

INDSEC SECURITIES AND FINANCE LIMITED

Registered Office: 301/302, "215 Atrium", A Wing, Andheri Kurla Road, Chakala, Andheri (East), Mumbai – 400 093

Email id: co@indsec.co.in **Tel. No.:** 022 6114 6100 **Website:** www.indsec.co.in

CIN: U67120MH1993PLC073185



NOTICE OF 28TH ANNUAL GENERAL MEETING

Notice is hereby given that the **Twenty Eighth Annual General Meeting** ("AGM") of the Members of Indsec Securities and Finance Limited will be held at a shorter notice on **Friday, May 21, 2021**, at **4.00 p.m. IST** through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jayechund Jingree (DIN: 00265671), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To approve remuneration of Mr. Nandkishore Gupta (DIN: 00265330), Managing Director of the Company:**

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

"RESOLVED THAT pursuant to the provisions of Section 197 and 198 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded for the payment of remuneration to Mr. Nandkishore Gupta (DIN: 00265330), the Managing Director, for the remaining period of his tenure i.e. 2 (two) years with effect from June 01, 2021 to May 31, 2023 as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board") including any Committee of the Board, to alter and vary the amount or terms of the said remuneration as it may deem fit and as may be acceptable to Mr. Nandkishore Gupta, subject to the provisions specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as they may in their absolute discretion deem necessary, expedient, proper or desirable, to give effect to this resolution."



4. To approve remuneration of Mrs. Maya Gandhi (DIN: 00265471), Whole-time Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 197 and 198 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members be and is hereby accorded for the payment of remuneration to Mrs. Maya Gandhi (DIN: 00265471), the Whole-time Director, for the remaining period of her tenure i.e. 2 (two) years with effect from June 01, 2021 to May 31, 2023 as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board”) including any Committee of the Board, to alter and vary the said terms of remuneration as it may deem fit and as may be acceptable to Mrs. Maya Gandhi, subject to the provisions specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as they may in their absolute discretion deem necessary, expedient, proper or desirable, to give effect to this resolution.”

5. To acquire by way of subscription, purchase or otherwise the securities of any other body corporate in excess of the limits prescribed in Section 186 of the Companies Act 2013.

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

“RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Companies Act, 2013 (including any statutory modification, amendment or re-enactment thereof for the time being in force), and in supersession of all the previous resolutions passed by the members in this regard, the approval of the members 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, unless the context otherwise requires, any Committee which the Board may have constituted or hereinafter constitute or any officer(s) authorised by the Board to exercise the powers conferred on the Board by this Resolution) to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, from time to time and in such a manner, as the Board of Directors in their absolute discretion deem beneficial and in the interest of the Company, upto an aggregate sum of Rs. 300 crores (Rupees Three Hundred Crores) notwithstanding that such aggregate amount of investments so far made, along with the investments proposed to be made by the Board may exceed the limits specified under Section 186 from time to time.



RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things as they may in their absolute discretion deem necessary, expedient, proper or desirable, to give effect to this resolution.”

**By order of the Board of Directors
For Indsec Securities and Finance Limited**

**Siddheshwar Thorat
Company Secretary
(Mem No.: A57378)**

Place: Mumbai

Date: May 18, 2021

Registered Office:

301/302, “215 Atrium”, A Wing,
Andheri Kurla Road, Chakala,
Andheri (East), Mumbai – 400 09



NOTES:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.

2. General instructions for accessing and participating in the 28th AGM through VC/OAVM Facility and voting at the meeting:-

- a. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively and by General Circular No. 02/2021 dated 13th January 2021, allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 ("MCA Circulars"). In compliance with these Circulars and provisions of the Act, the 28th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 28th AGM shall be the Registered Office of the Company.
- b. In terms of the above-mentioned MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 28th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 28th AGM through VC/OAVM Facility and e-Voting during the 28th AGM.
- c. Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
- d. Members attending the Meeting through VC/OAVM will be counted for the purposes of reckoning of Quorum under Section 103 of the Companies Act, 2013.
- e. Corporate Members are requested to provide a copy of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act.
- f. Members may join the 28th AGM through VC/OAVM Facility by following the procedure, as mentioned below:

- (i) The AGM shall be held through Zoom Video-conferencing and the members shall be able to participate in the AGM by using Zoom Meeting Credentials as follows:

Meeting ID: 982 002 1969

Passcode: 26245125

To join the meeting member shall ensure that Zoom application is installed on their device. First launch the Zoom application. Then click on 'Join' and enter the above-mentioned



meeting ID. Enter the above-mentioned passcode for the meeting.

Alternatively, the members can also join directly by clicking on the Zoom Video-conferencing link given below:

<https://us02web.zoom.us/j/9820021969?pwd=UXozaUpMVDVSMmgxU2FoT0d6Z1Y0UT09>

- (ii) The above link shall be activated at 3.45 p.m. IST i.e. 15 minutes before the start of the AGM on May 21, 2021. Members can join the AGM once the link is activated and may contact the technical team at it@indsec.co.in /022 6114 6130 in case of any technical difficulties.
 - (iii) Once the request has been received from a member to join the AGM, the team shall promptly enable the access to the AGM. On joining the meeting, the member shall state his/her name and Folio No./ DP Id & Client Id for the purpose of recording the attendance. The member shall also confirm that the Audio & Video of the meeting is clearly accessible to him/her.
 - (iv) Members are advised to use Internet with a good speed and stable connection to avoid any disturbance or technical glitches during the meeting.
- g. The chairman may decide that the voting by members on the resolutions to be passed at the meeting shall be done by way of show of hands unless a voting on poll is demanded. In case the voting on poll is demanded, the members shall cast their vote during the meeting by sending an email at sthorat@indsec.co.in.
3. The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 and all the documents referred to in the Notice and accompanying explanatory statement will be available electronically for inspection by the members without any fee from the date of circulation of this Notice till the conclusion of the AGM. Members seeking to inspect such documents can send an email to sthorat@indsec.co.in.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 and SECRETARIAL STANDARD 2 ON GENERAL MEETINGS

The following statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3:

The members at the 25th Annual General Meeting of the company held on May 11, 2018 had approved the re-appointment of Mr. Nandkishore Gupta (DIN: 00265330) as the Managing Director, for a period of 5 (five) years with effect from June 01, 2018. The remuneration payable to Mr. Nandkishore Gupta as Managing Director of the Company was approved for a period of 3 (three years) with effect from June 01, 2018.

Subject to the approval of the members, the Board of directors of the Company at its meeting held on May 11, 2021 has approved the remuneration of Mr. Nandkishore Gupta (DIN: 00265330), Managing Director for a period of 2 (two) years with effect from June 01, 2021, as approved & recommended by the Nomination and Remuneration Committee of the Board at its meeting held on May 11, 2021.

The Broad particulars of terms of remuneration payable to Mr. Nandkishore H. Gupta for the period of 2 (two) years with effect from June 1, 2021 are as under:

An overall remuneration of up to ₹1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) per annum inclusive of medical reimbursements, leave travel allowance (LTA) and other usual benefits as per the rules of the Company;

(a) Salary

- i. Gross Salary In the range of ₹1,00,000/- (Rupees One Lac only) per month to ₹4,00,000/- (Rupees Four Lacs only) per month including allowances such as House Rent Allowance, Leave Travel Allowance, Special Allowance, etc.
- ii. An additional Performance Linked Bonus within overall remuneration limit.

(b) Perquisites

- i. Medical Allowance/ Reimbursement of medical expenses for himself in the range of ₹15,000/- (Rupees Fifteen Thousand only) to ₹2,00,000/- (Rupees Two Lacs only) per annum.
- ii. Provision/ Reimbursement/ Payment of expenses for Mobile Phone and/or Landline Telephone and Broadband Internet at the residence for official use.
- iii. Provision of car with driver by the company or reimbursement of Conveyance/motor car expenses for official purposes.



Explanation: Perquisites/allowances shall be valued as per Income Tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

- (c) All other terms and privileges or facilities will be provided to him in accordance with the standard rules of the Company applicable to the senior executives of the Company.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the remuneration payable to Mr. Nandkishore Gupta as decided by the Board is required to be approved by the members at their meeting due to inadequacy of profits.

The Company has no borrowings and public deposits and therefore, there is no default in repayment of any of its debt including public deposits or debentures and interest payable thereon in the past one year.

Mr. Nandkishore Gupta is a fellow member of the Institute of Chartered Accountants of India and holds a Bachelors' Degree in Commerce. He has more than 41 years of overall experience out of which more than 31 years of experience is in capital markets. He has been on the Board of the company since the year 1994. He is not a director in any other Company.

None of the Directors or Key Managerial Personnel, except Mr. Nandkishore Gupta are in any way concerned or interested in the resolution set out at item no. 3. Mr. Nandkishore Gupta is not related to any other Director or KMP of the Company. The relatives of Mr. Nandkishore Gupta may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the Company.

The Board of Directors recommend passing of the special resolution as set out at item no. 3.

Item No. 4:

The members at the 25th Annual General Meeting of the company held on May 11, 2018 had approved the re-appointment of Mrs. Maya Gandhi (DIN: 00265471) as the Whole-time Director, for a period of 5 (five) years with effect from June 01, 2018. The remuneration payable to Mrs. Maya Gandhi as Whole-time Director of the Company was approved for a period of 3 (three years) with effect from June 01, 2018.

Subject to the approval of the members, the Board of directors of the Company at its meeting held on May 11, 2021 has approved the remuneration of Mrs. Maya Gandhi (DIN: 00265471), Managing Director for a period of 2 (two) years with effect from June 01, 2021, as approved & recommended by the Nomination and Remuneration Committee of the Board at its meeting held on May 11, 2021.

The Broad particulars of terms of remuneration payable to Mrs. Maya Gandhi for the period of 2 (two) years with effect from June 1, 2021 are as under:



An overall remuneration of up to ₹15,00,000/- (Rupees Fifteen Lacs only) per annum inclusive of medical reimbursements, leave travel allowance (LTA) and other usual benefits as per the rules of the Company;

(a) Remuneration

- i. Gross remuneration in the range of ₹35,000/- (Rupees Thirty Five Thousand only) per month to ₹75,000/- (Rupees Seventy Five Thousand only) per month including allowances such as House Rent Allowance, Leave Travel Allowance, Special Allowance, etc.
- ii. An additional Performance Linked Bonus within overall remuneration limit.

(b) Perquisites

- i. Medical Allowance/ Reimbursement of medical expenses for himself in the range of ₹15,000/- (Rupees Fifteen Thousand only) to ₹50,000/- (Rupees Fifty Thousand only) per annum.
- ii. Provision of Mobile Phone expenses for official use.
- iii. Provision of car with driver by the company or reimbursement of Conveyance/motor car expenses for official purposes.

Explanation: Perquisites/allowances shall be valued as per Income Tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

- (c) All other terms and privileges or facilities will be provided to her in accordance with the standard rules of the Company applicable to the senior executives of the Company.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the remuneration payable to Mrs. Maya Gandhi as decided by the Board is required to be approved by the members at their meeting due to inadequacy of profits.

The Company has no borrowings and public deposits and therefore, there is no default in repayment of any of its debt including public deposits or debentures and interest payable thereon in the past one year.

Mrs. Maya Gandhi holds a Bachelor of Commerce Degree from Mumbai University. She has more than 32 years of experience in the capital markets. She has earlier worked with BSE Limited in the Inspection Department. She joined the Company in the year 1994 as a Manager – Compliance & Regulations and was appointed as a Whole-time Director of the Company in the year 1999. She is not a director in any other Company.

None of the Directors or Key Managerial Personnel, except Mrs. Maya Gandhi are in any way concerned or interested in the resolution set out at item no. 4. Mrs. Maya Gandhi is not related to any other Director or KMP of the Company.



The Board of Directors recommend passing of the special resolution as set out at item no. 5.

Information pursuant to Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2)

Details to be given in all cases relating to the appointment or re-appointment and/or fixation of remuneration of Directors including Managing Director or Executive Director or Whole-time Director or of Manager or variation of the terms of remuneration

Name of the Director	Mr. Nandkishore Gupta	Mrs. Maya Gandhi
Age	61 years	53 years
Qualifications	B.Com (Hons.), FCA	B.Com
Experience	41 years	32 years
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As specified in the above paragraphs	As specified in the above paragraphs
Remuneration last drawn (FY 20-21)	Approved: Rs. 75 Lacs Actual paid: 59.62 Lacs	Approved: Rs. 75 Lacs Actual paid: 11.10 Lacs
Date of first appointment on the Board	26/10/1994 (As Managing Director: 01/07/2000)	01/04/1999
Shareholding in the company as on 31st March, 2021	38,370 Equity Shares (Karta of M/s. Nandkishore Harkishanlall Gupta HUF which is holding 58,90,064 Equity Shares)	1 Equity Share
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Not having any relationship with other Directors, Manager and other Key Managerial Personnel of the company	Not having any relationship with other Directors, Manager and other Key Managerial Personnel of the company
Number of Meetings of the Board attended during the year	4 out of 4 Board meetings held during the year	4 out of 4 Board meetings held during the year
Directorship in other companies as on 31st March, 2021	No other Directorship	No other Directorship
Membership/ Chairmanship of Committees of other Boards	No Membership/ Chairmanship of Committees of other Boards	No Membership/ Chairmanship of Committees of other Boards



The above may also be treated as an abstract of the terms of appointment of the Managing Director and Whole Time Director as required under Section 190 of the Companies Act, 2013.

The statement containing information pursuant to Section II under Part II of Schedule V of the Companies Act, 2013 is given as follows:

I. General information:		
1.	Nature of industry	Service Industry
2.	Date or expected date of commencement of commercial production (Business)* - There is no commercial production.	Date of Commencement of Business is 17 th August, 1993.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4.	Financial performance based on given indicator:	For the Year ended 31.03.2021 (Rs.) (In Lacs) 1. Total Income: Rs. 5,79,77,305 2. Net Profit Before Depreciation and Tax: Rs. 99,90,885 3. Net Profit Before Tax: Rs. 90,71,600 4. Net Profit after Tax: Rs. 64,44,386
5.	Foreign investments or collaborations, if any.	M/s. Fednav International Limited, Mauritius holds 70.56% of the paid-up capital (only by way of preference shareholding) of the Company. Apart from that Company does not have any foreign collaboration.
II. Information about the appointee:		
1.	Background Details	Mr. Nandkishore Gupta
		Mrs. Maya Gandhi
2.	Past Remuneration (FY 2020-21)	Mr. Nandkishore H. Gupta is a fellow member of the Institute of Chartered Accountants of India and holds a Bachelors' Degree in Commerce. He has more than 41 years of overall experience out of which more than 31 years of experience is in capital markets. He is on the Board of the Company since the year 1994.
		Mrs. Maya Gandhi holds a Bachelor of Commerce Degree from Mumbai University. She has an overall experience of 32 years in the capital markets. She has earlier worked with BSE Ltd. In the inspection department. She joined the Company in the year 1994 as a Manager-Compliance and Regulations and was appointed as the whole-time director of the Company in the year 1999.
		Approved: Rs. 75 lacs
		Approved: Rs. 15 lacs
		Actual: Rs. 59.62 lacs
		Actual: Rs. 11.10 lacs
3.	Recognition or Rewards	The Company is pioneer in research-based equity investment advisory services. It has a strong network and good contacts in the



		market and is empanelled with a large number of domestic institutions, banks and mutual funds. Besides this its list of clients includes select few FII's and HNI clients both Resident & Non-resident.	
4.	Job profile and his suitability	Mr. Nandkishore Gupta He is the Managing Director of the Company and has been the Designated Director with the Stock Exchanges. He has been devoting full time to the business development and the management of the affairs of the Company on a day to day basis since 1994 and exercises powers under the supervision and superintendence of the Board of the Company.	Mrs. Maya Gandhi She is the Whole-time Director of the Company and also assigned as Designated Director under relevant SEBI Regulations. She devotes whole time attention to the day to day operations of the Company and works towards increasing the business of the Company.
5.	Remuneration proposed	Mr. Nandkishore Gupta Upto: Rs 1.25 Crore	Mrs. Maya Gandhi Upto: Rs 15 Lacs
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the nature of industry and responsibilities shouldered in terms of enhanced business activities of the Company and intricacies and complexities of services rendered, the proposed remuneration is in line with peers and comparable with industry standards in general.	
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Nandkishore Gupta Mr. Gupta, apart from drawing remuneration as the Managing Director of the Company, along with relatives as specified under section 2(77) of the Companies Act, 2013, holds 29.44% of Paid-up capital of the Company (100% of Equity Share Capital of the Company)	Mrs. Maya Gandhi Mrs. Maya Gandhi does not have any pecuniary relationship with the Company except remuneration drawn as a Whole-Time Director.
III. Other information:			
1.	Reasons of loss or inadequate profits	The fall in mutual fund distribution income in the current financial year coupled with the uncertainties associated with Covid-19 Pandemic have resulted in decline in profit and the consequent insufficiency to pay to remuneration within the limits under Section 197 of the Companies Act, 2013.	



2.	Steps taken or proposed to be taken for improvement	The Company has continued to operate strongly amidst the challenges posed by Covid-19 Pandemic and has successfully increased the income from secondary market broking operations in the financial year ended 31 st March, 2021 by 62.98% as compared to the previous financial year.
3.	Expected increase in productivity and profits in measurable terms.	The profits of the Company are expected to rise in future with the growth in income from secondary market operations.

Item No. 6:

The company has been making the investments in other Body Corporates in compliance with the provisions of the Companies Act and rules made thereunder as amended from time to time.

The provisions of Section 186(2) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

Further, Section 186(3) provides that where the giving of any loan or guarantee or providing any security or the acquisition of securities of any body corporate as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required.

The Company is engaged in the capital markets activities namely stock broking and depository services. The company acquires by way of subscription, purchase or otherwise the securities of other body corporates from time to time and due to nature of its business a large proportion of the total assets of the company is held in the form of investments.

The Board of Directors of the company at their meeting held on May 11, 2021 accorded their approval and passed a resolution to obtain approval of the members of the company to authorize the Board to make investments in the securities of other body corporates in excess of the limits as specified under Section 186 upto an aggregate sum of Rs. 300 crores (Rupees Three Hundred Crores).

In view of the aforesaid, it is proposed to take approval of the members by way of special resolution, to authorize the Board to make investments in excess of the limits as specified under Section 186 of the Companies Act, 2013, upto a limit of Rs.300 Crores (Rupees Three Hundred Crores), as proposed in the Notice.



The proposed resolution shall supersede all the previous resolutions passed by the members of the company from time to time in this regard either under the Companies Act, 1956 or the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution except to the extent of their directorships and shareholding in the body corporate(s) in which investments may be made pursuant to this Special Resolution.

The Board of Directors recommend passing of the special resolution as set out at item no. 6.

**By order of the Board of Directors
For Indsec Securities and Finance Limited**

**Siddheshwar Thorat
Company Secretary
(Mem. No. : A57378)**

Place: Mumbai

Date: May 18, 2021

Registered Office:

301/302, "215 Atrium", A Wing,
Andheri Kurla Road, Chakala,
Andheri (East), Mumbai – 400093