)/decrease in Inventories		
(Increase)/decrease in other non-financial assets	(12.96)	(6.24)
Increase / (Decrease) in other financial Liabilities	(3.32)	18.88
Increase/(decrease) in provisions	8.16	0.54
Increase / (Decrease) in non- financial Liabilities	8.00	(2.90)
Income tax paid (net of refunds)	8.19	17.02
Net Cash Flows from Operating Activities	(1,482.69)	(797.49)
II. Cash Flows from Investing Activities:		
(Purchase)/ Sale of Fixed Deposits	700.00	292.50
Loans - (Given)/ Received back	0.82	480.07
Cash inflow from interest on loans	69.01	126.69
Purchase of Property Plant and Equipment	(7.25)	(4.47)
Purchase/Sale of Intangible Assets	-	(7.50)
Sale of Investments	150.00	
Net Cash Flows from Investing Activities	912.57	887.29

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
III. Cash Flows from Financing Activities:		
Borrowings other than debt securities issued/ (Redeemed) (net)	(440.18)	342.42
Repayment of Subordinated Liabilities	-	(27.76)
Finance cost paid	(51.30)	(117.42)
Net Cash Flows from Financing Activities	(491.48)	197.24
Net Increase or (Decrease) in Cash and Cash Equivalents (I + II + III)	(1,061.60)	287.04
- Add: Cash and Cash Equivalents at Beginning of the year	1,180.88	893.84
Cash and Cash Equivalents at End of the Year	119.28	1,180.88
Note:		
Cash and Cash Equivalents		
- Cash in Hand	1.87	2.01
- Balances with Banks		
- In Current Accounts	117.41	1178.87
Total	119.28	1180.88

The accompanying notes form an Integral part of the standalone financial statements 1 to 53

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

For and on behalf of Board of
Directors

Sarfaraz Khan
Proprietor
Membership No.: 144212

Kumar Nair
Chairman
DIN.00320541

U. Ramachandran
Managing Director
DIN.00493707

George Mampillil
Director & CFO
DIN.01976386

Aniket Malekar
Company Secretary

Place: Mumbai
Date: April 30, 2024

Place: Kochi
Date: April 30, 2024

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Statement of Changes in Equity
Equity Share Capital

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	1,480.24	1,480.24
Changes in equity share capital during the year	-	-
Balance at the end of the year	1,480.24	1,480.24

Other Equity
For the year ended 31st March 2024

Particulars	Note No.	Retained earnings	Securities premium	Other reserves	Other Comprehensive Income - Equity Instruments	Total other equity
Balance as at 31st March 2023	20	(695.78)	182.49	42.64	(22.67)	(493.32)
Profit after tax		37.96			-	37.96
Other comprehensive income		(2.28)	-	-	0.62	(1.66)
		(660.10)	182.49	42.64	(22.05)	(457.02)
Transfer to reserve fund in terms of section 45- IC(1) of the Reserve Bank of India Act, 1934		-	-	-		-
Balance as at 31st March 2024		(660.10)	182.49	42.64	(22.05)	(457.02)

For the year ended 31st March 2023

Particulars	Note No.	Retained earnings	Securities premium	Other reserves	Other Comprehensive Income - Equity Instruments	Total other equity
Balance as at 31 March 2022	22	(624.55)	182.49	42.64	(22.71)	(422.13)
Profit after tax		(70.52)				(70.52)
Other comprehensive income		(0.71)	-	-	0.04	(0.67)
		(695.78)	182.49	42.64	(22.67)	(493.32)
Transfer to reserve fund in terms of section 45- IC(1) of the Reserve Bank of India Act, 1934		-	-	-		-
Balance as at 31 March 2023		(695.78)	182.49	42.64	(22.67)	(493.32)

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfraz Khan
Proprietor
Membership No.: 144212

Place: Mumbai
Date: April 30, 2024

For and on behalf of Board of
Directors

Kumar Nair
Chairman
DIN.00320541

George Mampillil
Director & CFO
DIN.01976386

Place: Kochi
Date: April 30, 2024

U. Ramachandran
Managing Director
DIN.00493707

Aniket Malekar
Company Secretary

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

1 CORPORATE INFORMATION

VERTEX, is a premier brokerage house in India on the fast growth track. In the last one-decade, we have emerged as a powerhouse in the financial services industry. We started functioning in the stock market in 1993.

The Company's registered office is at 2nd Floor ,Thottathil Towers , Market Road Cochin - 682014.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance and basis for preparation and presentation of financial statements

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

These standalone or separate financial statements were approved by the Company's Board of Directors and authorised for issue on 30 April 2024

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values:

"i) fair value through other comprehensive income

(FVOCI) instruments,"

ii) derivative financial instruments,

iii) other financial assets held for trading,

iv) financial assets and liabilities designated at fair value through profit or loss (FVTPL)

2.4 Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.5 Use of estimates and judgements and Estimation uncertainty

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively and, if material, their effects are disclosed in the notes to the financial statements.

2.6 Estimation of impairment allowance on financial assets

Estimates and associated assumptions, especially for determining the impairment allowance for Company's financial assets, are based on historical experience and other emerging factors on account of the pandemic which may also have

an effect on the expected credit loss. The Company believes that the factors considered are reasonable under the current circumstances. The Company has used early indicators of delayed repayment metrics observed along with an estimation of potential stress on probability of default and exposure at default due to COVID-19 situation in developing the estimates and assumptions to assess the expected credit losses on trade receivables. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic.

2.7 Property, Plant and Equipments (PPE)

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Assets held for sale or disposals are stated at the lower of their net book value and net realisable value.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

The estimated useful lives used for computation of depreciation are as follows:

Assets	Useful Life
Computers and Data processing units	3 to 6 years
Furniture and fixtures	10 years
Plant & Machinery	15 years
Office equipments	5 years
Vehicles	8 to 10 years

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognised.

2.8 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets comprises of Membership rights of Stock Exchanges, Computer software and Software licences which is amortized over the estimated useful life. The amortization period of Stock exchange license and membership right is 10 years and computer software is 3 years which is based on management's estimates of useful life. Amortisation is calculated using the straight line method to write down the cost of intangible assets over their estimated useful lives.

Subsequent expenditure related to the asset is added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit or Loss when the asset is derecognised.

2.9 Investments in subsidiaries and associates

Investment in subsidiaries is recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

2.10 Foreign exchange transactions and translations

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c) Exchange difference

All exchange differences are accounted in the Statement of Profit and Loss.

2.11 Financial instruments

a) Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of profit and loss.

b) Classification and Subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI - debt instruments;
- FVOCI - equity instruments;
- FVTPL

Amortised cost -

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Cash and Bank balances, Loans, investment in subsidiaries, trade receivables at amortised cost.

FVOCI - equity instruments -

The Company measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.



Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

c) Financial liabilities and equity instruments:

Classification as debt or equity -

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments -

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities -

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

d) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

A financial liability is derecognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.

e) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f) Impairment of financial instruments

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit and loss.

The Company recognises lifetime ECL for trade and other receivables and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that may result from all possible default events over the expected life of a financial assets. (refer Schedule on Receivables Note No 6)

For all other financial assets, the Company recognizes lifetime expected credit losses (ECL) based on the months past due when there has been a significant increase in credit risk since initial recognition and when the financial asset is credit impaired. Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which no ECL is recognized. Financial assets where there has been significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognized for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off either partially or in their entirety, when there is no realistic prospect of recovery and the company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss.

Without significant increase in credit risk since initial recognition (stage 1)

No ECL allowance is recognized for stage 1 financial asset as based on company's assessment there is no significant increase in credit risk. The Company has ascertained default possibilities on past behavioral trends and other performance indicators.

Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage 90 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk.

Credit impaired (stage 3)

The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

Contractual payments of either principal or interest are past due for more than 365 days;

The loan is otherwise considered to be in default.

Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. The Company has calculated ECL using three components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money as necessary.

* Determination of PD is covered above for each stages of ECL.

* EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.

* LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value, if any, at the time it is expected to be realised.

2.12 Impairment of assets other than financial assets

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognised in Statement of profit and loss.

2.13 Provisions

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.14 Leases

With effect from 1 April 2019, the Company has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Company has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is –

- 1) increased by interest on lease liability;
- 2) reduced by lease payments made; and
- 3) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Company.

2.15 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

2.16 Revenue recognition :**a) Fee and commission income**

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection. Commission and brokerage income earned for the services rendered are recognised as and when they are due.

b) Recognition of interest income**Interest Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

c) Dividend Income

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

The Company is currently assessing the impact of application of this amendment on the Company's financial statements.

"Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues). "



2.17 Employee benefits

a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Contribution to provident fund and ESIC

Company's contribution paid/payable during the year to provident fund and ESIC is recognised in the Statement of profit and loss.

c) Gratuity

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

d) Leave encashment / compensated absences / sick leave

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

e) Employee shared based payments

Equity-settled share-based payments to employees are recognised as an expense at the fair value of stock options at the grant date. The fair value determined at the grant date of the Equity-settled share-based payments is expensed on a straightline basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2.18 Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include bank term loans and overdraft facility. Finance costs are charged to the Statement of profit and loss.

2.19 Taxation - Current and deferred tax

Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

a) Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are generally recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Deferred tax liabilities are generally recognised for all taxable temporary differences. However, deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.20 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.21 Contingent Liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it can not be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any contingent assets in the financial statements.

2.22 Cash Flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.23 Borrowing Cost

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '4' Cash and Cash Equivalent

Particulars	As At 31st March 2024	As At 31st March 2023
Cash on Hand	1.87	2.01
Balance with Banks In Current Account	117.41	1,178.87
Total	119.28	1,180.88

NOTE '5' Bank balances other than cash and cash equivalents

Particulars	As At 31st March 2024	As At 31st March 2023
Balance with Banks In Fixed Deposit*	591.25	1,291.25
Total	591.25	1,291.25

NOTE '6' Receivables

Particulars	As At 31st March 2024	As At 31st March 2023
(i) Trade receivables		
Trade Receivables	296.09	1,129.52
Trade Receivables from related parties	-	-
Trade receivable which have significant increase in credit risk	124.62	19.30
Trade receivables - credit impaired	170.64	183.61
	591.35	1,332.43
Less: Loss Allowances	(197.52)	(195.97)
Total	393.83	1,136.46

Trade receivables ageing schedule as at 31 March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
Considered good						
(i) Undisputed Trade receivables	264.56	-	-	-	-	264.56
(ii) Disputed Trade receivables	-	-	-	-	-	-
Considered doubtful						
(iii) Undisputed Trade Receivables	-	33.64	45.05	49.55	110.93	239.17
(iv) Disputed Trade Receivables	-	-	-	-	87.63	87.63
Total	264.56	33.64	45.05	49.55	198.55	591.35

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Trade receivables ageing schedule as at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
Considered good						
(i) Undisputed Trade receivables	1,114.31	-	-	-	-	1,114.31
(ii) Disputed Trade receivables	23.69	-	-	-	-	23.69
Considered doubtful						
(iii) Undisputed Trade Receivables	-	10.82	15.85	18.35	105.78	150.79
(iv) Disputed Trade Receivables	-	-	-	3.23	40.41	43.64
Total	1,138.00	10.82	15.85	21.58	146.19	1,332.43

NOTE 7 Loans

Particulars	As At 31st March 2024			As at 31st March 2023		
	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI	Total
(A) Loans						
Others						
Loan repayable on demand	-	-	-	-	-	-
Loans to Related Parties	-	-	-	-	-	-
Loans to Employee	-	-	-	0.88	-	0.88
Total (A) - Gross	-	-	-	0.88	-	0.88
Less: Impairment loss	-	-	-	-	-	-
Total (A) - Net	-	-	-	0.88	-	0.88
(B) Out of above						
(i) Secured	-	-	-	-	-	-
Less: Impairment loss	-	-	-	-	-	-
Total (i)	-	-	-	-	-	-
(ii) Unsecured	-	-	-	0.88	-	0.88
Less: Impairment loss	-	-	-	-	-	-
Total (ii)	-	-	-	0.88	-	0.88
Total (B) = (i) + (ii)	-	-	-	0.88	-	0.88
(C) Out of above						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
Less: Impairment loss	-	-	-	-	-	-
Subtotal (i)	-	-	-	-	-	-
(ii) Others	-	-	-	0.88	-	0.88
Less: Impairment loss	-	-	-	-	-	-
Subtotal (ii)	-	-	-	0.88	-	0.88
Total (I)	-	-	-	0.88	-	0.88
(II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss	-	-	-	-	-	-
Total (II)	-	-	-	-	-	-
Total C(I)and C(II)	-	-	-	0.88	-	0.88


Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '8' Investments

Particulars	As At 31st March 2024	As At 31st March 2023
(A) At cost		
Investment in subsidiaries		
Equity shares	236.15	386.15
Total (A)	236.15	386.15
(B) At fair value through other comprehensive income		
(i) In equity instruments		
Equity shares	2.40	2.37
Add: Fair value gain/(losses)	0.62	0.04
Sub-total (i)	3.02	2.40
Total (B)	3.02	2.40
Total (A+B)	239.18	388.56

Particulars	As At 31st March 2024	As At 31st March 2023
Out of the above		
In India	239.18	388.56
Outside India	-	-
Total	239.18	388.56

Detail of investments as follows:

Particulars	As At 31st March 2024		As At 31st March 2023	
	Units	Amount	Units	Amount
Equity Instruments				
Subsidiaries				
Vertex Commodities & Finpro Pvt Ltd	2,361,493	236.15	3,861,493	386.15
Others				
Un-quoted				
Cochin Stock Exchange Ltd	905	3.02	905	2.40
Sub total (i)				
Preference shares				
Vertex Commodities & Finpro Pvt Ltd	-	-	-	-
Sub total (ii)	-	-	-	-
Total (i+ii)	2,362,398	239.18	3,862,398	388.56

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '9' Other Financial Assets

Particulars	As At 31st March 2024	As At 31st March 2023
Rent Deposit	16.11	21.86
Advance Rental	0.54	0.43
Security Deposit	2,059.46	466.73
Accrued Interest Receivable	18.94	24.67
Balances with Government Authorities*	3.58	3.58
Advance to Creditors	4.48	2.75
Unbilled Revenue	0.20	-
Other Receivables	-	-
Total	2,103.31	520.02

NOTE '10' Current Tax Assets (NET)

Particulars	As At 31st March 2024	As At 31st March 2023
Advance Payment of Income Tax (Including TDS) (Net of Provisions)	25.80	32.75
Total	25.80	32.75

NOTE '11' Deferred Tax Assets (Net)

Particulars	As At 31st March 2024	As At 31st March 2023
Deferred tax Assets	6.00	6.00
Total	6.00	6.00
Deferred tax relates to the following:		
Deferred tax assets		
Present Value of Security Deposit	6.47	6.47
Gross deferred tax assets	6.47	6.47
Deferred tax liabilities		
Other timing differences	0.47	0.47
Gross deferred tax liabilities	0.47	0.47
Deferred tax assets/(liabilities), net	6.00	6.00



Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '12' Property, plant and equipment and intangible assets
For the Financial year ended 31st March, 2024

Particulars	Gross Block			Depreciation and amortisation			Net Block	
	As at 1st April, 2023	Additions	Reclassification	Deductions/ Adjustments	As at 31st March 2024	As at 1st April, 2023	For the Year	As at 31st March, 2024
Property, plant and equipment								
Plant & Equipments	131.60	4.08			135.69	121.05	4.57	125.62
Furniture & Fittings	146.67	0.59			147.27	114.16	5.08	119.25
Vehicles	27.89	-			27.89	27.73	0.11	27.83
Computer	192.82	2.58			195.40	188.45	1.48	189.94
Sub-Total	498.98	7.25			506.24	451.39	11.24	462.64
Intangible Asset								
Computer Software	63.25	-			63.25	63.25	-	63.25
Lisence	88.32	-			88.32	77.19	1.23	78.42
Mumbai Stock Exchange	10.00	-			10.00	10.00	-	10.00
Right of Use Asset (refer note a)	55.10	18.05			73.16	45.90	12.25	58.15
Sub-Total	216.67	18.05			234.72	196.34	13.49	209.82
Total	715.65	25.31			740.96	647.73	24.73	672.46

For the financial year 2022-23

Particulars	Gross Block			Depreciation and amortisation			Net Block	
	As at 1st April, 2022	Additions	Reclassification	Deductions/ Adjustments	As at 31st March 2023	As at 1st April, 2022	For the Year	As at 31st March, 2023
Property, plant and equipment								
Plant & Equipments	130.07	1.53			131.60	115.35	5.70	121.05
Furniture & Fittings	145.59	1.09			146.67	109.15	5.01	114.16
Vehicles	27.89	-			27.89	26.61	1.12	27.73
Computer	190.96	1.86			192.82	186.53	1.92	188.45
Sub-Total	494.51	4.47			498.98	437.64	13.75	451.39
Intangible Asset								
Computer Software	63.25	-			63.25	63.25	-	63.25
Lisence	80.82	7.50			88.32	76.67	0.52	77.19
Mumbai Stock Exchange	10.00	-			10.00	10.00	-	10.00
Right of Use Asset (refer note a)	51.50	3.60			55.10	34.55	11.35	45.90
Sub-Total	205.56	11.10			216.67	184.47	11.87	196.34
Total	700.07	15.58			715.65	622.11	25.62	647.73

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '13' Other Non-financial Assets

Particulars	As At 31st March 2024	As At 31st March 2023
Capital Advances	-	0.77
Prepaid Expense	25.83	44.78
Plan asset - Gratuity	-	-
Other Advances	67.96	35.28
Total	93.79	80.83

NOTE '14' Payables

Particulars	As At 31st March 2024	As At 31st March 2023
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and smal enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,186.78	2,864.63
Total (I)	2,186.78	2,864.63
(II) Other Payables		
(i) total outstanding dues of micro enterprises and smal enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.09
Total (II)	-	0.09
Total (I)+(II)	2,186.78	2,864.73

Trade Payables ageing schedule as at 31 March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
(i) MSME - undisputed	-	-	-	-	-
(ii) Others - undisputed	2,128.87	12.89	4.63	40.39	2,186.78
Total	2,128.87	12.89	4.63	40.39	2,186.78

Trade Payables ageing schedule as at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
(i) MSME - undisputed	0.09				0.09
(ii) Others - undisputed	2,809.56	38.92	1.15	15.00	2,864.63
Total	2,809.66	38.92	1.15	15.00	2,864.73

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE 15 A Borrowings (other than debt securities) and Subordinated Liabilities

Particulars	As At	
	31st March 2024	31st March 2023
At Amortised Cost:		
(I) In India		
(A) Term loans		
(i) from banks (refer note a)	5.53	27.08
(B) Loans repayable on demand		
(a) Overdraft Facility		
(i) from banks (refer note b)	282.41	351.04
(ii) from other parties	-	-
(b) Other Loans		
(i) from other parties	-	350.00
Total	287.94	728.12
(II) Out of above		
In India	287.94	728.12
Outside India	-	-
Total	287.94	728.12
(III) Out of above		
Secured	287.94	728.12
Unsecured	-	-
Total	287.94	728.12

Notes:

- a Term Loan taken from South Indian Bank is under the 'Emergency Credit Line Guarantee Scheme' (ECLGS) floated by GOI in the wake of COVID-19 pandemic, repayable in 36 months.
Hypothecated against the entire current assets of the Company as primary security and property owned by Transwarranty Finance Limited as a collateral security.
- b Overdraft from South Indian Bank is Working Capital Facility secured against mortgage of property owned by Transwarranty Finance Limited, Corporate Guarantee of Holding Company and Personal Guarantee of the Chariman. The total limit allowed is 3.5 crores and the interest rate on the overdraft facility is 13.85% pa.

(IV) Terms of repayment of term loans and overdraft facility

Original Maturity of loan (In no. of days)	As At 31st March 2024		As At 31st March 2023	
	Interest range	Amount	Interest range	Amount
On maturity				
Maturity between 3 to 5 years		-		-
Maturity between 1 to 3 years			9.00%	5.42
Maturity within 1 year				
Term Loan	9.00%	5.53	9.00%	21.67
Overdraft facility	13.85%	282.41	10.75%	351.04
Others Loans		-	10.75%	350.00
Total		287.94		728.12

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '15B': Subordinated Liabilities

Particulars	As At 31st March 2024	As At 31st March 2023
At Amortised Cost:		
(I) In India		
"Preference Shares other than those that qualify as Equity (Refer note a)"	-	-
Total	-	-
Out of above		
Secured	-	-
Unsecured	-	-

a) Each Non - Cumulative Redeemable Preference Share shall be redeemable with in a period of 1 to 8 years from the date of issue i.e. 05/05/2014 as may be determined by the Board of Directors of the company at their absolute discretion. Preference share holders are entitled to get dividend only when the company has distributable profits. In the event of winding up or repayment of capital, Preference share holders have the preferential right to be repaid the amount of capital paid up.

The Company is in the process of redeeming its Non-Cumulative Redeemable Preference Share Capital as at the year end, out of such profits for previous years and accordingly a sum equal to the nominal amount of the shares to be redeemed have been transferred to Capital Redemption Reserve.

NOTE '16' Other Financial Liabilities

Particulars	As At 31st March 2024	As At 31st March 2023
Employee Benefits Payable	18.94	5.03
Security Deposit from Franchises & Advances	54.11	55.20
Accrued Interest Payable	-	16.13
Total	73.04	76.36

NOTE '17' Provision

Particulars	As At 31st March 2024	As At 31st March 2023
Leave Encasement	9.30	6.15
Gratuity	6.90	1.89
Total	16.20	8.04

NOTE '18' Other Non-financial Liabilities

Particulars	As At 31st March 2024	As At 31st March 2023
Statutory Dues	23.87	17.81
Lease Liability	15.41	10.97
Others	14.48	12.53
Total	53.75	41.31

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '19' Equity Share capital

Particulars	As At 31st March 2024	As At 31st March 2023
Authorised		
1) 127,274,600 Equity Shares of Rs 2/- each (P.Y. 127,274,600 Equity Shares of Rs 2/- each)	2,545.49	2,545.49
2) 27,758 15% Non-Cumulative Redeemable Preference shares of Rs.100/- each (P.Y. 27,758 15% Non-Cumulative Redeemable Preference shares of Rs. 100/- each)	27.76	27.76
	2,573.25	2,573.25
Issued, Subscribed and Paid Up		
7,40,12,189 (P.Y 7,40,12,189) Equity Shares of Rs. 2/- each fully paid up	1,480.24	1,480.24
Total	1,480.24	1,480.24

1) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

Particulars	Nos.	Amount
Equity share capital issued, subscribed and fully paid up	7,40,12,189	1,480.24
As at 01st April 2023	7,40,12,189	1,480.24
Issued during the year	-	-
Outstanding as at As at 31 Mar 2024	7,40,12,189	1,480.24

2) Terms and rights attached to Shares.

- The company has only one class of Equity share having a Par Value of Rs.2/- each. Each holder of equity share is entitled for one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the share holders in the ensuing Annual General Meeting.
- In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3) Shares held by Holding Company- Transwarranty Finance Limited

Particulars	As At 31st March 2024		As At 31st March 2023	
	Nos.	% of Holding	Nos.	% of Holding
Transwarranty Finance Limited	3,92,53,950	53.04	3,92,53,950	53.04

4) Details of shareholders holding equity shares more than 5% shares in the Company

Particulars	As At 31st March 2024		As At 31st March 2023	
	Nos.	% of Holding	Nos.	% of Holding
Transwarranty Finance Limited	3,92,53,950	53.04	3,92,53,950	53.04
Kumar Nair	1,41,77,543	19.16	1,41,77,543	19.16

5) Details of shares held by promoters/promoter group as at 31 March, 2024

Particulars	Number of Shares	% of Total Shares	% Change during the year
Transwarranty Finance Limited	3,92,53,950	53.04%	-
Kumar Nair	1,41,77,543	19.16%	-
Nair Leena Kumar	6,50,010	0.88%	-
C. D. Padmini Devi	2,50,000	0.34%	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Details of shares held by promoters/promoter group as at 31 March, 2023 (Previous Year)

Particulars	Number of Shares	% of Total Shares	% Change during the year
Transwarranty Finance Limited	3,92,53,950	53.04%	-
Kumar Nair	1,41,77,543	19.16%	-
Nair Leena Kumar	6,50,010	0.88%	-
C. D. Padmini Devi	2,50,000	0.34%	-

NOTE '20' Other Equity

Particulars	As At 31st March 2024	As At 31st March 2023
Securities Premium		
Balance at the beginning of the year	182.49	182.49
Add: Received during the year	-	-
Less: Share issue expense	-	-
Balance at the end of the year	182.49	182.49
Capital Redemption Reserve		
Balance as at the beginning of the year	27.76	-
Add: Transferred during the year	-	27.76
Balance as at the end of the year	27.76	27.76
Reserve under Amalgamation account		
Balance as at the beginning of the year	42.64	42.64
Add: Transferred during the year	-	-
Balance as at the end of the year	42.34	42.64
Retained Earnings		
Balance at the beginning of the year	(723.53)	(652.31)
Profit for the year	37.96	(70.52)
Other Comprehensive Income	(2.28)	(0.71)
Less: Transfer to Capital Redemption Reserve	-	-
Balance at the end of the year	(687.86)	(723.53)
Other Comprehensive Income - fair value on equity instruments		
Balance at the beginning of the year	(22.67)	(22.71)
Gain / (Loss) on fair valuation on equity instruments	0.62	0.04
Balance at the end of the year	(22.05)	(22.67)
Total	(457.02)	(493.32)

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '21' REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Sale Of Services		
Fees and Commission Income		
- Brokerage & Related Income	651.46	571.29
- Other Fees	68.74	55.65
Income from DP operation	57.59	51.78
On financial assets measured at Amortised cost		
Interest on deposits with banks*	61.76	27.15
Total	839.55	705.88
* interest received on fixed deposit with bank which are pledged with exchange for margin purpose.		
Revenue from contract with customers		
Type of Service		
Fees and Commission Income		
- Brokerage & Related Income	651.46	571.29
- Other Fees	68.74	37.23
Income from DP operation	57.59	51.78
	777.79	660.31
Geographical market		
India	777.79	660.31
Outside India	-	-
	777.79	660.31
Timing of Revenue Recognition		
Services transferred at a point in time	777.79	660.31
	777.79	660.31
Contract Balances		
Gross Trade receivables (refer note 6)	591.35	1,332.43
	591.35	1,332.43

NOTE '22' Other Income

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest on Inter Corporate Deposits	1.51	70.18
Unwinding of Discounting of Deposits	0.66	0.62
Miscellaneous Income	28.37	8.71
Total	30.55	79.50

NOTE '23' Finance Cost

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
On financial Liabilities measured at Amortised cost		
Interest on borrowings	51.30	117.42
Interest expense on lease liability	1.22	1.31
Total	52.52	118.74

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

NOTE '24' Employee Benefits Expenses

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Salaries and wages	228.05	251.84
Contribution to provident fund and other funds	17.73	18.60
Staff welfare expense	3.85	3.70
Total	249.63	274.14

NOTE '25' Depreciation and amortisation

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Depreciation on tangible assets	11.24	13.75
Amortisation on Intangible assets	1.23	0.52
Depreciation on Right of Use assets	12.25	11.35
Total	24.73	25.62

NOTE '26' Other Expense

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
AMC Charges	8.82	6.17
Connectivity Charges	9.97	9.61
Software connectivity license/maintenance expenses	59.47	50.14
Marketing fee/Commission paid	13.38	66.18
Sub Brokerage	270.31	195.19
Demat & other charges	15.72	9.67
Advertisement & Publicity Expenses	1.68	2.67
Auditors fees and expense	1.90	1.90
Communication Expenses	6.52	5.75
Office Maintenance	4.85	5.54
Bank Charges	6.46	3.13
Fees/Charges to Exchanges	27.43	15.48
Insurance	0.27	0.00
Rent	11.76	12.21
Rates, taxes and energy cost	11.91	10.63
Printing & Stationery	2.35	2.33
Legal and professional charges	29.42	10.95
Repairs and maintainance	1.94	0.99
Directors fees	3.10	3.50
Travelling and Conveyance Expenses	6.74	9.40
Impairment Allowance	1.55	0.46
Bad Debts written off	0.14	0.03
Other miscellaneous expense	10.83	15.47
Total	506.50	437.39
(i) Payments to the auditors comprises of		
For Statutory audit	1.50	1.50
Other Services	0.40	0.40

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Note '27'

Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31st March	
	2024	2023
(A) Net profit attributable to equity shareholders	36.30	(71.19)
(B) Weighted average number of equity shares for basic and diluted earnings per share	7,40,12,189	7,40,12,189
Basic earning price per share (Rs) (A/B)	0.05	(0.10)
Diluted earning price per share (Rs) (A/C)	0.05	(0.10)

Note '28' Segment Information

Disclosure under Indian Accounting Standard 108 – 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment, viz. ,primarily engaged as stock and securities broker and providing the financial services. The Company conducts its business only in one Geographical Segment, viz., India. Also there are no revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in the year ended 31 March 2024 or 31 March 2023.

Note '29' Employee benefits plan

Defined benefit plans

(A) Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age. The disclosures of employee benefits as defined in the Ind AS 19 "Employee Benefits" are given below:

Particulars	As at	As at
	31st March 2024	31st March 2023
Defined benefit obligation as at the opening of the year	30.03	26.48
Current service cost	2.33	2.84
Interest on defined benefit obligation	1.53	1.92
Remeasurements due to:	-	-
Actuarial loss/(gain) arising from change in financial assumptions	2.17	0.19
Actuarial loss/(gain) arising from change in demographic assumptions	-	-
Actuarial loss/(gain) arising on account of experience changes	4.67	0.47
Benefits paid	(7.10)	(1.86)
Defined benefit obligation as at the end of the year	33.62	30.03

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Movement in Plan Assets

Particulars	As at 31st March 2024	As at 31st March 2023
Fair value of plan asset as at the beginning of the year	28.14	27.53
Adjustment to opening Fair Value of Plan Asset	-	-
Employer contributions	0.33	0.58
Interest on plan assets	2.83	1.94
Remeasurements due to:	-	-
Actual return on plan assets less interest on plan assets	(0.75)	(0.05)
Benefits paid	(7.10)	(1.86)
Fair value of plan asset as at the end of the year	23.45	28.14

Reconciliation of net liability/asset

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Net defined benefit liability/(asset) as at the beginning of the year	1.89	(1.05)
Adjustment to opening balance	-	-
Expense charged to Statement of Profit and Loss	1.03	2.82
Amount recognised in other comprehensive income	7.59	0.71
Contributions Paid	(0.33)	(0.58)
Net defined benefit liability/(asset) as at the end of the year	10.18	1.89

Expenses charged to the Statement of Profit and Loss

Particulars	As at 31st March 2024	As at 31st March 2023
Current service Cost	2.33	2.84
Net Interest Cost	(1.30)	(0.02)
Total	1.03	2.82

Remeasurement (gains)/losses in other comprehensive income

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening amount recognised in other comprehensive income	0.71	-
Changes in financial assumptions	2.17	0.19
Changes in demographic assumptions	-	-
Experience adjustments	4.67	0.47
Actual return on plan assets less interest on plan assets	0.75	0.05
Adjustment to recognise the effect of asset ceiling	-	-
Closing amount recognised outside profit or loss in other comprehensive income	8.30	0.71

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Amount recognised in Balance Sheet

Particulars	As At		
	31st March 2024	31st March 2023	31st March 2022
Present value of funded defined benefit obligation	33.62	30.03	26.48
Fair value of plan assets	23.45	28.14	27.53
Net funded obligation	10.18	1.89	(1.05)
Amount not recognised due to asset limit	-	-	-
Net defined benefit liability/(assets) recognised in Balance Sheet	10.18	1.89	(1.05)

Key actuarial assumptions

Particulars	As At		
	31st March 2024	31st March 2023	31st March 2022
Discount rate (p.a.)	6.66%	7.19%	7.28%
Salary escalation rate (p.a.)	3%	3%	3%
Category of plan assets			
Insurer managed funds	100%	100%	100%

Expected Payout:

Year	31st March 2024	31st March 2023
	PVO Payout	PVO Payout
Expected Outgo First	0.22	1.42
Expected Outgo Second	0.22	4.05
Expected Outgo Third	0.30	4.82
Expected Outgo Fourth	1.71	2.71
Expected Outgo Fifth	3.43	0.23
Expected Outgo Sixth to Tenth Years	6.64	12.21

Sensitivity analysis for significant assumptions is as shown below

Particulars	As At	As At
	31st March 2024	31st March 2023
Impact of increase in 100 bps on discount rate	21.67	28.06
Impact of decrease in 100 bps on discount rate	26.60	32.26
Impact of increase in 100 bps on salary escalation rate	26.66	32.32
Impact of decrease in 100 bps on salary escalation rate	21.59	27.97

(B) Compensated Absence

Movement in defined benefit obligations

Particulars	As At	As At
	31st March 2024	31st March 2023
Defined benefit obligations as the beginning of the year	6.15	6.78
Current service cost	1.29	1.29
Interest on defined benefit obligation	0.43	0.45
Remeasurement due to:	-	-
Actuarial loss/(gain) arising from change in financial assumptions	0.92	0.13
Actuarial loss/(gain) arising on account of experience changes	4.59	(0.25)
Actuarial loss/(gain) arising on due to Demographic Assumption	-	-
Employees contribution	-	-
Benefits paid	(4.07)	(2.26)
Defined benefit obligation as at the end of the year	9.30	6.15

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Movement in plan assets

Particulars	As At	
	31st March 2024	31st March 2023
Fair value of plan asset as at the beginning of the year	-	-
Interest on plan assets	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	-	-
Employer contribution	4.07	2.26
Employees contribution	-	-
Benefits paid	(4.07)	(2.26)
Fair value of plan asset as at the end of the year	-	-

Reconciliation of net liability/asset

Particulars	As At	
	31st March 2024	31st March 2023
Net defined benefit liability/(asset) as at the beginning of the year	6.15	6.78
Expense charged to Statement of Profit and Loss	7.23	1.63
Employer contributions	(4.07)	(2.26)
Net defined benefit liability/(asset) as at the end of the year	9.30	6.15

Expenses charged to the Statement of Profit and Loss

Particulars	As At	
	31st March 2024	31st March 2023
Current service Cost	1.29	1.29
Interest Cost	0.43	0.45
Actuarial (Gain)/ Loss recognized for the period	5.51	(0.12)
Total	7.23	1.63

Remeasurement (gains)/losses in other comprehensive income

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening amount recognised in other comprehensive income	-	-
Experience adjustments	-	-
Actual return on plan assets less interest on plan assets	-	-
Closing amount recognised outside profit or loss in other comprehensive income	-	-

Amount recognised in Balance Sheet

Particulars	As At		
	31st March 2024	31st March 2023	31st March 2022
Present value of funded defined benefit obligation	9.30	6.15	6.78
Fair value of plan assets	-	-	-
Net funded obligation	9.30	6.15	6.78
Amount not recognised due to asset limit	-	-	-
Net defined benefit liability recognised in Balance Sheet	9.30	6.15	6.78

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Key actuarial assumptions

Particulars	As At		
	31st March 2024	31st March 2023	31st March 2022
Discount rate (p.a.)	6.97%	7.19%	7.26%
Rate of increase in compensation	4.00%	3.00%	3.00%

Expected Payout:

Year	31st March 2024	31st March 2023
	PVO Payout	PVO Payout
Expected Outgo First	1.42	0.38
Expected Outgo Second	0.34	0.80
Expected Outgo Third	0.91	0.85
Expected Outgo Fourth	0.90	0.42
Expected Outgo Fifth	0.75	0.03
Expected Outgo Sixth to Tenth Years	2.41	2.04

Sensitivity analysis for significant assumptions is as shown below

Particulars	31st March 2024	31st March 2023
Impact of increase in 100 bps on discount rate	8.55	5.69
Impact of decrease in 100 bps on discount rate	10.18	6.68
Impact of increase in 100 bps on salary escalation rate	10.19	6.69
Impact of decrease in 100 bps on salary escalation rate	8.53	5.67

Note '30' Contingent liabilities and commitments

(a) Contingent liabilities not provided for in respect of

Particulars	As At	As At
	31st March 2024	31st March 2023
Claims against the Company not acknowledged as debts		
a. Tax demand in respect of:-		
Income Tax demand order for FY 2013-14	-	1.27
Service Tax orders for FY 2006-07 to 2009-10	6.33	6.22
Service Tax orders for FY 2014-15	0.38	1.11
Total	6.71	8.60

Note '31' Related Parties Disclosure

Names of Related Parties & Nature of Relationship with whom the company have transaction during the year, as required by the Ind AS 24 "Related Party Disclosures" and Companies Act, 2013.

Sr.No.	Name of Related Party	Relationship
1	Transwarranty Finance Limited	Holding
2	Vertex Commodities and Finpro (P) Ltd. (VCFPL)	Subsidiary
3	Mr. Kumar Nair (Managing Director)	Key Management Personnel
4	Mr. U. Ramachandran (Director & Chief Executive officer)	Key Management Personnel
5	Mr. George Mampillil (Executive Director & Chief Financial Officer)	Key Management Personnel

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Transactions with Related Parties

Name of Related Party and Nature of relationship	Nature of Transaction	2024	2023
		Transactional Value (Rs)	Transactional Value (Rs)
A) Holding Company			
1 Transwarranty Finance Limited	Inter corporate deposit received	100.00	1,495.00
	Inter corporate deposit repaid	100.00	1,495.00
	Sale of Investments in Equity Shares	150.00	-
	Professional Fees Paid	22.05	-
	Current account debit	0.00	132.49
	Current account Credit	4.43	132.49
	Interest received on ICD	-	24.29
	Interest Paid on ICD	2.10	2.46
	Brokerage incentive received on share trading	0.01	0.00
	Incentive received	-	0.00
B) Subsidiary Company			
1 Vertex Commodities and Finpro (P) Ltd. (VCFPL)	Inter corporate deposit given	86.11	129.49
	Inter corporate deposit received back	86.11	129.49
	Expense incurred on behalf of Company	5.96	3.21
C) Key Management Personnel			
1 Mr. U. Ramachandran (Director & Chief Executive officer)	Remuneration paid	8.90	14.01
2 Mr. Goerge Mampilly (Executive Director & Chief Financial Officer)	Remuneration paid	11.35	9.37

Balances as at the end of the year:

Name of Related Party and Nature of relationship	Nature of Transaction	31st March, 2024	31st March, 2023
Receivable			
A) Holding Company			
Transwarranty Finance Limited	Trading account	0.00	0.08

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Note '32'

Risk management

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company also has line of Inter corporate deposits available from holding company & fellow subsidiary companies within its group to meet any short term fund requirements.

The table below shows an analysis of assets and liabilities analysed (maturity analysis) according to when they are to be recovered or settled.

Particulars	As at 31 March 2024			As at 31 March 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Financial assets						
Cash and cash equivalents	119.28		119.28	1,180.88		1,180.88
Bank balances other than cash and cash equivalents		591.25	591.25		1,291.25	1,291.25
Trade receivables	393.83		393.83	1,136.46		1,136.46
Loans	-		-	0.82		0.82
Other financial assets	23.42	2,076.11	2,099.53	27.43	492.60	520.02
Other Receivables	-	-	-	-	-	-
Non-financial assets						
Current tax assets (net)	25.80		25.80	32.75		32.75
Deferred tax assets (net)		6.00	6.00		6.00	6.00
Property, plant and equipment		43.60	43.60		47.59	47.59
Other intangible assets		9.89	9.89		11.13	11.13
Right of Use Assets		15.01	15.01		9.20	9.20
Other non-financial assets	93.79	-	93.79	80.07	0.77	80.83
Total	656.13	2,741.86	3,397.99	2,458.40	1,858.53	4,316.93
LIABILITIES						
Financial liabilities						
Trade payables	2,186.78		2,186.78	2,864.63		2,864.63
Other payables	-		-	0.09		0.09
Borrowings (other than debt securities)	287.94	-	287.94	372.71	5.42	378.12
Subordinated Liabilities						-
Other financial liabilities	18.94	54.11	73.04	5.03	55.20	60.23
Non-financial liabilities						
Provisions	9.30		9.30	0.47	7.57	8.04
Other non-financial liabilities	53.75	(2.15)	51.60	34.17	7.14	41.31
Total	2,556.72	51.96	2,608.67	3,277.12	75.32	3,352.43

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The Company do not have any exposure to foreign exchange rate and equity price risk.

Interest rate risk

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day to- day operations. Further, certain interest bearing liabilities carry variable interest rates

The sensitivity analyses below have been determined based on exposure to financial instruments at the end of the reporting year. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting year was outstanding for the whole year. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows

Average Exposure to interest rate risk

Particulars	As At 31st March 2024	As At 31st March 2023
Floating rate borrowings	282.41	351.04
Total Borrowings	282.41	351.04

A change of 50bps in interest rates would have following impact on profit before tax

Particulars	As At 31st March 2024	As At 31st March 2023
Interest rates - increase by 50 basis point (50 bps)	(1.41)	(1.76)
Interest rates - decrease by 50 basis point (50 bps)	1.41	1.76

Credit risk

Credit risk is the risk of financial loss the Company may face due to current/potential inability or unwillingness of a customer or counterparty to meet financial/ contractual obligations. Credit risk also covers the possibility of losses associated with diminution in the credit quality of counterparties. Inadequate collateral may also lead to financial losses in the event of default. The company has adopted a policy of dealing with creditworthy counterparties and obtain sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented in the financial statements.

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio:

As at 31 March 2024

Particulars	Stage			
	Stage 1	Stage 2		Stage 3
Days past due (DPD)	0 -90 DPD	90-180 DPD	180 -365 DPD	365 DPD or more
Gross Carrying Value	68.97	11.72	25.29	170.01
Allowance for ECL	-	5.86	18.97	170.01
ECL Coverage ratio	-	50.00	75.00	100.00

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

As at 31 March 2023

Particulars	Stage 1	Stage 2		Stage 3
	0 -90 DPD	90-180 DPD	180 -365 DPD	365 DPD or more
Days past due (DPD)	1,129.52	8.48	10.82	183.61
Gross Carrying Value	-	4.24	8.12	183.61
Allowance for ECL	-	50.00	75.00	100.00
ECL Coverage ratio				

Note '33': Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, loans, trade payables, borrowings other than debt securities and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

Fair value hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2024

Particulars	FVTPL	FVOCI	Amortised Cost	Fair value measurement using			Total
				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Asset							
Cash and cash equivalents			119.28	-	-	-	-
Bank balances other than cash and cash equivalents			591.25	-	-	-	-
Trade receivables			393.83	-	-	-	-
Loans			-	-	-	-	-
Investments		3.02	236.15	-	-	3.02	3.02
Other financial assets			2,103.31	-	-	-	-
Total	-	3.02	3,443.82	-	-	3.02	3.02
Financial Liabilities							
Trade payables	-	-	2,186.78	-	-	-	-
Other payables	-	-	-	-	-	-	-
Borrowings (other than debt securities)	-	-	287.94	-	-	-	-
Other financial liabilities	-	-	73.04	-	-	-	-
Total	-	-	2,547.77	-	-	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2023

Particulars	FVTPL	FVOCI	Amortised Cost	Fair value measurement using			Total
				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Asset							
Cash and cash equivalents			1,180.88	-	-	-	-
Bank balances other than cash and cash equivalents			1,291.25	-	-	-	-
Trade receivables			1,136.46	-	-	-	-
Loans			0.82	-	-	-	-
Investments		2.40	386.15	-	-	2.40	2.40
Other financial assets			520.02	-	-	-	-
Total	-	2.40	4,515.59	-	-	2.40	2.40
Financial Liabilities							
Trade payables	-	-	2,864.63	-	-	-	-
Other payables	-	-	0.09	-	-	-	-
Borrowings (other than debt securities)	-	-	728.12	-	-	-	-
Subordinated Liabilities	-	-	76.36	-	-	-	-
Other financial liabilities	-	-	3,669.21	-	-	-	-
Total	-	-	3,551.68	-	-	-	-

Note '34': Change in liabilities arising from financing activities disclosed as per Ind AS 7, Cash flow statement

Particulars	01st April 2023	Cash Flows	Changes in fair value	Others	31st March 2024
Borrowings other than debt securities	728.12	(440.18)	-	-	287.94
Total liabilities from financing activities	728.12	(440.18)	-	-	287.94

Particulars	01st April 2022	Cash Flows	Changes in fair value	Others	31st March 2023
Borrowings other than debt securities	385.70	342.42	-	-	728.12
Total liabilities from financing activities	385.70	342.42	-	-	728.12

Note '35' Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or combination of short term /long term debt as may be appropriate.

Note '36' Events after reporting date

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

Note '37'

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Note '38' Loans GIVEN to promoters, Directors, KMP and Related Parties

Type of Borrower	Amunt of Loan or advance in the nature of Loan Outstanding	Percentage to the total Loans and Advance in the nature of loans
Promoters	Nil	Nil
Directors	Nil	Nil
KMPs	Nil	Nil
Related Parties	Nil	Nil

Note '39' Utilization of Borrowed Funds and Share Premium

- (A) Where company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary. Loans given Neterwala & VCFPL – Please provide details .

Name of Party	Opening Balance	Amount	31.03.2024	Cleared On
VCFL - ICD	Nil	8,610,911	NIL	

(II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries alongwith complete details of the ultimate beneficiaries.	NIL
(III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries	NIL
(IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003)	As a Service Provider we have NRI trading clients dealing and we have complied with all the applicable regulations applicable.
(B) Where a company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall	
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) Nil or	
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose the following:-	
(I) date and amount of fund received from Funding parties with complete details of each Funding party.	NIL
(II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries alongwith complete details of the other intermediaries' or ultimate beneficiaries.	NIL
(III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries	NIL
(IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).;	NIL

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Note '39' If title deeds of the property not in the name of the Company

The company shall provide the details of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company in format given below and where such immovable property is jointly held with others, details are required to be given to the extent of the company's share. **NIL**

Note '40' Ageing wise analysis of Intangible Assets under development

(i) Intangible assets under development

There are no Intangible Assets under Development

(b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given

NOT APPLICABLE**Details of Benami Property held****There are no Benami Property Transactions.**

Where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder, the company shall disclose the following:-

- Details of such property, including year of acquisition,
- Amount thereof,
- Details of Beneficiaries,
- If property is in the books, then reference to the item in the Balance Sheet,
- If property is not in the books, then the fact shall be stated with reasons,
- Where there are proceedings against the company under this law as an abetter of the transaction or as the transferor then the details shall be provided,
- Nature of proceedings, status of same and company's view on same.

Note '41' Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:-

There are no Borrowings from Banks or Financial Institutions on the basis of security of current assets.

Note '42' Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables—considered good	264.56	-	-	-	-	264.56
(ii) Undisputed Trade Receivables —which have significant increase in credit risk	-	33.64	45.05	49.55	110.93	239.17
(iii) Undisputed Trade Receivables —credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables—which have significant increase in credit risk	-	-	-	-	87.63	87.63
(vi) Disputed Trade Receivables—credit Impaired	-	-	-	-	-	-
Total	264.56	33.64	45.05	49.55	198.55	591.35



Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Note '43' Trade Payables ageing schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-				-
(ii) Others	2,128.87	12.89	4.63	40.39	2,186.78
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	2,128.87	12.89	4.63	40.39	2,186.78

Note '44' Capital Work In Progress

There is no Capital Work in Progress required to be maintained by the company.

Note '45' Ratios Analysis

	2023-24	2022-23
(a) Current Ratio,	0.56	1.29
(b) Debt-Equity Ratio,	0.19	0.49
(c) Debt Service Coverage Ratio	14.77	4.95
(d) Return on Equity Ratio	0.02	(0.05)
(e) Interest Service Coverage Ratio	2.22	0.63
(f) Inventory turnover Ratio	NA	NA
(g) Trade Receivables turnover Ratio	NA	NA
(h) Trade payables turnover Ratio	NA	NA
(i) Net capital turnover Ratio	NA	NA
(j) Net profit Ratio	4.36	(8.98)
(k) Return on Capital employed	NA	NA
(l) Return on investment	NA	NA

Note '46' Relationship with Struck off Companies

The Company does not have any relationship with any of the Struck Off Companies whether under section 248 of the Companies Act or Section 560 of Companies Act, 1956.

Note '47' Wilful Defaulter

The company is not declared as Wilful Defaulter by any Bank or Financial Institution or any other lender.

Note '48' Corporate Social Responsibility (CSR)

The provisions of Corporate Social Responsibility (CSR) are not applicable to the company.

Note '49' DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Rupees in Lakhs unless otherwise stated

Note '50' UNDISCLOSED INCOME

There are no transactions which are not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Further, there was no unrecorded income and related assets which are required to be recorded in the books of accounts during the year.

Note '51' NO OF LAYERS OF COMPANIES

The company has not made any default on No of layers of companies through which it has invested.

Note '52' Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year				% Change during the year***
S. No	Promoter name	No. of Shares**	%of total shares**	
1	Transwarranty Finance Limited	39253950	53.04	NIL
2	Mrs. C D Padmini Devi	250000	0.34	NIL
3	Mr. Kumar Nair	14177543	19.16	NIL
4	Mrs. Leena Kumar Nair	650010	0.88	NIL
Total		54331503	73.41	NIL

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfaraz Khan
Proprietor
Membership No.: 144212

Place: Mumbai
Date: April 30, 2024

For and on behalf of Board of Directors

Kumar Nair
Chairman
DIN.00320541

George Mampillil
Director & CFO
DIN.01976386

Place: Kochi
Date: April 30, 2024

U. Ramachandran
Managing Director
DIN.00493707

Aniket Malekar
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of

Vertex Securities Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Vertex Securities Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Group, as at March 31, 2024, their consolidated profits (including other comprehensive income), their consolidated changes in equity

and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter(s)	How our audit addressed the key audit matter
<p>Impairment of financial assets as at balance sheet date (expected credit losses) (Refer Note No. 5 to the consolidated Ind AS financial statements)</p> <p>Ind AS 109 requires the Company to provide for impairment of its financial assets using the expected credit loss (ECL) approach.</p> <p>The Company recognises lifetime ECL from initial recognition of trade receivables by using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.</p> <p>In the process, a significant degree of judgment has been applied by the Management for:</p> <ul style="list-style-type: none"> • Staging of Trade Receivables [i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories]; • Grouping of receivables based on homogeneity by using appropriate statistical techniques; 	<ul style="list-style-type: none"> • Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. • Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. • Assessed the criteria for staging of receivables based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) receivables to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. • Evaluated the completeness, accuracy and relevance of data used in the expected credit loss model and checked the mathematical accuracy of the calculations. • Obtained an ageing report of trade receivables and tested the accuracy by checking the ageing of select invoices on a sample basis

<ul style="list-style-type: none"> Determining macro-economic factors impacting credit quality of receivables; <p>In view of the high degree of Management's judgment involved in estimation of ECL it is a key audit matter.</p>	<ul style="list-style-type: none"> Assessed the additional considerations applied by the Management for staging of receivables as SICR or default categories in view of Company's policy on receivables. Tested assumptions used by the Management in determining the overlay for macro-economic factors.
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Emphasis of Matter

A) Emphasis of Matter with reference to Holding Company

We draw attention to Note No. 5 to the consolidated financial statements wherein the Group has provided for impairment losses of Rs. 29,677,913/- on trade receivables as on 31st March 2024. Our opinion is not modified in respect of this matter.

B) Emphasis of Matter with reference to subsidiaries

The emphasis of matter as reported by the auditor of one of the subsidiary company, in their standalone audit report, is reproduced below:

- (i) In respect of the subsidiary, Vertex Commodities and Finpro Private Limited.

"During the financial year 2022-2023, the company's licenses to operate in commodity transactions were surrendered/cancelled. This event has significant implications for the company's operations and financial performance. At the year-end date, it is important to highlight that, despite the challenges posed by the license surrender/cancellation, there are no immediate going concern issues that cast doubt on the company's ability to continue its operations in the foreseeable future. The company will continue to closely monitor the developments related to the exploration of new business segments and the efforts to revive the business. Any material impacts on the financial statements resulting from these endeavors will be adequately disclosed in subsequent reporting periods. Our opinion is not modified in respect of the above matters."

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Board's Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and,

in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

agraph to be added.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary companies, associate companies and joint venture companies, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Order report of the companies included in the consolidated Ind AS financial statements.
- 2) As required by section 143(3) of the Act, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
 - d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and its subsidiary company, incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us by the Holding Company and its subsidiary company, incorporated in India, the remuneration paid to their directors during the year by the Holding Company and its subsidiary company is in accordance with the provisions of section 197 of the Act;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 28 to the consolidated Ind AS financial statements;
 - (ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.
 - (iv) (a) The respective management of the Holding Company and its subsidiaries have represented to us that, to the best of their knowledge and belief, other than as disclosed in the consolidated financial statements, no funds have been advanced or loaned or invested (either from share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective management of the Holding Company and its subsidiaries have represented to us that, to the best of their knowledge and belief, other than as disclosed in the consolidated financial statements, no funds have been advanced or loaned or invested (either from share premium or any other



sources or kind of funds) by the Holding Company or any of its subsidiaries to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- (v) The Group has not declared any dividend during the financial year ended March 31, 2024.
- (vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility

and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only with effect from 1 April, 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March, 2024.

**For S S Khan & Co
Chartered Accountants**

ICAI Firm Registration No. 133324W

Sd/-

Sarfaraz Khan

Proprietor

Membership No. 144212

UDIN: 24144212BKBOEQ1368

Place: Mumbai

Date: April 30, 2024

ANNEXURE ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT

(Annexure referred to under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date.)

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of Vertex Securities Limited (“Holding Company”) as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S S Khan & Co
Chartered Accountants
ICAI Firm Registration No. 133324W

Sd/-
Sarfraz Khan
Proprietor
Membership No. 144212
UDIN: 24144212BKBOEQ1368

Place: Mumbai
Date: April 30, 2024

Consolidated Balance sheet as at 31st March 2024

(Rupees in Lakhs unless otherwise stated)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
Financial Assets			
Cash and Cash Equivalents	3	136.86	1,184.83
Bank Balance other than (a) above	4	591.25	1,291.25
Receivables			
(I) Trade Receivables	5	448.58	1,195.90
Loans	6	341.50	342.32
Investments	7	3.02	2.40
Other Financial Assets	8	2,167.21	589.41
		3,688.43	4,606.12
Non-financial Assets			
Current Tax Asset (Net)	9	35.21	54.58
Deferred Tax Assets (Net)	10	6.93	5.13
Property, Plant and Equipment	11	45.67	50.14
Goodwill On consolidation		81.55	81.55
Other Intangible Assets	11	9.89	11.13
Right of Use Assets	11	15.01	9.20
Other Non-financial Assets	12	99.27	89.07
		293.53	300.81
Total Assets		3,981.96	4,906.92
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables	13		
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,231.00	2,912.49
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.57	0.70
Borrowings (Other than Debt Securities)	14	287.94	728.12
Subordinated Liabilities	15	200.00	200.00
Other Financial Liabilities	16	87.34	106.26
		2,806.85	3,947.57
Non-Financial Liabilities			
Provisions	17	17.96	9.43
Other Non-financial Liabilities	18	53.98	41.51
		71.94	50.94
EQUITY			
Equity Share Capital	19	1,480.24	1,480.24
Minority interest		149.95	-
Other Equity	20	(527.02)	(571.83)
Total Equity attributable to owners of company		1,103.17	908.41
Non Controlling interest		-	-
Total Equity		1,103.17	908.41
Total Liabilities and Equity		3,981.96	4,906.92

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfraz Khan
Proprietor
Membership No.: 144212

For and on behalf of Board of Directors

Kumar Nair
Chairman
DIN.00320541

U. Ramachandran
Managing Director
DIN.00493707

George Mampillil
Director & CFO
DIN.01976386

Aniket Malekar
Company Secretary

Place: Mumbai
Date: April 30, 2024

Place: Kochi
Date: April 30, 2024



Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(Rupees in Lakhs unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue from Operations			
Sale of Services	21	839.79	699.07
Total Revenue from Operations		839.79	699.07
Other Income	22	69.06	139.12
Total Income		908.85	838.19
Expenses			
Finance Costs	23	52.52	118.74
Employee Benefits Expenses	24	263.50	289.15
Depreciation and Amortization	11	25.21	27.00
Others Expenses	25	521.42	458.94
Total Expenses		862.65	893.82
Profit / (loss) before exceptional items and tax		46.20	(55.63)
Exceptional items		-	-
Profit/(loss) before tax		46.20	(55.63)
Tax Expense:			
(1) Current Tax		2.74	-
(2) Deferred Tax		(1.80)	-
(3) Income Tax relating to earlier years		(1.25)	-
Profit / (loss) for the period from continuing operations (VII-VIII)		(46.51)	(0.71)
Profit / (loss) from discontinued operations (After tax) (X-XI)		46.51	(54.92)
Profit/(loss) for the period		46.51	(54.92)
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit obligation gain / (loss)		(2.38)	(0.54)
Fair valuation on Equity instrument		0.62	0.04
Other Comprehensive Income		(1.75)	(0.50)
Total Comprehensive Income for the period		44.76	(55.42)
Net Profit attributable to :			
Owners of equity		46.53	(54.92)
Non-controlling interest		(0.02)	-
Other Comprehensive Income attributable to:			
Owners of equity		(1.72)	(0.50)
Non-controlling interest		(0.04)	-
Total Comprehensive Income attributable to:		44.76	(55.42)
Owners of equity		-	-
Non-controlling interest		-	-
Earnings per equity share	26		
Basic (Rs.)		0.06	(0.07)
Diluted (Rs.)		0.06	(0.07)

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfaraz Khan
Proprietor
Membership No.: 144212

For and on behalf of Board of Directors

Kumar Nair
Chairman
DIN.00320541

U. Ramachandran
Managing Director
DIN.00493707

George Mampillil
Director & CFO
DIN.01976386

Aniket Malekar
Company Secretary

Place: Mumbai
Date: April 30, 2024

Place: Kochi
Date: April 30, 2024

Consolidated Financial Statements Cash Flow Statement for the year ended March 31, 2024

(Rupees in Lakhs unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
I. Cash Flows from Operating Activities:		
Net Profit Before Tax and Extraordinary Items	46.20	(55.63)
<u>Adjustments for:</u>		
Reversal of rent expense on lease liability	(14.84)	(14.57)
Depreciation	25.21	27.00
Remeasurement of the net defined benefit obligation gain / (loss)	(2.38)	(0.54)
Interest Income	(101.66)	(137.04)
Bad Debts written off	0.14	0.03
Impairment Allowance	2.92	0.46
Interest Expense	52.52	118.74
<u>Adjustments for Changes in Working Capital:</u>		
(Increase) / Decrease in Trade Receivables	744.26	(570.48)
Increase / (Decrease) in Trade & Other Payables	(681.62)	(273.09)
(Increase)/decrease in other financial assets	(1,584.24)	43.80
(Increase)/decrease in other non-financial assets	(10.20)	(1.75)
Increase / (Decrease) in other financial Liabilities	(18.92)	11.02
Increase/(decrease) in provisions	8.53	0.57
Increase / (Decrease) in non- financial Liabilities	8.03	(3.04)
Income tax paid (net of refunds)	17.89	12.91
Net Cash Flows from Operating Activities	(1,508.15)	(841.62)
II. Cash Flows from Investing Activities:		
(Purchase)/ Sale of Fixed Deposits	700.00	292.50
Loans - (Given)/ Received back	0.82	480.07
Cash inflow from interest on loans	108.11	166.41
Purchase of Property Plant and Equipment	(7.25)	(4.47)
Purchase of Intangible Asset	-	(7.50)
Sale of Investments	150.00	
Net Cash Flows from Investing Activities	951.67	927.01
III. Cash Flows from Financing Activities:		
Borrowings other than debt securities issued/ (Redeemed) (net)	(440.18)	342.42
Repayment of Subordinated Liabilities	-	(27.76)
Finance cost paid	(51.30)	(117.42)
Net Cash Flows from Financing Activities	(491.48)	197.24



Net Increase or (Decrease) in Cash and Cash Equivalents (I + II + III)	(1,047.97)	282.63
- Add: Cash and Cash Equivalents at Beginning of the year	1,184.83	902.20
Cash and Cash Equivalents at End of the Year	136.86	1,184.83
Note:		
Cash and Cash Equivalents		
- Cash in Hand	1.88	2.02
- Balances with Banks		
- In Current Accounts	134.99	1,182.81
Total	136.86	1,184.83

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfaraz Khan
Proprietor
Membership No.: 144212

Place: Mumbai
Date: April 30, 2024

For and on behalf of Board of Directors

Kumar Nair
Chairman
DIN.00320541

George Mampillil
Director & CFO
DIN.01976386

Place: Kochi
Date: April 30, 2024

U. Ramachandran
Managing Director
DIN.00493707

Aniket Malekar
Company Secretary

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

**Statement of Changes in Equity
Equity Share Capital**

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	19	1,480.24	1,480.24
Changes in equity share capital during the year		-	-
Balance at the end of the year		1,480.24	1,480.24

Other Equity**For the year ended 31 March 2024**

Particulars	Note No.	Retained earnings	Securities premium	Other reserves	Other Comprehensive Income - Equity Instruments	Total other equity	Non Controlling Interest	Total
Balance as at 31 March 2023	20	(774.29)	182.49	42.64	(22.67)	(571.83)	-	(571.83)
Profit / (Loss) after tax		46.53				46.53	(0.02)	46.51
Add:- Transfer for the year		-		-		-	-	-
Other comprehensive income		(2.34)	-	-	0.62	(1.72)	(0.04)	(1.75)
		(730.10)	182.49	42.64	(22.05)	(527.02)	(0.05)	(527.07)
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934		-	-	-		-		-
Balance as at 31 March 2024		(730.10)	182.49	42.64	(22.05)	(527.02)	(0.05)	(527.07)

For the year ended 31 March 2023

Particulars	Note No.	Retained earnings	Securities premium	Other reserves	Other Comprehensive Income - Equity Instruments	Total other equity	Non Controlling Interest	Total
Balance as at 31 March 2022	20	(746.59)	182.49	42.64	(22.71)	(544.17)	-	(544.17)
Profit / (Loss) after tax		(54.92)	-	-	-	(54.92)	-	(54.92)
Less: Transfer for the year		27.76	-	-	-	27.76	-	27.76
Other comprehensive income		(0.54)	-	-	0.04	(0.50)	-	(0.50)
		(774.29)	182.49	42.64	(22.67)	(571.83)	-	(571.83)
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934		-	-	-		-		-
Balance as at 31 March 2023		(774.29)	182.49	42.64	(22.67)	(571.83)	-	(571.83)

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

Sarfraz Khan
Proprietor
Membership No.: 144212

For and on behalf of Board of
Directors

Kumar Nair
Chairman
DIN.00320541

George Mampillil
Director & CFO
DIN.01976386

U. Ramachandran
Managing Director
DIN.00493707

Aniket Malekar
Company Secretary

Place: Mumbai
Date: April 30, 2024

Place: Kochi
Date: April 30, 2024



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

1 CORPORATE INFORMATION

Vertex Securities Limited ('the Parent Company') is a company limited by shares, incorporated on 25 March 1987 and domiciled in India. The Parent Company together with its subsidiaries (hereinafter collectively referred to as the 'Group') is a premier brokerage house in India on the fast growth track. In the last one-decade, we have emerged as a powerhouse in the financial services industry. We started functioning in the stock market in 1993.

The Company's registered office is at 2nd Floor ,Thottathil Towers , Market Road Cochin - 682014.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance and basis for preparation and presentation of financial statements

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

These Consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 30th April 2024.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency..

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values:

- i) fair value through other comprehensive income (FVOCI) instruments,
- ii) derivative financial instruments,
- iii) other financial assets held for trading,
- iv) financial assets and liabilities designated at fair value through profit or loss (FVTPL)

2.4 Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.5 Use of estimates and judgements and Estimation uncertainty

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively and, if material, their effects are disclosed in the notes to the financial statements.

Consolidated Notes to Financial Statement for the year ended March 31, 2024

2.6 Estimation of impairment allowance on financial assets

Estimates and associated assumptions, especially for determining the impairment allowance for Company's financial assets, are based on historical experience and other emerging factors on account of the pandemic which may also have an effect on the expected credit loss. The Company believes that the factors considered are reasonable under the current circumstances. The Company has used early indicators of delayed repayment metrics observed along with an estimation of potential stress on probability of default and exposure at default due to COVID-19 situation in developing the estimates and assumptions to assess the expected credit losses on trade receivables. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic.

2.7 Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The list of Subsidiaries considered for consolidation, and the Company's holdings therein are as under:

Name of the Entity	Country of Incorporation	Consolidated as	Percentage of Voting Power as at 31st March, 2024	Percentage of Voting Power as at 31st March, 2023
Vertex Commodities & Finpro (P) Limited	India	Subsidiary	62%	100%

(ii) Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries.

Name of the Entities	Net Assets (Total Assets - Total Liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
Parent								
Vertex Securities Limited	(0.67)	1,103	81.61	3,796,005	94.74	(166,252)	81.10	3,629,753
Subsidiaries								
Vertex Commodities & Finpro (P) Limited	9,245.05	(15,159,746)	18.39	855,378	5.26	(9,232)	18.90	846,146
Minority Interest	(9,144.38)	14,994,666	-	-	-	-	-	-
Total	9,244.38	(163,977)	100.00	4,651,382	100.00	(175,484.00)	100.00	4,475,898

(iii) Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries.

Name of the Entities	Net Assets (Total Assets- Total Liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
Parent								
Vertex Securities Limited	(0.01)	908	128.39	(70.51)	134.65	(0.67)	128.45	(71.19)
Subsidiaries								
Vertex Commodities & Finpro (P) Limited	100.01	(160.05)	(28.39)	15.59	(34.65)	0.17	(28.45)	15.77
Minority Interest	-	-	-	-	-	-	-	-
Total	100	160.05	100	54.92	100	(0.50)	100	(55.42)

2.8 Property, Plant and Equipments (PPE)

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Assets held for sale or disposals are stated at the lower of their net book value and net realisable value.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

The estimated useful lives used for computation of depreciation are as follows:

Assets	Useful Life
Computers and Data processing units	3 to 6 years
Furniture and fixtures	10 years
Plant & Machinery	15 years
Office equipments	5 years
Vehicles	8 to 10 years

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognised.

2.9 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible assets comprises of Membership rights of Stock Exchanges, Computer software and Software licences which is amortized over the estimated useful life. The amortization period of Stock exchange license and membership right is 10 years and computer software is 3 years which is based on management's estimates of useful life. Amortisation is calculated using the straight line method to write down the cost of intangible assets over their estimated useful lives.

Subsequent expenditure related to the asset is added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit or Loss when the asset is derecognised.

2.10 Investments in subsidiaries and associates

Investment in subsidiaries is recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

2.11 Foreign exchange transactions and translations

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c) Exchange difference

All exchange differences are accounted in the Statement of Profit and Loss.

2.12 Financial instruments

a) Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of profit and loss.

b) Classification and Subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI - debt instruments;
- FVOCI - equity instruments;
- FVTPL

Amortised cost -

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Cash and Bank balances, Loans, investment in subsidiaries, trade receivables at amortised cost.



FVOCI - equity instruments -

The Company measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

c) Financial liabilities and equity instruments:

Classification as debt or equity -

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments -

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities -

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

d) Derecognition**Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

A financial liability is derecognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.

e) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f) Impairment of financial instruments

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit and loss.

The Company recognises lifetime ECL for trade and other receivables and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that may result from all possible default events over the expected life of a financial assets.

For all other financial assets, the Company recognizes lifetime expected credit losses (ECL) based on the months past due when there has been a significant increase in credit risk since initial recognition and when the financial asset is credit impaired. Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which no ECL is recognized. Financial assets where there has been significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognized for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off either partially or in their entirety, when there is no realistic prospect of recovery and the company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss.

Without significant increase in credit risk since initial recognition (stage 1)

No ECL allowance is recognized for stage 1 financial asset as based on company's assessment there is no significant increase in credit risk. The Company has ascertained default possibilities on past behavioral trends and other performance indicators.



Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage 90 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk.

Credit impaired (stage 3)

The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

Contractual payments of either principal or interest are past due for more than 365 days;

The loan is otherwise considered to be in default.

Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. The Company has calculated ECL using three components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money as necessary.

* Determination of PD is covered above for each stages of ECL.

* EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.

* LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value, if any, at the time it is expected to be realised.

2.13 Impairment of assets other than financial assets

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognised in Statement of profit and loss.

2.14 Provisions

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.15 Leases

With effect from 1 April 2019, the Company has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Company has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is –

- 1) increased by interest on lease liability;
- 2) reduced by lease payments made; and
- 3) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Company.

2.16 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

2.17 Revenue recognition :

a) Fee and commission income

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection. Commission and brokerage income earned for the services rendered are recognised as and when they are due.

b) Recognition of interest income

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

c) Dividend Income

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

2.18 Employee benefits

a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



b) Contribution to provident fund and ESIC

Company's contribution paid/payable during the year to provident fund and ESIC is recognised in the Statement of profit and loss

c) Gratuity

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

d) Leave encashment / compensated absences / sick leave

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

e) Employee shared based payments

Equity-settled share-based payments to employees are recognised as an expense at the fair value of stock options at the grant date. The fair value determined at the grant date of the Equity-settled share-based payments is expensed on a straightline basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2.19 Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include bank term loans and overdraft facility. Finance costs are charged to the Statement of profit and loss.

2.20 Taxation - Current and deferred tax

Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

a) Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the

reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are generally recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Deferred tax liabilities are generally recognised for all taxable temporary differences. However, deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.21 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.22 Contingent Liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it can not be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any contingent assets in the financial statements.

2.23 Cash Flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.24 Borrowing Cost

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '3' Cash and Cash Equivalent

Particulars	As At 31st March 2024	As At 31st March 2023
Cash and Cash Equivalent		
Cash on Hand	1.88	2.02
Balance with Banks		
In Current Account	134.99	1,182.81
Total	136.86	1,184.83

NOTE '4' Bank balances other than cash and cash equivalents

Particulars	As At 31st March 2024	As At 31st March 2023
Bank balances other than cash and cash equivalents		
Balance with Banks		
In Fixed Deposit	591.25	1,291.25
Total	591.25	1,291.25

NOTE '5' Receivables

Particulars	As At 31st March 2024	As At 31st March 2023
Receivables		
(i) Trade receivables		
Trade Receivables	296.09	1,140.11
Trade Receivables from related parties	-	-
Trade receivable which have significant increase in credit risk	173.14	68.73
Trade receivables - credit impaired	276.13	280.92
	745.36	1,489.76
Less: Impairment Allowance	(296.78)	(293.85)
Total	448.58	1,195.90

Trade receivables ageing schedule as at 31 March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
Considered good						
(i) Undisputed Trade receivables	264.57	-	-	-	-	264.57
(ii) Disputed Trade receivables	-	-	-	-	-	-
Considered doubtful						
(iii) Undisputed Trade Receivables	-	34.56	45.95	50.07	136.44	267.02
(iv) Disputed Trade Receivables	-	0.07	28.18	0.23	185.29	213.77
Total	264.57	34.63	74.13	50.30	321.73	745.36

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Trade receivables ageing schedule as at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
Considered good						
(i) Undisputed Trade receivables	1,116.15	-	-	-	-	1,116.15
(ii) Disputed Trade receivables	51.74	-	-	-	-	51.74
Considered doubtful						
(iii) Undisputed Trade Receivables	-	11.17	16.47	20.50	132.06	180.21
(iv) Disputed Trade Receivables	-	0.13	0.23	52.89	88.42	141.66
Total	1,167.89	11.30	16.70	73.39	220.48	1,489.76

NOTE '6' Loans

Particulars	As At 31st March 2024			As at 31st March 2023		
	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI	Total
(A) Loans						
Others						
Loan repayable on demand	341.50	-	341.50	341.50	-	341.50
Loans to Related Parties	-	-	-	-	-	-
Loans to Employee	-	-	-	0.82	-	0.82
Total (A) - Gross	341.50	-	341.50	342.32	-	342.32
Less: Impairment loss allowance	-	-	-	-	-	-
Total (A) - Net	341.50	-	341.50	342.32	-	342.32
(B) Out of above						
(i) Secured	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (i)	-	-	-	-	-	-
(ii) Unsecured	341.50	-	341.50	342.32	-	342.32
Less: Impairment loss allowance	-	-	-	-	-	-
Total (ii)	341.50	-	341.50	342.32	-	342.32
Total (B) = (i) + (ii)	341.50	-	341.50	342.32	-	342.32
(C) Out of above						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Subtotal (i)	-	-	-	-	-	-
(ii) Others	341.50	-	341.50	342.32	-	342.32
Less: Impairment loss allowance	-	-	-	-	-	-
Subtotal (ii)	341.50	-	341.50	342.32	-	342.32
Total (I)	341.50	-	341.50	342.32	-	342.32
(II) Loans outside India						
Less: Impairment loss allowance	-	-	-	-	-	-
Total (II)	-	-	-	-	-	-
Total C(I)and C(II)	341.50	-	341.50	342.32	-	342.32

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE 7 Investments

Particulars	As At 31st March 2024	As At 31st March 2023
At fair value through other comprehensive income		
(i) In equity instruments		
Investment in others	2.40	2.37
Add:- Fair Value Gain / (Loss)	0.62	0.04
Sub-total (i)	3.02	2.40
Total (B) = (i + ii + iii)	3.02	2.40
Total	3.02	2.40

Particulars	As At 31st March 2024	As at 31st March 2023
Out of the above		
In India	3.02	2.40
Outside India	-	-
Total	3.02	2.40

NOTE '8' Other Financial assets

Particulars	As At 31st March 2024	As at 31st March 2023
Other Financial assets		
Rent Deposit	16.11	21.86
Security Deposit	2,113.03	528.65
Advance Rental	0.54	0.43
Accrued interest receivable	26.56	33.01
Balances with Government Authorities*	3.58	-
Advance to creditors	7.19	5.46
Unbilled Revenue	0.20	-
Other Receivables	-	-
Total	2,167.21	589.41

NOTE '9' Current tax assets (NET)

Particulars	As At 31st March 2024	As At 31st March 2023
Current tax assets (NET)		
Advance Payment of Income Tax (Including TDS)(Net of Provisions)	35.21	54.58
Total	35.21	54.58

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '10' Deferred tax Asset/Deferred tax liabilities

Particulars	As At 31st March 2024	As At 31st March 2023
Depreciation and Amortisation	6.93	5.13
Total	6.93	5.13

Particulars	As At 31st March 2024	As At 31st March 2023
Deferred tax assets recorded in Balance Sheet		
Deferred tax relates to the following:		
Deferred tax assets		
Present Value of Security Deposit	6.47	6.47
Depreciation and amortiation on Property, Plant & Equipment	0.48	-
Provision of Employee benefits	0.46	0.43
Gross deferred tax assets	7.40	6.90
Deferred tax liabilities		
Other timing differences	0.47	0.47
Depreciation and amortiation on Property, Plant & Equipment	-	1.30
Gross deferred tax liabilities	0.47	1.77
Deferred tax assets/(liabilities), net	6.93	5.13



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '11' Property, plant and equipment and intangible assets

For the financial year 2023-24

Particulars	Gross Block			Depreciation and amortisation			Net Block As At 31st March 2024
	As at 1st April, 2023	Additions	Reclassification	Deductions/ Adjustments	As At 31st March 2024	For the Year	
Property, plant and equipment							
Plant & Equipments	150.92	4.08	-	-	155.00	140.53	145.28
Furniture & Fittings	152.38	0.59	-	-	152.97	118.13	123.50
Vehicles (refer note a)	27.89	-	-	-	27.89	27.73	27.83
Computer	223.58	2.58	-	-	226.16	218.24	219.72
Sub-Total	554.76	7.25	-	-	562.02	504.62	516.34
Intangible Asset							
Computer Software	63.25	-	-	-	63.25	63.25	63.25
Lisence	130.76	-	-	-	130.76	119.64	120.87
Right of Use Asset (refer note b)	55.10	18.05	-	-	73.16	45.90	58.15
Membership in NMCE	1.00	-	-	-	1.00	1.00	1.00
Membership in MCX	2.51	-	-	-	2.51	2.51	2.51
Membership in NCDEX	5.00	-	-	-	5.00	5.00	5.00
Membership in NSEL	2.50	-	-	-	2.50	2.50	2.50
Mumbai Stock Exchange	10.00	-	-	-	10.00	10.00	10.00
Sub-Total	270.13	18.05	-	-	288.18	249.80	263.28
Total	824.89	25.31	-	-	850.20	754.42	779.63

For the financial year 2022-23

Particulars	Gross Block			Depreciation and amortisation			Net Block As At 31st March 2024
	As at 1st April, 2023	Additions	Reclassification	Deductions/ Adjustments	As At 31st March 2024	For the Year	
Property, plant and equipment							
Plant & Equipments	150.37	1.53	(0.98)	-	150.92	133.94	140.53
Furniture & Fittings	151.29	1.09	-	-	152.38	112.83	118.13
Vehicles (refer note a)	27.89	-	-	-	27.89	26.61	27.73
Computer	220.75	1.86	0.98	-	223.58	216.31	218.24
Sub-Total	550.29	4.47	-	-	554.76	489.69	504.62
Intangible Asset							
Computer Software	63.25	-	-	-	63.25	63.25	63.25
Lisence	123.26	7.50	-	-	130.76	118.92	119.64
Right of Use Asset (refer note b)	51.50	3.60	-	-	55.10	34.55	45.90
Membership in NMCE	1.00	-	-	-	1.00	1.00	1.00
Membership in MCX	2.51	-	-	-	2.51	2.51	2.51
Membership in NCDEX	5.00	-	-	-	5.00	5.00	5.00
Membership in NSEL	2.50	-	-	-	2.50	2.50	2.50
Mumbai Stock Exchange	10.00	-	-	-	10.00	10.00	10.00
Sub-Total	259.02	11.10	-	-	270.13	237.73	249.80
Total	809.31	15.58	-	-	824.89	727.42	754.42

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '12' Other non-financial assets

Particulars	As At 31st March 2024	As At 31st March 2023
Capital Advances	-	0.77
Balance with tax authorities	4.39	3.72
Prepaid expense	26.92	48.79
Plan asset - Gratuity	-	-
Other advances	67.96	35.80
Total	99.27	89.07

NOTE '13' Payables

Particulars	As At 31st March 2024	As At 31st March 2023
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and smal enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,231.00	2,912.49
Total (I)	2,231.00	2,912.49
(II) Other Payables		
(i) total outstanding dues of micro enterprises and smal enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.57	0.70
Total (II)	0.57	0.70
Total (I)+(II)	2,231.58	2,913.19

Trade Payables ageing schedule as at 31 March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
(i) MSME - undisputed	-	-	-	-	-
(ii) Others - undisputed	2,129.94	14.07	4.80	53.92	2,202.73
(ii) Others - undisputed	-	-	-	28.85	28.85
Total	2,129.94	14.07	4.80	82.77	2,231.58

Trade Payables ageing schedule as at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
(i) MSME - undisputed	0.09	-	-	-	0.09
(ii) Others - undisputed	2,812.14	39.10	5.03	27.98	2,884.25
(ii) Others - undisputed	-	-	-	28.85	28.85
Total	2,812.23	39.10	5.03	56.83	2,913.19



Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '14' Borrowings (other than debt securities):

Particulars	As At	
	31st March 2024	31st March 2023
At Amortised Cost:		
(I) In India		
(A) Term loans		
(i) from banks (refer note a)	5.53	27.08
(B) Loans repayable on demand		
(a) Overdraft Facility		
(i) from banks	282.41	351.04
(ii) from other parties	-	-
(b) Other Loans	-	-
(i) from other parties	-	350.00
Total	287.94	728.12
(II) Outside India		
In India	287.94	728.12
Outside India		
Total	287.94	728.12
(III) Out of above		
Secured	287.94	728.12
Unsecured	-	-
Total	287.94	728.12

Note :

- a** Term Loan taken from South Indian Bank is under the 'Emergency Credit Line Guarantee Scheme' (ECLGS) floated by GOI in the wake of COVID-19 pandemic, repayable in 36 months.
Hypothecated against the entire current assets of the Company as primary security and property owned by Transwarranty Finance Limited as a collateral security.
- b** Overdraft from South Indian Bank is Working Capital Facility secured against mortgage of property owned by Transwarranty Finance Limited, Corporate Guarantee of Holding Company and Personal Guarantee of the Chariman. The total limit allowed is 3.5 crores and the interest rate on the overdraft facility is 13.85% pa.

(IV) Terms of repayment of term loans and overdraft facility

Original Maturity of loan (In no. of days)	As at 31st March 2024		As at 31st March 2023	
	Interest range	Amount	Interest range	Amount
On maturity				
Maturity between 3 to 5 years		-		-
Maturity between 1 to 3 years		-	9.00%	27.08
Maturity within 1 year		-		-
Term Loan	9.00%	5.53	9.00%	21.67
Overdraft facility	13.85%	282.41	10.75%	336.95
Other parties		-	12.00%	350.00
Total		287.94		735.70

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '15' Subordinated Liabilities:

Particulars	As At 31st March 2024	As At 31st March 2023
At Amortised Cost:		
(I) In India		
Preference Shares other than those that qualify as Equity (Refer note a)	200.00	200.00
Total	200.00	200.00
Out of above		
Secured	200.00	200.00
Unsecured		
Total	200.00	200.00

Note:

- a. Each Non - Cumulative Redeemable Preference Share shall be redeemable with in a period of 1 to 8 years from the date of issue i.e. 05/05/2014 as may be determined by the Board of Directors of the company at their absolute discretion. Preference share holders are entitled to get dividend only when the company has distributable profits. In the event of winding up or repayment of capital, Preference share holders have the preferential right to be repaid the amount of capital paid up.

NOTE '16' Other financial Liabilities

Particulars	As At 31st March 2024	As At 31st March 2023
Employee benefits payable	18.94	5.03
Security Deposit from Franchises & Advances	67.40	68.52
Book Overdraft	-	15.53
Others	1.00	1.05
Accrued Interest Payable	-	16.13
Total	87.34	106.26

NOTE '17' Provision

Particulars	As At 31st March 2024	As At 31st March 2023
Leave encasement	9.62	6.41
Gratuity	8.34	3.02
Total	17.96	9.43

NOTE '18' Other non financial Liabilities

Particulars	As At 31st March 2024	As At 31st March 2023
Statutory dues	24.09	18.01
Lease liability	15.41	10.97
Others	14.48	12.53
Total	53.98	41.51

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '19' Equity Share capital

Particulars	As At	
	31st March 2024	31st March 2023
Authorised		
1) 127,274,600 Equity Shares of Rs 2/- each (P.Y. 127,274,600 Equity Shares of Rs 2/- each)	2,545.49	2,545.49
	2,545.49	2,545.49
Issued, Subscribed and Paid Up		
7,40,12,189 (P.Y 7,40,12,189) Equity Shares of Rs. 2/- each fully paid up	1,480.24	1,480.24
Total	1,480.24	1,480.24

1) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year
A) Equity shares

Particulars	Nos.	Amount
Equity share capital issued, subscribed and fully paid up	74,012,189	1,480.24
As at 31st March 2023	74,012,189	1,480.24
Issued during the year	-	-
Equity share capital issued, subscribed and fully paid up	7,40,12,189	1,480.24
Outstanding as at 31st March 2024	7,40,12,189	1,480.24

3) Shares held by Holding Company- Transwarranty Finance Limited

Particulars	As At 31st March 2024		As At 31st March 2023	
	Nos.	% of Holding	Nos.	% of Holding
Transwarranty Finance Limited	3,92,53,950	53.04	3,92,53,950	53.04

4) Details of shareholders holding equity shares more than 5% shares in the Company

Particulars	As At 31st March 2024		As At 31st March 2023	
	Nos.	% of Holding	Nos.	% of Holding
Transwarranty Finance Limited	3,92,53,950	53.04	3,92,53,950	53.04
Kumar Nair	1,41,77,543	19.16	1,41,77,543	19.16

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '20' Other equity

Particulars	As At	
	31st March 2024	31st March 2023
Securities Premium		
Balance at the beginning of the year	182.49	182.49
Add: Received during the year	-	-
Less: Share issue expense	-	-
Balance at the end of the year	182.49	182.49
Retained Earnings		
Balance at the beginning of the year	(802.05)	(746.59)
Profit / (Loss) for the year	46.53	(54.92)
Other comprehensive income	(2.34)	(0.54)
Less:-Transferto Capital Redumption Reserve	-	-
Change in Non Controlling interest	-	-
Balance at the end of the year	(757.86)	(802.05)
Other Comprehensive Income - fair value on equity instruments		
Balance at the beginning of the year	(22.67)	(22.71)
Gain / (Loss) on fair valuation on equity instruments	0.62	0.04
Effects of first time adoption of Ind AS	-	-
Balance at the end of the year	(22.05)	(22.67)
Capital Redumption Reserve		
Balance at the beginning of the year	27.76	27.76
Add:- Transferred During the Year	-	-
Balance at the end of the year	27.76	27.76
Reserve under Amalgation account		
Balance as at the beginning of the year	42.64	42.64
Add: Transferred during the year	-	-
Balance as at the end of the year	42.64	42.64
Total	(527.02)	(571.83)

NOTE '21' REVENUE FROM OPERATIONS

Particulars	For the year ended	
	31st March 2024	31st March 2023
Sale Of Services		
Fees and commission income		
- Brokerage & related income	651.46	582.02
- Other Fees	68.97	38.12
Income from DP operation	57.59	51.78
On financial assets measured at Amortised cost		
Interest on Fixed Deposits & Others*	61.76	27.15
Total	839.79	699.07

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '21.1' Revenue from contract with customers

Particulars	For the year ended	
	31st March 2024	31st March 2023
Type of Service		
Fees and commission income		
- Brokerage & related income	651.46	582.02
- Other Fees	68.97	38.12
Income from DP operation	57.59	51.78
	778.02	671.92
Geographical market		
India	778.02	671.92
Outside India	-	-
	778.02	671.92
Timing of revenue recognition		
Services transferred at a point in time	778.02	671.92
Services transferred over time	-	-
	778.02	671.92
Contract Balances		
Gross Trade receivables (refer note 5)	745.36	1,489.76
	745.36	1,489.76

NOTE '22' other Income

Particulars	For the year ended	
	31st March 2024	31st March 2023
Interest on Inter Corporate Deposits	1.51	70.18
Unwinding of discounting of deposits	0.66	0.62
Other interest income	38.39	39.72
Miscellaneous income	28.50	27.59
Reversal of Provision for Impairment Allowance	-	1.01
Total	69.06	139.12

NOTE '23' Finance Cost

Particulars	For the year ended	
	31st March 2024	31st March 2023
Interest expense on lease liability	1.22	1.31
Interest on borrowings	51.30	117.42
Total	52.52	118.74

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

NOTE '24' Employee Benefits Expenses

Particulars	For the year ended	
	31st March 2024	31st March 2023
Salaries and wages	240.86	265.52
Contribution to provident fund and other funds	18.79	19.93
Staff welfare expense	3.85	3.70
Total	263.50	289.15

NOTE '25' Other Expense

Particulars	For the year ended	
	31st March 2024	31st March 2023
AMC Charges	8.82	6.17
Connectivity Charges	9.97	11.90
Software connectivity license/maintenance expenses	59.47	50.14
Marketing fee/Commission paid	13.38	69.50
Sub Brokerage	270.31	195.19
Demat & Other Charges	15.72	9.67
Advertisement & Publicity Expenses	1.68	2.67
Auditors fees and expense	2.15	2.15
Communication Expenses	6.52	5.75
Office Maintenance	4.85	5.54
Bank Charges	6.46	3.13
Fees to Exchanges	27.43	6.01
Insurance	0.27	0.00
Rent	11.76	12.21
Rates, taxes and energy cost	11.91	10.63
Annual Subscription	3.11	8.26
Client Meeting Expenses and Business Promotion	1.68	1.95
Stock Exchange Charges	0.01	0.73
Printing & Stationery	2.35	2.33
Legal and professional charges	35.84	15.00
Repairs and maintainance	1.94	0.99
Directors fees	3.10	3.50
Travelling and Conveyance Expenses	6.74	9.45
Impairment Allowance	2.92	0.46
Bad debts written off	0.14	0.03
Other miscellaneous expense	12.90	25.58
Total	521.42	459.39

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Particulars	For the year ended	
	31st March 2024	31st March 2023
(i) Payments to the auditors comprises of		
For Statutory audit	1.75	1.75
For taxation matters		
Other Services	0.40	0.40

Note '26' Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended	
	31st March 2024	31st March 2023
(A) Net profit attributable to equity shareholders	44.76	(55.42)
(B) Weighted average number of equity shares for basic and diluted earnings per share	74,012,189	74,012,189
Basic earning price per share (Rs) (A/B)	0.06	(0.07)
Diluted earning price per share (Rs) (A/B)	0.06	(0.07)

Note '27' Segment Information

Disclosure under Indian Accounting Standard 108 – 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment, viz. ,primarily engaged as stock and securities broker and providing the financial services. The Company conducts its business only in one Geographical Segment, viz., India. Also there are no revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in the year ended 31 March 2024 or 31 March 2023.

Note '28' Contingent liabilities and commitments
(a) Contingent liabilities not provided for in respect of

Particulars	As At	As At
	31st March 2024	31st March 2023
Claims against the Company not acknowledged as debts		
a. Tax demand in respect of:-		
Income Tax demand order for FY 2013-14	-	1.27
Service Tax orders for FY 2006-07 to 2009-10	6.33	6.22
Service Tax orders for FY 2014-15	0.38	1.11
Service Tax orders for FY 2008-09 to 2012-13	8.82	8.82
Service Tax orders for FY 2013-14	0.55	0.55
Income Tax orders for AY 2009-10	0.01	0.01
Income Tax orders for AY 2013-14	-	39.78
Income Tax orders for AY 2018-19	0.03	0.03
Total	16.11	57.78

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

(b) Lease commitments

The Company has obtained office premises under operating lease. These leases are for a period ranging from 11 to 60 months and are renewable as may be mutually decided. These are generally cancellable lease. Lease payments recognised in the Statement of Profit and Loss as 'Rent' under Note No. 25 is ₹ 1175540/- (P.Y. 1220933/-). Future minimum lease rent payable are as follows:

Note '29'**Related Parties Disclosure**

29.1 Names of Related Parties & Nature of Relationship with whom the company have transaction during the year, as required by the Ind AS 24 "Related Party Disclosures" and Companies Act, 2013.

Sr.No.	Name of Related Party	Relationship
1	Transwarranty Finance Limited	Holding
2	Vertex Commodities and Finpro (P) Ltd. (VCFPL)	Subsidiary
3	Mr. Kumar Nair (Managing Director)	Key Management Personnel
4	Mr. U. Ramachandran (Director & Chief Executive officer)	Key Management Personnel
5	Mr. Goerge Mampilly (Executive Director & Chief Financial Officer)	Key Management Personnel

29.2 Transactions with Related Parties

Name of Related Party and Nature of relationship	Nature of Transaction	2024	2023
		Transactional Value	Transactional Value
A) Holding Company			
1 Transwarranty Finance Limited	Inter corporate deposit received	506.50	1,495.00
	Inter corporate deposit repaid	506.50	1,495.00
	Sale of Investments in Equity Shares	150.00	-
	Professional Fees Paid	22.05	-
	Current account Debit	4.43	132.49
	Current account Credit	4.43	132.49
	Interest received on ICD	8.47	24.29
	Brokerage incentive received on share trading	0.01	0.00
	Interest Paid on ICD	2.10	2.46
	Incentive received	-	0.00
B) Subsidiary Company			
1 Vertex Commodities and Finpro (P) Ltd. (VCFPL)	Inter corporate deposit given	86.11	129.49
	Inter corporate deposit received back	86.11	129.49
	Expense incurred on behalf of Company	5.96	3.21
C) Key Management Personnel			
1 Mr. U. Ramachandran (Managing Director and Chief Executive Officer)	Remuneration paid	8.90	9.64
2 Mr. Goerge Mampilly (Executive Director & Chief Financial Officer)	Remuneration paid	11.35	9.77

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

29.3 Balances as at the end of the year:

Name of Related Party and Nature of relationship	Nature of Transaction	31st March, 2024	31st March, 2023
Receivable			
A) Holding Company			
Transwarranty Finance Limited	Trading account	0.00	0.08

Note '30' Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, loans, trade payables, borrowings other than debt securities and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

Fair value hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2024

Particulars	FVTPL	FVOCI	Amortised Cost	Fair value measurement using			Total
				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Asset							
Cash and cash equivalents			136.86	-	-	-	-
Bank balances other than cash and cash equivalents			591.25	-	-	-	-
Trade receivables			448.58	-	-	-	-
Loans			341.50	-	-	-	-
Investments		3.02	-	-	-	3.02	3.02
Other financial assets			2,167.21	-	-	-	-
Total	-	3.02	3,685.40	-	-	3.02	3.02
Financial Liabilities							
Trade payables	-	-	2,231.00	-	-	-	-
Other payables	-	-	0.57	-	-	-	-
Borrowings (other than debt securities)	-	-	287.94	-	-	-	-
Subordinated Liabilities	-	-	200.00	-	-	-	-
Other financial liabilities	-	-	87.34	-	-	-	-
Total	-	-	2,806.85	-	-	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2023

Particulars	FVTPL	FVOCI	Amortised Cost	Fair value measurement using			
				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Asset							
Cash and cash equivalents			1,184.83	-	-	-	-
Bank balances other than cash and cash equivalents			1,291.25	-	-	-	-
Trade receivables			1,195.90	-	-	-	-
Loans			342.32	-	-	-	-
Investments		2.40	-	-	-	2.40	2.40
Other financial assets			589.41	-	-	-	-
Total	-	2.40	4,603.71	-	-	2.40	2.40
Financial Liabilities							
Trade payables	-	-	2,912.49	-	-	-	-
Other payables	-	-	0.70	-	-	-	-
Borrowings (other than debt securities)	-	-	728.12	-	-	-	-
Subordinated Liabilities	-	-	200.00	-	-	-	-
Other financial liabilities	-	-	106.26	-	-	-	-
Total	-	-	3,947.57	-	-	-	-

Note '31' Notes to Financial Statement for the year ended 31st March 2024

Particulars	01st April 2023	Cash Flows	Changes in fair value	Others	31st March 2024
Borrowings other than debt securities	695.08	(440.18)	-	-	254.90
Total liabilities from financing activities	695.08	(440.18)	-	-	254.90

Particulars	01st April 2022	Cash Flows	Changes in fair value	Others	31st March 2023
Borrowings other than debt securities	352.65	342.42	-	-	695.08
Total liabilities from financing activities	352.65	342.42	-	-	695.08

Note '32' Risk management**Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company also has Inter corporate deposits line available from holding company & fellow subsidiary companies within its group to meet any short term fund requirements.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

The table below shows an analysis of assets and liabilities analysed (maturity analysis) according to when they are to be recovered or settled.

Particulars	As at 31 March 2024			As at 31 March 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Financial assets						
Cash and cash equivalents	136.86		136.86	1,184.83		1,184.83
Bank balances other than cash and cash equivalents		591.25	591.25		1,291.25	1,291.25
Trade receivables	448.58		448.58	1,195.90		1,195.90
Loans	341.50		341.50	342.32		342.32
Other financial assets	33.76	2,133.46	2,167.21	38.47	550.94	589.41
Other Receivables						
Non-financial assets						
Current tax assets (net)	35.21		35.21	54.58		54.58
Deferred tax assets		6.93	6.93		5.13	5.13
Property, plant and equipment		45.67	45.67		50.14	50.14
Other intangible assets		9.89	9.89		11.13	11.13
Right of Use Asset					9.20	-
Other non-financial assets	94.88	4.39	99.27	84.59	4.48	89.07
Total	1,090.79	2,791.59	3,882.38	2,900.69	1,922.28	4,813.77
LIABILITIES						
Financial liabilities						
Trade payables	2,231.00		2,231.00	2,912.49		2,912.49
Other payables	0.57		0.57	0.70		0.70
Borrowings (other than debt securities)	287.94	-	287.94	728.12	-	728.12
Subordinated Liabilities		200.00	200.00		200.00	200.00
Other financial liabilities	18.94	68.40	87.34	5.03	68.52	73.55
Non-financial liabilities						
Provisions	17.96		17.96	0.48	8.95	9.43
Deferred tax liabilities (Net)				0.86		0.86
Other non-financial liabilities	53.98		53.98	34.37	7.14	41.51
Total	2,610.39	268.40	2,878.79	3,682.06	284.61	3,966.67

Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The Company do not have any exposure to foreign exchange rate and equity price risk.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Interest rate risk

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day to-day operations. Further, certain interest bearing liabilities carry variable interest rates

The sensitivity analyses below have been determined based on exposure to financial instruments at the end of the reporting year. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting year was outstanding for the whole year. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows

Average Exposure to interest rate risk

Particulars	As At	As At
	31st March 2024	31st March 2023
Floating rate borrowings	282.41	351.04
Total Borrowings	282.41	351.04

A change of 50bps in interest rates would have following impact on profit before tax

Particulars	As At	As At
	31st March 2023	31st March 2022
Interest rates - increase by 50 basis point (50 bps)	(1.41)	(1.76)
Interest rates - decrease by 50 basis point (50 bps)	1.41	1.76

Credit risk

Credit risk is the risk of financial loss the Company may face due to current/potential inability or unwillingness of a customer or counterparty to meet financial/ contractual obligations. Credit risk also covers the possibility of losses associated with diminution in the credit quality of counterparties. Inadequate collateral may also lead to financial losses in the event of default. The company has adopted a policy of dealing with creditworthy counterparties and obtain sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented in the financial statements.

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio:

As at 31 March 2024

Particulars	Stage 1	Stage 2		Stage 3
	0 -90 DPD	90-180 DPD	180 -365 DPD	365 DPD or more
Gross Carrying Value	68.97	11.73	26.27	323.01
Allowance for ECL	-	5.87	19.71	268.52
ECL Coverage ratio	-	50	75	83

As at 31 March 2023

Particulars	Stage 1	Stage 2		Stage 3
	0 -90 DPD	90-180 DPD	180 -365 DPD	365 DPD or more
Gross Carrying Value	79.25	13.76	27.95	265.81
Allowance for ECL	-	6.88	20.96	265.81
ECL Coverage ratio	-	50	75	100

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Note '33' Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or combination of short term /long term debt as may be appropriate.

Note '34' Events after reporting date

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

Note '35'

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note '36' Loans GIVEN to promoters, Directors, KMP and Related Parties

Type of Borrower	Amount of Loan or advance in the nature of Loan Outstanding	Percentage to the total Loans and Advance in the nature of loans
Promoters	Nil	Nil
Directors	Nil	Nil
KMPs	Nil	Nil
Related Parties	Nil	Nil

Note '37' Utilization of Borrowed Funds and Share Premium

- (A) Where company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary. Loans given Neterwala & VCFPL – Please provide details .

Name of Party	Opening Balance		31.03.2024	Cleared On
VCFL - ICD	Nil	86.11	NIL	

(II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries alongwith complete details of the ultimate beneficiaries.	NIL
(III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries	NIL
(IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003)	As a Service Provider we have NRI trading clients dealing and we have complied with all the applicable regulations applicable.
(B) Where a company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall	
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) Nil or	

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose the following:-	
(I) date and amount of fund received from Funding parties with complete details of each Funding party.	NIL
(II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries alongwith complete details of the other intermediaries' or ultimate beneficiaries.	NIL
(III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries	NIL
(IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).;	NIL

Note '38' If title deeds of the property not in the name of the Company

The company shall provide the details of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company in format given below and where such immovable property is jointly held with others, details are required to be given to the extent of the company's share. **NIL**

Note '39' Ageing wise analysis of Intangible Assets under development

- (i) Intangible assets under development **There are no Intangible Assets under Development**
- (b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given **NOT APPLICABLE**

Details of Benami Property held**There are no Benami Property Transactions**

Where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder, the company shall disclose the following:-

- Details of such property, including year of acquisition,
- Amount thereof,
- Details of Beneficiaries,
- If property is in the books, then reference to the item in the Balance Sheet,
- If property is not in the books, then the fact shall be stated with reasons,
- Where there are proceedings against the company under this law as an abetter of the transaction or as the transferor then the details shall be provided,
- Nature of proceedings, status of same and company's view on same.

Note '40'

Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:-

There are no Borrowings from Banks or Financial Institutions on the basis of security of current assets.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Note '41' Trade Receivables ageing schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
Considered good						
(i) Undisputed Trade receivables	264.57	-	-	-	-	264.57
(ii) Disputed Trade receivables	-	-	-	-	-	-
Considered doubtful						-
(iii) Undisputed Trade Receivables	-	34.56	45.95	50.07	136.44	267.02
(iv) Disputed Trade Receivables	-	0.07	28.18	0.23	185.29	213.77
Total	264.57	34.63	74.13	50.30	321.73	745.36

Note '42' Trade Payables Ageing Schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME - undisputed	-	-	-	-	-
(ii) Others - Undisputed	2,130	14	5	54	2,202.73
(iii) Others - Disputed	-	-	-	29	28.85
Total	2,130	14	5	83	2,231.58

Note '43' Capital Work In Progress

There is no Capital Work in Progress required to be maintained by the company.

Note '44' Relationship with Struck off Companies

The Company does not have any relationship with any of the Struck Off Companies whether under section 248 of the Companies Act or Section 560 of Companies Act, 1956.

Note '45' Wilful Defaulter

The company is not declared as Wilful Defaulter by any Bank or Financial Institution or any other lender.

Note '46' Corporate Social Responsibility (CSR)

The provisions of Corporate Social Responsibility (CSR) are not applicable to the company.

Note '47' DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.

Note '48' UNDISCLOSED INCOME

There are no transactions which are not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Further, there was no unrecorded income and related assets which are required to be recorded in the books of accounts during the year.

Note '49' NO OF LAYERS OF COMPANIES

The company has not made any default on No of layers of companies through which it has invested.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in lakhs unless otherwise stated)

Note '50' Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year				% Change during the year***
S. No	Promoter name	No. of Shares**	%of total shares**	
1	Transwarranty Finance Limited	39253950	53.04	NIL
2	Mrs. C D Padmini Devi	250000	0.34	NIL
3	Mr. Kumar Nair	14177543	19.16	NIL
4	Mrs. Leena Kumar Nair	650010	0.88	NIL
Total		54331503	73.41	NIL

For **S S KHAN & CO**
Chartered Accountants
(FRN: 133324W)

For and on behalf of Board of Directors

Sarfaraz Khan
Proprietor
Membership No.: 144212

Kumar Nair
Chairman
DIN.00320541

U. Ramachandran
Managing Director
DIN.00493707

George Mampillil
Director & CFO
DIN.01976386

Aniket Malekar
Company Secretary

Place: Mumbai
Date: April 30, 2024

Place: Kochi
Date: April 30, 2024



FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ Associate companies/ Joint ventures.

Part- A Subsidiaries

(Amount in Rs)

S.No.	Particulars	
1	Name of the Subsidiary	Vertex Commodities And Finpro Private Limited
2	The date since when subsidiary was acquired	18-07-2008
3	Reporting Period for the subsidiary concerned, if different from the Holding Company's reporting period	01-04-2023 To 31-03-2024
4	Reporting Currency & Exchange Rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
5	Share Capital	3,86,15,000
6	Reserves & Surplus	(1,51,59,746)
7	Total Assets	4,95,62,371
8	Total Liabilities	4,95,62,371
9	Investments	-
10	Turnover	38,75,347
11	Profit/(Loss) before Taxation	9,48,603
12	Provision For Taxation	-
13	Profit / (Loss) after Taxation	8,55,378
14	Proposed Dividend	Nil
15	% of Share Holding	61.15%

Notes:-

- 1) There are no subsidiaries which are yet to commence operations
- 2) Names of Subsidiaries which have been liquidated or sold during the Year: Nil
- 3) The company has no Associates Companies and Joint Ventures.

As per our attached report of even date

For S.S. Khan & Co

Chartered Accountants

Sarfراز Khan

Partner

Mumbai

August 8, 2024

For and on behalf of Board of Directors

Kumar Nair

Chairman
DIN 00320541

Geroge Mampillil

Director And CFO
DIN 01976386

U.Ramachandran

Managing Director
DIN 00493707

Aniket Malekar

Company Secretary and
Compliance Officer

TRANSWARRANTY FINANCE LIMITED (Holding Company)

Transwarranty Finance Limited (TFL) is a RBI registered full service Investment Bank providing a wide range of Financial Services to over 1000 large and mid cap companies and thousands of retail clients all over India since 1994.

Investment Banking

- Mergers and Acquisitions
- Venture Capital
- Private Equity
- International Capital Markets through FCCB / ADR / GDR / AIM listing
- Joint Ventures (Indian / International)
- Corporate Advisory Services
- Business Re-Structuring

Corporate Finance

- Structured Finance
- Rupee / Foreign Currency Loans
- External Commercial Borrowing (ECB)
- Working Capital Facilities from Banks
- Acquisition Finance both in India and abroad
- Stressed Assets Finance
- Debt Re-structuring

Trade Finance

- LC Bills Discounting
- Clean Bills Discounting
- Inter Corporate Deposits
- Unsecured Working Capital Loan
- Import and Export Finance (Supplier's / Buyer's Credit)

Project Finance

- Financial Structuring
- Project Report and Financial Feasibility Study
- Raising Project Equity
- Raising Project Loans both in Rupee and Foreign Currency

Online Personal Loans

Online Consumer Loans

Vertex Securities Limited, provides investors with access to financial products through our online platform and mobile applications. We are Premium Wealth Managers with hybrid business model of combining high end technology and personalised service. Commenced operations in 1993 and has, since then, evolved into a major fintech player. Today, it is among India's emerging , technology-driven financial service companies. We are registered with SEBI as a stock broker, depository participant, research analyst and Merchant Banker, with AMFI as a mutual fund distributor, and with IRDAI as a Corporate Agent for Insurance distribution. Our technology platforms have been developed keeping different customer needs in mind and are immensely scalable to accommodate evolving requirements. We are listed on Bombay Stock Exchange since 1997 and We are the first National stock exchange (NSE) member from Kerala

Broking Services

- ★ Online and offline support
- ★ State of the art trading platform
- ★ Fundamental research on stocks, Technical research & Commodity research reports
- ★ Margin Trading Funding
- ★ Depository Services

Financial Advisory & Distribution

- ★ SEBI registered investment advisor
- ★ Customised solutions and personalized service
- ★ Extensive distribution network collaboration for -
 - ★ Mutual Fund
 - ★ Life Insurance
 - ★ Health Insurance
 - ★ General Insurance

Merchant Banking

- ★ SEBI licensed Category 1 Merchant Banker
- ★ Enabling SME/ corporates to tap the equity market.
- ★ Right issue/ IPO, valuation certifications etc.

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BSE TM Code: 3188 |MCX TM Code: 57160 NSDL: DP ID: IN 301811 | MFI Regn No: ARN-78627
| CIN : L67120KL1993PLC007349

