

Notice

Extra Ordinary General Meeting

NOTICE is hereby given that an Extra-Ordinary General Meeting of the Members of Reliance Securities Limited will be held on Thursday, December 26, 2019 at 9.00 a.m. at Meeting Room 6, Reliance Centre, Off Western Express Highway, Santa Cruz (East), Mumbai - 400 055 to transact the following special business at a shorter notice:-

Special Business:

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

“RESOLVED THAT in terms of the recommendation of the Nomination and Remuneration Committee of the Board and pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and subject to all such approvals, consents and sanctions, as may be necessary, the consent of the Company be and is hereby accorded to the appointment of Mr. Lav Chaturvedi as a Whole-time Director (designated as Executive Director & CEO), for a period of 5 (five) years commencing from October 11, 2019 on the terms and conditions (including those relating to remuneration) as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and /or remuneration as it may deem fit and as may be acceptable to Mr. Lav Chaturvedi, subject to the same not exceeding the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactment(s) thereof.

RESOLVED FURTHER THAT in partial modification of the earlier resolution passed in the matter of the terms and conditions of appointment (including those relating to remuneration) at the extraordinary general meeting held on December 24, 2019, in event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Lav Chaturvedi as a Whole-time Director (designated as Executive Director & CEO), the remuneration and perquisites be paid or granted to him as minimum remuneration and perquisites for a period of three years from the date of appointment, provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule V to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

NOTES:

- 1) Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.
- 2) **A Member entitled to attend and vote at the Meeting is entitled to appoint a PROXY to attend and vote on a poll, instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the Meeting. A Proxy form is sent herewith.**
- 3) Members/ Proxies are requested to bring their duly filled attendance slip sent herewith to the meeting.
- 4) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of their board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- 5) Members who hold the shares of the Company in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
- 6) The route map of the venue forms an integral part of the Notice. The prominent landmark for the venue is also enclosed therein.

**By Order of the Board
For Reliance Securities Limited**



Company Secretary

Date: December 24, 2019

Place: Mumbai

Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Item No. 1 of the Notice dated December 24, 2019

Mr. Lav Chaturvedi was appointed as an Additional Director of the Company with effect from October 11, 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013 (the "Act").

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meetings held on October 11, 2019, have, subject to the approval of the Members in the general meeting, appointed Mr. Lav Chaturvedi as a Whole-time Director of the Company, liable to retire by rotation and designated as Executive Director & CEO for a period of 5 (five) years commencing from October 11, 2019 on the terms and conditions including remuneration as shall be decided by the Board from time to time.

The members of the Company have also approved the appointment and the terms and conditions of appointment (including those relating to remuneration) by way of an ordinary resolution at their Meeting held on December 24, 2019.

However, as and by way of abundant caution and with a view to obviate any uncertainty in the terms and conditions of appointment (including those relating to remuneration) it has been thought fit to seek the approval of the members of the Company for the appointment and the terms and conditions of appointment (including those relating to remuneration) as and by way of a special resolution. It is further clarified that in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Lav Chaturvedi as a Whole-time Director (designated as Executive Director & CEO), the remuneration and perquisites be paid or granted to him as minimum remuneration and perquisites for a period of three years from the date of appointment, provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule V to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force. Approval of the members of the Company shall be further sought before the expiry of the said term of three years for the purpose of payment of remuneration during the remaining tenure of his appointment.

The remuneration payable to and the terms of appointment of Mr. Lav Chaturvedi as a Whole – time Director (designed as Executive Director & CEO) of the Company during the tenure of his appointment will comprise salary, allowances and other perquisites, the aggregate monetary value of such salary, allowances and perquisites being limited to Rs.3.00 crore per annum, plus discretionary bonus and stock options as may be decided by the Nomination and Remuneration Committee/ Board from time to time.

The perquisites and allowances payable to Mr. Lav Chaturvedi will include Company owned / Leased Accommodation (furnished or otherwise) or House Rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses and/or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical reimbursements, leave travel concession for self and his family including dependants; medical insurance and such other perquisites and/or allowances within the amount specified above. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any Rules made thereunder (including any statutory

modification(s) or re-enactment(s) thereof, for the time being in force). However, Company's contribution to Provident Fund, Superannuation or Annuity Fund to the extent these singly or together are not taxable under the Income Tax Act, 1961 and Gratuity payable and encashment of leave at the end of the tenure, as per the rules of the Company, shall not be included in the computation of limits for the remuneration.

Mr. Lav Chaturvedi fulfills the conditions for eligibility contained Part I of Schedule V to the Companies Act, 2013 (the "Act").

The Board or any Committee thereof, subject to requisite approval(s), if necessary, is entitled and authorized to revise at any time, the salary, allowances and perquisites payable to the Whole time Director of the Company such that the overall remuneration payable to the Whole time Director of the Company shall not exceed the limits specified above.

The terms and conditions for appointment including payment of remuneration may be altered and varied from time to time by the Board / Nomination and Remuneration Committee as it may, at its discretion, deem fit within the overall ceiling fixed herein.

The terms and conditions mentioned herein may also be treated as an abstract under Section 190 of the Act.

The other Information as required under Section II of Part II of Schedule V to the Companies Act, 2013, is given below:-

I	General Information				
i.	Nature of industry	Stock Broker / Financial Services			
ii.	Date or expected date of commencement of commercial production	Not applicable			
iii.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable			
iv.	Financial performance based on given indicators:	(Rupees in Lakhs)			
		Particulars	For the financial year ended		
			March 31, 2019	March 31, 2018	March 31, 2017
		Total Income	28,760	25,217	20,854
		Depreciation	783	661	584
		Total Expenses	25,816	21,558	20,293
	Net Profit (after tax)	2,284	2,929	(20.00)	

		<table border="1"> <tbody> <tr> <td>Paid up Capital</td> <td>23,500</td> <td>23,500</td> <td>22,500</td> </tr> <tr> <td>Reserves & Surplus</td> <td>(10,295)</td> <td>(6,420)</td> <td>(9,349)</td> </tr> <tr> <td>Earning per equity share face value of Rs. 10/- each fully paid up</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Basic (Rs.)</td> <td>1.09</td> <td>4.99</td> <td>(3.70)</td> </tr> <tr> <td>Diluted (Rs.)</td> <td>1.04</td> <td>4.99</td> <td>(3.70)</td> </tr> </tbody> </table>	Paid up Capital	23,500	23,500	22,500	Reserves & Surplus	(10,295)	(6,420)	(9,349)	Earning per equity share face value of Rs. 10/- each fully paid up				Basic (Rs.)	1.09	4.99	(3.70)	Diluted (Rs.)	1.04	4.99	(3.70)
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v.	Foreign investments or collaborations, if any	Nil																				
II.	Information about the appointee																					
i	Background details	<p>Mr. Lav Chaturvedi, aged about 44 years, is an MBA from Syracuse University, New York. He is also a Chartered Financial Analyst from the CFA Institute, USA. He has been with the Reliance ADA Group for over a decade and has made several valuable contributions to the franchise, including obtaining regulatory approvals for Group initiatives, stake sale in existing businesses such as Asset Management, incubating and monitoring new initiatives, both onshore and offshore, strategic mandates for acquisitions, working closely with regulators and Board members for robust policy, risk management framework and governance processes across businesses.</p>																				
ii	Past remuneration	-																				
iii	Recognition or awards	-																				
iv	Job profile and his suitability	<p>As a whole-time director, Mr. Lav Chaturvedi will have substantial powers of management and will devote his whole time and attention to the management of the day-to-day affairs of the Company.</p> <p>Having been associated with the financial services industry since more than a decade, he is best suited for the position of a whole-time director.</p>																				
v	Remuneration proposed	The remuneration proposed is as per details given above.																				
vi	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in	The proposed remuneration is commensurate with the prevailing remuneration in the industry of similar size for similarly placed persons.																				

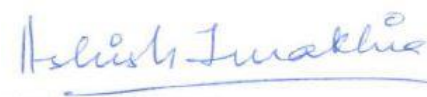
	case of expatriates the relevant details would be with respect to the country of his origin)	
vii	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Lav Chaturvedi has no pecuniary relationship directly or indirectly with the Company other than his remuneration in the capacity of a Whole –time Director. Mr. Lav Chaturvedi is not related to any of the managerial personnel.
III	Other information	
i	Reasons of loss or inadequate profits	The Company has made operational profit during financial year 2018-2019. However due to a high amount of expected credit loss (ECL) provisioning of a non-recurring nature, the quantum of profit is lower than expected.
ii	Steps taken or proposed to be taken for improvement	Way forward-the business focus will be on the following to increase the profitability: 1)Increasing income from Broking and Distribution business through digital adoption, increasing in customer base, new tie ups for distributions of financial product and increasing partners network. 2) Proprietary trading, structured products and on advisory income. 3) Cost control and cost optimization.
iii	Expected increase in productivity and profits in measurable terms	With an increase in focus on the above business initiatives and cost control, the Company is expecting to increase its profitability substantially in the next 3 to 5 years.

The terms and conditions of appointment of Mr. Lav Chaturvedi shall be open for inspection by the Members at the Registered Office of the Company during normal business hours upto the time of the commencement of the Meeting.

Mr. Lav Chaturvedi is interested in the resolution set out at Item No. 1 of the Notice in regard to his appointment. Save and except Mr. Lav Chaturvedi and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this resolution.

The resolution is in the interest of the Company and the Board accordingly commends the special resolution set out at Item No. 1 of the accompanying Notice for the approval of the Members.

**By Order of the Board
For Reliance Securities Limited**



Company Secretary

Date: December 24, 2019

Place: Mumbai

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Reliance Securities Limited

Registered Office: Reliance Centre, 4th Floor, North Wing, Off Western Express Highway,
Santa Cruz (East), Mumbai 400 055

CIN: U65990MH2005PLC154052 [Tel.: +91 22 3303 4001, Fax.: +91 22 3303 4663]

**ATTENDANCE SLIP
EXTRA ORDINARY GENERAL MEETING**

*DP ID. / Client ID.		Name and Address of the registered Shareholder	
Regd. Folio No.			
No. of Share(s) held			

(* Applicable for members holding share(s) in electronic form)

I /We hereby record my/our presence at the **Extra-Ordinary General Meeting** of the Members of Reliance Securities Limited held on Thursday, December 26, 2019 at 09.00 a.m. at Meeting Room 6, Business Centre, Ground Floor, Reliance Centre, Off Western Express Highway, Santa Cruz (East), Mumbai - 400 055

Member's/Proxy's Signature

Note: Please complete this and hand it over at the entrance of the venue.

Reliance Securities Limited

Registered Office: Reliance Centre, 4th Floor, North Wing, Off Western Express Highway,
Santa Cruz (East), Mumbai 400 055

CIN: U65990MH2005PLC154052 [Tel.: +91 22 3303 4001, Fax.: +91 22 3303 4663]

Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) :			
Registered Address :			
E-mail Id :			
*DP ID. / Client ID.		Regd. Folio No.	

(* Applicable for members holding share(s) in electronic form)

I / We, being the member(s) of shares of the above named company, hereby appoint:

1.Name.....Address:.....

E-mail Id:Signature.....or failing him

2.Name.....Address:.....

E-mail Id:Signature.....or failing him

3.Name.....Address:.....

E-mail Id:Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Extra Ordinary General Meeting** of the Members of the Company to be held on Thursday, December 26, 2019 at 09.00 a.m. at Meeting Room 6, Business Centre, Ground Floor, Reliance Centre, Off Western Express Highway, Santa Cruz (East), Mumbai - 400 055 and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution number and Matter of Resolution	For	Against
1. To appoint Mr. Lav Chaturvedi (DIN:02859336) as a Whole-time Director of the Company.		

Signed this _____ day of _____, 2019.

Signature of the Shareholder(s) _____

Affix Revenue Stamp

Signature of Proxy holder(s) _____

Note: This form of Proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, {not less than 48 hours before the meeting}

Route Map to the EGM Venue

