



**VST Industries Limited**

14<sup>th</sup> November, 2024

The General Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
**Mumbai – 400 001**  
STOCK CODE : 509966

The Manager  
Listing Department  
National Stock Exchange India Ltd.  
“Exchange Plaza”  
Bandra Kurla Complex, Bandra (E)  
**Mumbai – 400 051**  
STOCK SYMBOL : VSTIND

Dear Sir/Madam,

**Sub : Postal Ballot Notice – Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

Further to our letter dated 5<sup>th</sup> November, 2024 and in terms of Regulation 30 of the SEBI Listing Regulations, please find enclosed a copy of the Postal Ballot Notice sent to the shareholders of the Company for their approval in pursuance of Section 110, 108 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI Listing Regulations, General Circular No.09/2024 dated 19<sup>th</sup> September, 2024 in continuation to the circulars issued earlier in this regard by the Ministry of Corporate Affairs, Government of India.

The Notice of the Postal Ballot has been sent to the Members through email only, whose names appear in the Register of Members/Beneficial Owners as on Friday, 8<sup>th</sup> November, 2024 (cut off date).

The remote e-voting period commences at 9.00 a.m. (IST) on Saturday, 16<sup>th</sup> November, 2024 and ends at 5.00 p.m. (IST) on Sunday, 15<sup>th</sup> December, 2024. The results of the Postal Ballot will be declared within 2 working days from the end of the evoting period.

The Notice is also uploaded and accessible on the website of the Company, [www.vsthyd.com](http://www.vsthyd.com).

We request you to take the above on record.

Thanking you,

Yours faithfully  
For VST INDUSTRIES LIMITED

PHANI K. MANGIPUDI  
Company Secretary &  
Vice President- Legal & Secretarial

Encl : As above



VST Industries Limited

## **VST INDUSTRIES LIMITED**

**Regd. Office:** Azamabad, Hyderabad – 500 020, Telangana.

Phone: 91-40-27688000

Email: investors@vstind.com, website: www.vsthyd.com.

CIN: L29150TG1930PLC000576

### **POSTAL BALLOT NOTICE**

[Pursuant to Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 each as amended]

Dear Member(s),

NOTICE is hereby given pursuant to the provisions of Section 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013, as amended (“the Act”) and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (“SS-2”), as amended, read with the General Circular No.09/2024 dated 19<sup>th</sup> September, 2024 issued by the Ministry of Corporate Affairs in continuation to the circulars issued earlier in this regard and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3<sup>rd</sup> October, 2024 issued by Securities and Exchange Board of India (“SEBI”), (hereinafter collectively referred to as “the Circulars”), and any other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), that the proposed Special resolution as appended below be passed by the Members of VST Industries Limited (“the Company”) [as on the Cut-Off Date], through postal ballot [“the Postal Ballot”] only by way of voting through electronic means (“remote e-voting”) :

1. Re-designation and appointment of Mr. Naresh Kumar Sethi (DIN: 08296486), Non-Executive Director & Chairman as an Executive Chairman & Whole-time Director of the Company, for a term of five (5) years commencing from 5<sup>th</sup> November, 2024

The Statement pursuant to Section 102(1) of the Act setting out all material facts relating to the Special resolution mentioned in this Postal Ballot Notice is annexed hereto. The Postal Ballot Notice will also be placed on the website of the Company at [www.vsthyd.com](http://www.vsthyd.com) and the website of KFin Technologies Limited (“KFinTech”) at <https://evoting.kfintech.com>. The Postal Ballot Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

In compliance with the aforesaid Circulars, SEBI Listing Regulations, provisions of the Act and the Rules, the manner of voting on proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting postal ballot form. Accordingly, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participant (“DP”)/ KFin Technologies Limited (“KFinTech”), Registrar and Share Transfer Agent (“RTA”) of the Company.

In compliance with the provisions of Sections 108 and 110 of the Act read with Rules 20 and 22 of the Rules, Regulation 44 of the SEBI Listing Regulations, and SS-2, the Company has provided e-voting facility to its Members to cast their votes electronically. The detailed procedure with respect to e-voting is mentioned in this Notice. The Company has engaged KFintech for facilitating e-voting.

Please note that there will be no dispatch of physical copies of the Postal Ballot Notice to the Members of the Company and no physical ballot forms will be accepted. In accordance with the Circulars, the Company has made necessary arrangements with KFintech to enable the Members to register their e-mail address. Those Members who have not yet registered their e-mail address are requested to register the same by following the procedure set out in this Postal Ballot Notice.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of the Company has appointed Mr.B.V. Saravana Kumar, Practicing Company Secretary (Membership No. ACS26944, COP No. 11727) as the Scrutinizer for conducting the Postal Ballot /e-voting process in a fair and transparent manner.

The remote e-voting period commences from 9.00 a.m. (IST) on Saturday, 16<sup>th</sup> November, 2024 and ends at 5.00 p.m. (IST) on Sunday, 15<sup>th</sup> December, 2024. Members are requested to carefully read the instructions given in this Postal Ballot Notice and record their assent (FOR) or dissent (AGAINST) through the e-voting process not later than 5.00 P.M. (IST) on 15<sup>th</sup> December, 2024. The remote e-voting will be blocked by Scrutinizer immediately thereafter and voting will not be allowed beyond the said date and time. The last date of e-voting, i.e. 15<sup>th</sup> December, 2024 shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority. The Scrutinizer will submit his report to the Chairman or to any other person authorised by him, after scrutiny of the votes. The results of the voting by Postal Ballot along with Scrutinizer's report shall be declared by the Chairman or any other person authorised by him within 2 working days from the conclusion of the e-voting i.e., on or before 17<sup>th</sup> December, 2024. The results of the Postal Ballot will be intimated to BSE and NSE, where the equity shares of the Company are listed. The results will also be posted on the Company's website: [www.vsthyd.com](http://www.vsthyd.com) and the website of KFintech: <https://evoting.kfintech.com>.

### **SPECIAL BUSINESS:**

#### **1. Re-designation and appointment of Mr. Naresh Kumar Sethi (DIN: 08296486) as an Executive Chairman & Whole-time Director of the Company, for a term of five (5) years commencing from 5<sup>th</sup> November, 2024**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the rules made thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Regulation 17(6)(e) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended and based on the recommendation of the Nomination and Remuneration Committee and Audit Committee of the Board of Directors (“**Board**”) of the VST Industries Limited (“**Company**”) and subject to the approval of the Central Government, as may be required, consent of the members be and is hereby accorded

for Mr. Naresh Kumar Sethi (DIN: 08296486), who was appointed as a Non-Executive Director of the Company with effect from 14<sup>th</sup> December, 2018 to be re-designated and appointed as an Executive Chairman & Whole-time Director of the Company for a term of five (5) years, commencing from 5<sup>th</sup> November, 2024 upto 4<sup>th</sup> November, 2029, subject to the approval of the Central Government on such terms and conditions, including remuneration, as set out in the explanatory statement annexed hereto.”

“**RESOLVED FURTHER THAT** the office of Mr. Naresh Kumar Sethi as an Executive Chairman & Whole-time Director of the Company shall be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any Committee constituted/to be constituted by the Board) be and is hereby authorised to vary, alter, enhance, or widen the scope of remuneration (including fixed salary, incentives & increments thereto and retirement benefits) payable to Mr. Naresh Kumar Sethi during his tenure to the extent permitted under Section 197 read with Schedule V of the Act and other applicable provisions of the Act, relevant rules and SEBI Listing Regulations, if any, without being required to seek any further consent or approval of the Member(s) of the Company or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, provided, however, that any such increase shall not exceed any amount permitted to be paid to Mr. Naresh Kumar Sethi under applicable law without obtaining requisite approvals.”

“**RESOLVED FURTHER THAT** notwithstanding anything to the contrary contained hereinabove or in the terms and conditions of his appointment, where in any financial year, during the tenure of Mr. Naresh Kumar Sethi as an Executive Chairman and Whole-time Director, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Naresh Kumar Sethi shall be as per the provisions of Schedule V of the Act and the Rules made thereunder or any statutory modification or re-enactment thereof.”

“**RESOLVED FURTHER THAT** the consent of the members be and is hereby accorded to the Board be and is hereby authorised to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to this resolution, including agreeing to such amendment(s)/modification(s) in the aforesaid clauses as may be required by any authority or as maybe deemed fit by the Board, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard in conformity with the provisions of the Act, SEBI Listing Regulations, the memorandum and articles of association of the Company and other applicable laws.”

Place : Hyderabad  
Date :5<sup>th</sup> November, 2024

By order of the Board of Directors

For VST Industries Limited  
Phani K. Mangipudi  
Company Secretary

**NOTES:**

1. **Electronic dispatch of Postal Ballot Notice:** This Postal Ballot Notice is being sent in electronic form only to the Members who have registered their e-mail addresses with the Company/Registrars and Transfer Agents of the Company (in case of physical shareholding)/with their Depository Participants (in case of electronic shareholding).The

communication of the assent or dissent of the Members would also take place through e-voting only.

This Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members / list of beneficial owners as received from NSDL and CDSL and whose email address is registered with the Company / DP, as on 8<sup>th</sup> November, 2024 [“Cut-off Date”]. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

2. **Explanatory Statement :** The Explanatory Statement pursuant to the provisions of Section 102 of the Act setting out all material facts and reasons for the aforesaid proposed Resolution is annexed hereto and form part of this Postal Ballot Notice [“Notice”].
3. **Voting Process:** In accordance with the provisions of the Circulars, Members can vote only through the remote e-voting process. Physical copies of the Postal Ballot Notice and pre-paid business reply envelopes are not being sent to Members .

Resolution passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.

Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again. Voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 8<sup>th</sup> November, 2024 being the Cut-off Date fixed for the purpose. The Resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date of remote e-voting, i.e. 15<sup>th</sup> December, 2024. Resolution passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.

4. **Corporate/ Institutional Members :**Corporate/Institutional Members (that is, other than individuals, HUF, NRI, etc.) are required to send scanned (PDF / JPG Format) certified true copy of the Board Resolution/ Power of Attorney/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), who are authorised to vote to the Scrutinizer through email at saravana1015@gmail.com and may also upload the same by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-voting” tab in their login.
5. **Inspection of documents :**All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during business hours from Monday to Friday, until 13<sup>th</sup> December, 2024 between 10.00 a.m. to 1.00 p.m.
6. **Validity of votes:**The Scrutinizer’s decision on the validity of the Postal Ballot shall be final.
7. **Process for registration of email addresses:** Members who have not registered/updated their email IDs so far are requested to register/update the same to receive this Notice. Members holding shares in physical mode and who have not updated their email address with the Company are requested to update their email address by writing to the Company at [investors@vstind.com](mailto:investors@vstind.com) or to the RTA at [inward.ris@kfinech.com](mailto:inward.ris@kfinech.com) along with copy of the signed request letter in Form ISR-1 mentioning the name and address of the Member alongwith self-attested copy of the PAN card and self-attested copy of any document (Aadhaar, Driving License, Election Identity Card, Passport) in support of the address of the Member. Members

holding shares in dematerialized mode are requested to register / update their email address with the relevant Depository Participants (DP). In case such forms are sent through soft copy, e-signed documents would be required to be uploaded on RTA's web portal, as per directions given on the portal.

Those Members who have already registered their e-mail addresses are requested to get their e-mail addresses validated with their DPs/RTA to enable servicing of notices/ documents/annual reports and other communications electronically to their email address in future.

In case of any queries, for registering email address, Members may write to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) or [investors@vstind.com](mailto:investors@vstind.com).

#### **INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:**

**a.** Pursuant to SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with e-voting service provider.

**b.** Members are advised to update their mobile number and email address in their demat accounts in order to access remote e-voting facility.

**c. Login Method for shareholders other than individual shareholders holding shares of the Company in demat mode and shareholders holding shares in physical mode.**





1. Use the following URL for e-voting from Kfintech website: <https://evoting.kfintech.com>.
2. Enter the login credentials i.e., User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your user ID. However, if you are already registered with Kfintech for e-voting, use your existing User ID and password for casting your votes.
3. After entering the details appropriately, click on LOGIN.
4. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
5. You need to login again with the new credentials.
6. On successful login, the system will prompt you to select the EVEN i.e. 8507
7. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR/AGAINST' as the case may be or partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
8. Members holding multiple folios / demat account shall choose the voting process separately for each folio / demat account.
9. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not

be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.

10. 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 .kfintech.com or contact Kfintech at Tel No. 1800 309 4001 (toll free) for any further clarifications/ technical assistance that may be required.

**d. Login method for Individual shareholders holding securities in demat mode is given below:**

**(f) (i) Shareholders holding securities in demat mode with NSDL or CDSL**

NSDL	CDSL
<p><b>1.Users already registered for IdeAS facility of NSDL</b></p> <p>i. Click on URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>ii. Click on the “Beneficial Owner” icon under ‘IdeAS’ section.</p> <p>iii. Enter your User ID and Password for accessing IdeAS.</p> <p>iv. On successful authentication, click on “Access to e-Voting”.</p> <p>v. Click on Company name or e-voting service provider for casting the vote during the remote e-voting period.</p>	<p><b>1.Users already registered for Easi/Easiest facility of CDSL</b></p> <p>i. Click on URL: <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or .com and click on New System Myeasi.</p> <p>ii. Enter your User ID and Password for accessing Easi/Easiest.</p> <p>iii. Click on Company name or e-voting service provider for casting the vote during the remote e-voting period.</p>
<p><b>2. Users not registered for IdeAS facility of NSDL</b></p> <p>i. To register, click on URL:<a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>ii. Select “Register Online for IdeAS”.</p> <p>iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number, etc.</p> <p>iv. After successful registration, please follow steps given under Sr.No.1 above to cast your vote.</p> <p>v. Shareholders / Members can also download NSDL Mobile App “NSDL Speed-e” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> App Store       Google Play</p> <p>      </p>	<p><b>2. Users not registered for Easi/Easiest facility of CDSL</b></p> <p>i. To register, click on URL: <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a></p> <p>ii. Proceed to complete registration using your DP ID, Client ID, Mobile Number, etc.</p> <p>iii. After successful registration, please follow steps given under Sr.No.1 above to cast your vote.</p>
<p><b>3. Users may directly access the e-voting module of NSDL as per the following procedure :</b></p>	<p><b>3. Users may directly access the e-voting module of CDSL as per the following procedure :</b></p>

<p>i. Click on URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a></p> <p>ii. Click on the icon “Login” available under “Shareholder/Member” section.</p> <p>iii. Enter your User ID (i.e. 16-digit demat account number held with NSDL), login type, Password/OTP and Verification code as shown on the screen.</p> <p>iv. On successful authentication, you will enter the e-voting module of NSDL.</p> <p>v. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period.</p>	<p>i. Click on URL: <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/Evoting Login</a></p> <p>ii. Provide demat account number and PAN.</p> <p>iii. System will authenticate user by sending OTP on registered mobile &amp; email as recorded in the demat account.</p> <p>iv. On successful authentication, you will enter the e-voting module of CDSL.</p> <p>v. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period.</p>
<p><b>Procedure to login through their demat accounts/website of Depository Participant</b></p> <p>Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts through their Depository Participants registered with NSDL/CDSL for e-voting facility. An option for “e-Voting” will be available once they have successfully logged-in through their respective logins. Click on the option “e-Voting” and they will be redirected to e-voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against the name of Company or select e-voting service provider “Kfintech” and you will be redirected to the e-voting page of Kfintech to cast your vote during the e-voting period.</p>	
<p><b>Members who are unable to retrieve User ID/Password are advised to use “Forgot User ID”/“Forgot Password” options available on the websites of Depositories/Depository Participants.</b></p>	
<p><b>Contact details in case of technical issue on NSDL website</b></p> <p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022-4886 7000 .</p>	<p><b>Contact details in case of technical issue on CDSL website</b></p> <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:evoting@cdsl.com">evoting@cdsl.com</a> or call at toll free no. 1800 - 21- 09911 .</p>



## **Annexure to the Notice:**

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts in respect of special business item of the Postal Ballot Notice:**

#### **Item No. 1**

Mr. Aditya Deb Gooptu (DIN:07849104), Managing Director & CEO of VST Industries Limited (“Company”), tendered his resignation as the Managing Director & CEO and Director of the Company.

In the interest of ensuring a smooth transition and based on the recommendation of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors of the Company (“Board”) has unanimously approved the appointment of Mr. Naresh Kumar Sethi (DIN: 08296486), presently the Non-Executive Chairman as the Executive Chairman & Whole-time Director of the Company for a period of 5 years with effect from 5<sup>th</sup> November, 2024. Mr. Naresh Kumar Sethi has an exceptional leadership track record, strong international exposure and deep strategic expertise. The Board believes that Mr. Naresh Kumar Sethi is the right person to lead the Company and would benefit under his leadership and guidance.

Accordingly, Mr. Naresh Kumar Sethi (DIN: 08296486) will act as an Executive Chairman & Whole-time Director of the Company for a term of five (5) years commencing from 5<sup>th</sup> November, 2024, on the terms and conditions including remuneration as set out herein below:

- I. Effective Date: 5th November, 2024.
- II. Term: Mr. Naresh Kumar Sethi (DIN: 08296486), presently the Non-Executive Chairman as the Executive Chairman & Whole-time Director of the Company for a period of 5 years with effect from 5<sup>th</sup> November, 2024.
- III. Salary : At the rate of Rs. 17,40,000/- per month subject to such increases as the Board may determine in the consolidated salary during the tenure of office having regard to the annual performance of Mr. Naresh Kumar Sethi and to cover the inflation under the Consumer Price Index.
- IV. Other Allowance: Not exceeding 85% of consolidated salary, payable monthly, as may be determined by the Board from time to time.
- V. Termination: The appointment may be terminated by either party giving to the other six calendar months’ notice in writing.

In addition to the aforesaid consolidated salary and other allowance, Mr. Naresh Kumar Sethi shall be entitled to perquisites like gas, electricity, water, furnishings, medical reimbursement and leave travel concession for self and family, club membership and fees (subject to a maximum of two clubs), personal health and accident insurance etc. in accordance with the Rules of the Company, the monetary value of such perquisites being limited to Rs. 10,00,000/- per annum, for the purposes of which limit perquisites shall be evaluated as per Income Tax

Act, 1961 and the relevant rules thereunder, wherever applicable, and in absence of any such Rule, perquisites shall be evaluated at actual cost.

However, the following shall not be included in the aforesaid perquisite limit:

- (i) Rent free furnished accommodation owned/leased/ rented by the Company or housing allowance in lieu thereof, subject to a maximum of 40% of the consolidated salary.
- (ii) Contribution to provident fund up to a maximum of 12% of salary and contribution to gratuity fund up to 8.33% of salary as limited and defined in the rules of the respective funds, or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the rules thereunder for this purpose.
- (iii) Use of Company maintained car with driver and telephone and internet facility for official and personal purposes.
- (iv) Encashment of unavailed leave as per the rules of the Company at the time of retirement/cessation of service.
- (v) Reimbursement of all the actual expenses including entertainment and travelling, incurred during the course of the Company's business as per rules of the Company including usage of corporate credit card.
- (vi) Costs and expenses incurred by the Company in connection with joining/transfer from one location to another as per the rules of the Company.

Mr. Naresh Kumar Sethi is a nominee of the Raleigh Investment Company Limited - which is part of the Promoter Group. In terms of Regulation 17(6)(e) of the SEBI Listing Regulations, the fee and compensation payable to Executive Directors who are promoters or members of promoter group, shall be subject to the approval of the members by Special Resolution, if, the annual remuneration payable to such executive director exceeds Rupees 5 Crore or 2.5 per cent of the net profits of the Company, whichever is higher. In order to comply with the requirements of the abovementioned SEBI Listing Regulations, approval is being sought from the members of the Company for his appointment as a special resolution to confirm the annual remuneration payable during the tenure of Mr. Naresh Kumar Sethi as the Executive Chairman & Whole Time Director of the Company.

Pursuant to the second proviso to Section 197(1) of the Companies Act, 2013 ("the Act") the payment of managerial remuneration to Mr. Naresh Kumar Sethi as proposed by way of special resolution meets up with the condition laid down thereunder should such remuneration in any year exceed the limits prescribed therein.

**Minimum Remuneration:** Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. Naresh Kumar Sethi as Executive Chairman & Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay salary and perquisites provided herein above to Mr. Naresh Kumar Sethi, subject to the limits specified in Part II, Section II of Schedule V to the Act and subject to such approvals as may be required.

Subject to the supervision and control of the Board, Mr. Naresh Kumar Sethi will be carrying out such duties and exercise such powers as may be entrusted to him by the Board. He will not be entitled to any commission, stock options and sitting fees for attending the meetings of the Board or any committee thereof.

The above terms are subject to the applicable provisions of the Act, the rules made thereunder and approval of the members. Mr. Naresh Kumar Sethi is not a 'resident' of India as he has not stayed in India for at least 12 months immediately preceding the date of his appointment, i.e. November 5, 2024 (though he is an overseas citizen of India (OCI)). Accordingly, as stipulated under Schedule V to the Act, the Company will be making an application to the Central Government for its approval as required under the Act. Thus, the approval of members of the Company appointing Mr. Naresh Kumar Sethi as an Executive Chairman & Whole-time Director shall be subject to the approval by the Central Government.

Mr. Naresh Kumar Sethi has been residing in India since September, 2024 and will be working out of Bengaluru or such other place in India as the Board may direct from time to time.

Mr. Naresh Kumar Sethi is not disqualified from being appointed as Director in terms of Section 164 of the Act. Once appointed, he would be liable to retire by rotation.

Additional information in respect of Mr. Naresh Kumar Sethi, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is given in Annexure-A to this Notice.

Mr. Naresh Kumar Sethi is a Member of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee and an invitee to the Audit Committee of the Company.

The terms and conditions as set out in Item No. 1 may also be treated as disclosure in compliance with the requirement of Section 190 of the Act.

None of the directors or key managerial personnel of the Company or their relatives, except Mr. Naresh Kumar Sethi is concerned or interested in this proposal.

The Board commends this item of business for your approval.

Place : Hyderabad  
Date : 5<sup>th</sup> November, 2024

By order of the Board  
  
For VST Industries Limited  
Phani K. Mangipudi  
Company Secretary

**Annexure – A**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT**

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard-2 on General Meetings]

<b>Name of the Director</b>	<b>Mr. Naresh Kumar Sethi</b>
Designation	Presently the Non-Executive Chairman of the Company to be appointed as the Executive Chairman & Whole-time Director
DIN	08296486
Age	58
Date of first appointment on the Board	14.12.2018
Brief resume	<p>Mr. Naresh Kumar Sethi is a seasoned business leader, possesses 35 years of global experience in marketing, general management, strategy and transformation. He holds a Degree in Chemical Engineering from IIT Varanasi and a Post Graduate Diploma in Management from IIM Calcutta.</p> <p>He has a strong track record of leading large, complex businesses, consistently delivering exceptional results and sustainable shareholder value.</p> <p>He has managed 70 countries in either Marketing President or CEO roles. His career spans roles across multiple regions, including India, Indonesia, West Africa, Australasia, Japan, Europe and the UK, with notable tenure as an Executive Director at British American Tobacco (Holdings) Ltd.</p>
Qualifications	As provided in the brief resume above.
Experience	As provided in the brief resume above.
Nature of expertise in specific functional areas	Governance, Marketing and Business Strategy.
Number of Meetings of the Board attended during the year (FY 2023-24)	For FY 2023-2024. Seven out of seven meetings were attended.
Last drawn remuneration	Rs. 2,00,40,000 for FY 2023-24.
Remuneration proposed to be paid	As per the Resolution No.1 of this Notice read with Explanatory Statement thereto.
List of Directorships of other listed entities	Nil
List of Memberships/Chairmanships of Committees of other listed entities	Nil
Listed entities from which resigned/retired in the past three years	Nil
Shareholding in the Company	Nil

Relationship with other Directors and Key Managerial Personnel of the Company.	None
Terms and conditions of appointment along with the details of remuneration	As per the Resolution No.1 of this Notice read with Explanatory Statement thereto.