

**VLS FINANCE LTD.**
**Regd. Office:- 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi – 110 065.**
**CIN: L65910DL1986PLC023129, email: [vls@vsnl.com](mailto:vls@vsnl.com), Website: [www.vlsfinance.com](http://www.vlsfinance.com)**
**Phone: 011-4665 6666, FAX: 011-4665 6699**
**NOTICE of 31st Annual General Meeting (“AGM”)**

**NOTICE** is hereby given that the 31<sup>st</sup> Annual General Meeting of the Members of VLS FINANCE LTD. will be held at The Auditorium, Sri Sathya Sai International Centre, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110 003, on Thursday, 20<sup>th</sup> day of September, 2018 at 3:30 p.m. to transact the following business: -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2018, the statement of Profit & Loss for the year ended on that date together with the report of Auditors and Directors thereon and the consolidated Financial Statements for the said period.
2. To approve dividend of Rupee 1/- per equity share.
3. To appoint a Director in place of Shri K. K. Soni (DIN: 00106037) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Vikas Mehrotra (DIN: 06476150) who retires by rotation and being eligible, offers himself for re-appointment.
5. To fix the remuneration of Statutory Auditors and in this connection to consider and, if thought fit, to pass following resolution, as an **Ordinary Resolution:**

“**RESOLVED THAT**, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the remuneration of M/s. M. L. Puri, & Co. - Chartered Accountants (Firm's Registration No. 002312N), the statutory auditors of the Company, who would hold office till the conclusion of the 35th Annual General Meeting of the Company to be held in the year 2022, shall be as determined by the Board of Directors of the Company in consultation with the audit committee for each year of the remaining tenure of Auditors and that such remuneration may be paid on a progressive billing basis.”

**SPECIAL BUSINESS:**

6. To approve revision of remuneration of Shri S. K. Agarwal (DIN: 00106763) - Managing Director of the Company and in this connection to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 203 read with Schedule V of the Companies Act, 2013 as amended and other applicable laws, subject to such approvals, permission and sanctions, if any, as may be required, the consent of the Company be and is hereby accorded to the revision in remuneration of Shri S. K. Agarwal (DIN: 00106763) - Managing Director of the Company and the revised remuneration package of Shri S. K. Agarwal – Managing Director shall be as under:

**a. Salary**

Basic salary of Rs. 2,30,000/- (Rupees Two Lacs Thirty Thousand Only) per Month.

**b. Perquisites**

In addition to the aforesaid salary, the Managing Director will be entitled to the following Perquisites:

- i. HRA/ Leased Accommodation: Rs.61,950/- (Rupees Sixty One Thousand Nine Hundred Fifty Only) per Month.
- ii. Leave Travel Concession: For the Managing Director and his family incurred not exceeding Rs.60,000/- ( Rupees Sixty Thousand only) per annum as per rules of the Company.
- iii. Reimbursement of expenses for Books and Periodicals upto Rs. 6,750/- (Rupees Six Thousand Seven Hundred Fifty only) per Month.
- iv. Reimbursement of secretarial services upto Rs.19,000/- (Rupees Nineteen Thousand only) per Month.
- v. Reimbursement of expenses for Business Promotion upto Rs. 8,500/- (Rupees Eight Thousand Five Hundred only) per Month.
- vi. Provident Fund, Gratuity payable, entitlement & encashment of leave, bonus and other benefits as per rules of the Company.
- vii. Facility of Chauffeur driven car for use on Company's business as per rules of the Company.
- viii. Facility of Telephones or provision of similar equipment/facilities for official purpose will be free & not to be considered as perquisites except that the charges for personal long distance calls will be billed by Company to the Managing Director as per rules of the Company.

Explanation: 'Family' for the purpose of this clause means spouse & dependent children of the Managing Director subject to rules of the Company.

- c. **Sitting Fees:-** The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof from the date of his appointment.

All other terms and conditions of service as contained in the agreement dated 22.07.2016 entered into between the Company and the Managing Director will remain unchanged.

**RESOLVED FURTHER THAT** the revision in remuneration shall be effective from 1<sup>st</sup> April, 2018, for residual period of appointment of Managing Director unless

enhanced during the intervening period, in accordance with applicable provisions of Companies Act, 2013 and/or other law(s), for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to vary and/or revise upwards the remuneration of the Managing Director within the permissible limits under the provisions of the Companies Act, 2013 or any statutory amendment/modification thereof, from time to time, to settle any question or difficulty in connection therewith or incidental thereto and to do all such things, deeds and acts including delegation of powers herein to any person/committee as may be deemed necessary or expedient for giving effect to said revision and in case it is required to obtain the consent of Company in this regard, to the end and intent that it shall be deemed to have been accorded expressly by authority of this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby also authorised to take all necessary steps in this regard in order to comply with all the legal, procedural and other formalities and further to authorise any of its committees or any of its directors and/or any of the officers of Company to do all such acts, deeds or things to give effect to the aforesaid resolution.”

7. To approve revision of remuneration of Shri K. K. Soni (DIN: 00106037) – Director-Finance & CFO of the Company and in this connection to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 203 read with Schedule V of the Companies Act, 2013 as amended and other applicable laws, subject to such approvals, permission and sanctions, if any, as may be required, the consent of the Company be and is hereby accorded to the revision in remuneration of Shri K.K. Soni (DIN: 00106037) - Director-Finance & CFO of the Company and the revised remuneration package of Shri K.K. Soni - Director-Finance & CFO shall be as under:

**a. Salary**

Basic salary of Rs. 2,24,250/- (Rupees Two Lac Twenty Four Thousand Two Hundred Fifty Only) per Month.

**b. Perquisites**

In addition to the aforesaid salary, the Director-Finance & CFO will be entitled to the following Perquisites:

- i. HRA/ Leased Accommodation: Rs.56,000/- (Rupees Fifty Six Thousand only) per Month.
- ii. Leave Travel Concession: For the Director-Finance & CFO and his family incurred not exceeding Rs.60,000/- (Rupees Sixty Thousand only) per annum as per rules of the Company.
- iii. Reimbursement of expenses for Books and Periodicals upto Rs. 5,340/- (Rupees Five Thousand Three Hundred Forty only) per Month.
- iv. Reimbursement of secretarial services upto Rs.19,000/- (Rupees Nineteen Thousand only) per Month.
- v. Reimbursement of expenses for Business Promotion upto Rs. 8,500/- (Rupees Eight Thousand Five Hundred only) per Month.
- vi. Provident Fund, Gratuity payable, entitlement & encashment of leave, bonus and other benefits as per rules of the Company.
- vii. Facility of Chauffeur driven car for use on Company's business as per rules of the Company.
- viii. Facility of Telephones or provision of similar equipment/facilities for official purpose will be free & not to be considered as perquisites except that the charges for personal long distance calls will be billed by Company to the Director-Finance & CFO as per rules of the Company.

Explanation: 'Family' for the purpose of this clause means spouse & dependent children of the Director-Finance & CFO subject to rules of the Company.

- c. **Sitting Fees:-** The Director-Finance & CFO shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof from the date of his appointment.

All other terms and conditions of service as contained in the agreement dated 28.01.2016 entered into between the Company and Director-Finance & CFO will remain unchanged.

**RESOLVED FURTHER THAT** the revision in remuneration shall be effective from 1<sup>st</sup> April, 2018, unless enhanced during the intervening period, in accordance with applicable provisions of Companies Act, 2013 and/or other law(s), for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to vary and/or revise upwards the remuneration of the Director-Finance & CFO within the permissible limits under the provisions of the Companies Act, 2013 or any statutory amendment/ modification thereof, from time to time, to settle any question or difficulty in connection therewith or incidental thereto and to do all such things, deeds and acts including delegation of powers herein to any person/ committee as may be deemed necessary or expedient for giving effect to said revision and in case it is required to obtain the consent of Company in this regard, to the end and intent that it shall be deemed to have been accorded expressly by authority of this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby also authorised to take all necessary steps in this regard in order to comply with all the legal, procedural and other formalities and further to authorise any of its committees or any of its directors and/or any of the officers of Company to do all such acts, deeds or things to give effect to the aforesaid resolution."

8. To consider, and if thought fit, to pass the following resolution as a **Special Resolution** for continuation of Shri Ajit Kumar (DIN: 00106597) as a Non – Executive Director of the Company:

"**RESOLVED THAT** pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification or re-enactment thereof for the time being in force, consent of the Company be and is hereby accorded for continuation of the appointment of Shri Ajit Kumar (DIN: 00106597), who has attained the age of seventy five years, as Non – Executive Director of the Company up to the expiry of his present term as an Independent Director."

9. To consider, and if thought fit, to pass the following resolution as a **Special Resolution** for continuation of Dr. Srinivasan Ramesh (DIN: 00126120) as a Non – Executive Director of the Company:

"**RESOLVED THAT** pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification or re-enactment thereof for the time being in force, consent of the Company be and is hereby accorded for continuation of the appointment of Dr. Srinivasan Ramesh (DIN: 00126120), who has attained the age of seventy five years, as Non – Executive Director of the Company up to the expiry of his present term as an Independent Director."

By Order of the Board  
for VLS Finance Ltd.

Place: New Delhi  
Date : 19/07/2018

H. Consul  
Company Secretary  
M. No. : A11183

**NOTES: -**

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE APPOINTMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING, IN THE FORM ENCLOSED HERETO, DULY FILLED AND AUTHENTICATED. PROXY HOLDER SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING. A PROXY FORM WHICH DOES NOT STATE THE NAME OF THE PROXY SHALL BE CONSIDERED INVALID. A PROXY MAY NOT VOTE EXCEPT ON A POLL.
- Pursuant to section 105 of Companies Act, 2013 and rule 19 of the Companies (Management and Administration) Rules, 2014 a person can act as Proxy for 50 Members holding 10 percent of the total share capital of the Company carrying voting rights. Member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other Member.
- If a person is appointed as Proxy for more than 50 members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
- The submission of form of proxy by a member does not preclude such member from attending and voting at the meeting. The proxy in such event shall not be eligible to attend the meeting. Only bonafide members of the Company whose names appear on the Register of Members/ Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- In the case of joint holders, all the holders may attend the meeting, however, the vote of the 1<sup>st</sup> holder shall be accepted to the exclusion of the vote of the other joint holders. In absence of 1<sup>st</sup> holder, seniority shall be determined by the order in which the names stand in the Register of Members and the vote of senior most will be accepted. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the AGM.
- In terms of provisions of sections 108 and 109 of the Companies Act, 2013 read with rules 20 and 21 of Companies (Management and Administration) Rules, 2014 and regulation 44 of the listing regulations for votes cast through e-voting, ballot by post and by poll at AGM on the business to be transacted in AGM of the Company on 20/09/2018, the Board of Directors of the Company has appointed Shri V. B. Aggarwal - Practicing Company Secretary (M.No. A-4240, CoP no. 1583), as the scrutinizer. Shri V. B. Aggarwal has consented to act as Scrutinizer for the aforesaid purpose. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

The procedure with respect to e-voting is provided below: -

- A. In case of Members who receive the Notice in electronic mode:
- Open e-mail and open PDF file viz. 'VLS e-voting.pdf' with your Client ID No. or Folio No. as password. The said PDF file contains your User ID and password for e-voting. Please note that the password is an initial password.

- Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/> and click on 'Shareholder - Login'.
- Insert User ID and password as initial password stated in (a) above. Click on 'Login'.
- Password change menu appears. Change the password with a new password of your choice with minimum 8 digits/ characters or combination thereof. Please do not 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.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- Home page of e-voting opens. Click on 'e-voting: Active E-voting Cycles' and select the Electronic Voting Event Number (EVEN) of VLS Finance Limited.
- Now you are ready for e-voting as 'Cast Vote' page opens.
- Cast your vote by selecting appropriate option and click on 'Submit'. Thereafter click on 'Confirm' when prompted.
- Upon confirmation, the message 'Vote cast successfully' will be displayed. Thereafter, you will not be allowed to modify your vote.
- Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF/JPG format) of the relevant Board Resolution/ appropriate authorisation, with the specimen signature(s) of the authorised signatory(ies) duly attested, to the Scrutinizer through e-mail at [vbaggarwal.scrutinizer@gmail.com](mailto:vbaggarwal.scrutinizer@gmail.com) with a copy marked to NSDL's e-mail ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- B. In case of Members who receive the Notice by post:
- User ID and initial password is provided in the separate slip.
  - Please follow the steps from Sl. Nos. (b) to (i) mentioned in (A) above, to cast your vote.
- C. Members already registered with NSDL for e-voting can use their existing User Id and password for Login. Thereafter please follow the steps from Sl. Nos. (e) to (i) mentioned in (A) above, to cast your vote.
- D. In case of any queries, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com). You may also address your queries relating to e-voting to the e-mail ID [complianceofficer@vlsfinance.com](mailto:complianceofficer@vlsfinance.com).
- E. **The period for e-voting starts at 9.00 a.m. on Monday, 17<sup>th</sup> September, 2018 and ends at 5.00 p.m. on Wednesday, 19<sup>th</sup> September, 2018. E-voting shall be disabled by NSDL at 5.00 p.m. on 19<sup>th</sup> September, 2018.**
- F. General Information
- Every Client ID No./ Folio No. shall have one e-vote, irrespective of the number of joint holders.
  - Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on **Thursday 13<sup>th</sup> September, 2018, the cutoff date**. Persons who are not members as on cutoff date should treat this notice for information purposes only.
  - E-voting right cannot be exercised by a proxy.
  - The members may cast their vote by either of the three means viz. e-voting facility, ballot form by post and ballot form at general meeting. In case vote is cast by more than one means then vote cast by e-voting will be counted and vote by other means will be treated as invalid.
  - The results of e-voting alongwith the scrutinizer's report, will be available on the Company's corporate website [www.vlsfinance.com](http://www.vlsfinance.com) under the section 'Investor Relations' and on the website of NSDL within three days of conclusion of the AGM. Such results will also be forwarded to the Stock Exchanges where the Company's shares are listed.
- Those persons, who become members of the Company after the dispatch of this notice of the AGM by the Company and whose names appear in the register of members or register of beneficial holders as on the cut-off date may view the notice of the 31<sup>st</sup> AGM on the Company's website or on the website of NSDL. Such members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM. The ballot by post can be exercised by downloading ballot form from the website of the Company and forwarding the duly filled form to the Scrutinizer so as to reach on or before conclusion of the AGM. In case of any difficulty Members may contact the Company or its Registrar and Transfer Agent.
  - The register of members of the Company shall remain closed from **15.09.2018 to 20.09.2018 (both days inclusive)**.
  - Members who wish to obtain information about the Company or view the financials of Company may visit the Company's website viz. [www.vlsfinance.com](http://www.vlsfinance.com)
  - The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participant. Members holding shares in physical form are requested to send their e-mail address to the Registrar and Transfer Agent of the Company.

11. The Company has retained **M/s RCMC Share Registry Pvt. Ltd., as its Registrar & Transfer Agent** w.e.f. 01/04/2003 for entire shareholder services. All correspondence, therefore, may be addressed to the said Registrar & Transfer Agent at:

**B-25/1 First Floor, Okhla Industrial Area Phase II, New Delhi-110 020**  
**Email: investor.services@rcmcdelhi.com**  
**(Phone Nos. 011 – 26387320-21-23 and Fax 011-26387322)**

However, for any further assistance in said matters, queries may be addressed to the Company Secretary at its Registered Office at:

**2<sup>nd</sup> Floor, 13, Sant Nagar, East of Kailash, New Delhi-110 065**  
**Phone No. 4665 6666, Fax: 4665 6699.**  
**Dedicated Investor Services e-mail: hconsul@vlsfinance.com**

12. The extant SEBI listing regulations mandate compulsory procurement of PAN by the Companies of both transferor and transferee to effect the share transfer including transmission/transposition of shares in physical form of listed companies, whether off market or not. Copy of PAN card of both transferor(s) and transferee(s) is, therefore, required to be furnished to the Company/RTAs for transfer/transmission/transposition of shares. Further, Members holding shares in physical form are again requested to promptly respond to Company's letter requesting them to provide PAN and Bank details besides other information. Members may also note that pursuant to SEBI's directive, the transfer of shares in physical form will not be entertained by the Company w.e.f. 05/12/2018.

13. Members, who are holding shares in identical order of names in more than one Folio i.e. physical form, are requested to write to the 'Registrar & Transfer Agent' of the Company or the Company at its corporate office, to enable the Company to consolidate their holding under one Folio. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in prescribed Form no. SH-13/SH-14 as the case may be, duly filled in, to the 'Registrar & Transfer Agent' of Company. Members are also requested to intimate change in address, if any, to the Company's 'Registrar & Transfer Agent' or to the Company at its corporate office for shares held in physical mode. Members holding shares in Demat (electronic) form are requested to notify any change in address, mandate/bank details/nominations to their depository participants.

14. The shares of the Company are traded in demat segment only w.e.f. 28th August, 2000 for all categories of investors. **The ISIN allotted to Company is INE709A01018** for both the Depositories viz. The National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

15. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company on all working days between 11.00 a.m. and 1.00 p.m. up to the date of AGM.

16. Member/Proxies are requested to bring their copies of the Annual Report to the meeting and the attendance slip duly filled in, for attending the meeting. As a measure of economy, copies of Annual Report and Admission Slips may not be distributed at the AGM. A route map showing directions to reach the venue of 31<sup>st</sup> AGM is given at the end of this notice.

17. Explanatory statement, pursuant to section 102 of the Companies Act, 2013 and other applicable regulations, relating to the Special Business to be transacted at this AGM is annexed hereto and forms part of this notice.

18. The Unpaid/unclaimed dividends up to 31/03/1995 had been transferred to General Revenue Account of Central Government and can be claimed from the Central Government in prescribed form. Pursuant to Section 205A of the Companies Act, 1956 ("the Act") all unclaimed/unpaid dividends after 31/03/1995 up to the financial year 1997-1999 (18 months) has been credited to Investor Education & Protection Fund ("IEPF"). At present no unpaid /unclaimed dividend remains liable to be transferred to IEPF. The amount remaining unpaid /unclaimed of the dividend declared for the year 2016-17 would be transferred to IEPF as per applicable procedure i.e. after 7 years. The list of Members whose dividend for the year 2016-17 is unclaimed/unpaid is available inter-alia on Company's website. Members are requested to claim the said Dividend by writing to the Company or its R & T Agent, alongwith complete details of their Bank Account and the expired dividend instrument/undertaking for loss of instrument at the earliest. Otherwise, revaluation of stale instruments / issue of fresh instrument for payment of Dividend may not be entertained.

19. The Company in adherence to its policy to provide par excellence investor service, periodically undertakes to locate members whose share certificate are lying undelivered and promptly sends share certificates upon identification of members. In terms of regulation 39 of SEBI listing regulations, the undelivered shares will be credited to "Unclaimed Suspense Account" with a depository participant and the company has initiated procedural compliance in this regard. As a consequence inter-alia, the voting rights in respect of such shares shall stand frozen till shares are restored to members. Further, the said shares will be transferred to 'IEPF' alongwith the dividend remaining unpaid/unclaimed as and when the first of such dividend remaining unpaid/unclaimed is liable to be transferred to 'IEPF' i.e. upon expiry of seven years.

20. The Dividend, as recommended by the Board of Directors, if approved at the AGM, the payment of such dividend will be made on or after 27<sup>th</sup> September, 2018:

- To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as on the close of the business hours on **Friday, 14th September, 2018.**
- To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company as on the close of business hours on **Friday, 14th September, 2018.**

21. Information regarding Directors:

**(A) Retiring by rotation and seeking re-appointment:**

Sl. No.	Name of the Director	Date of Birth	Date of Appointment	Qualifications and Expertise in specific functional areas	List of Companies in which Directorship held as on 19/07/2018	Chairman/Member of the Committees of other Companies as on 19/07/2018	Whether qualified u/s 164(2) of the Companies Act, 2013
				No. of Board meetings attended during the year			
1.	Shri K. K. Soni (DIN:00106037)	14/09/1953	14/11/2013	B.Com, FCA, FCS He is a qualified Chartered Accountant and Company Secretary with over 40 years of experience in the field of Accounts, Finance, Taxation and other Corporate Affairs. In his first stint with the Company, Shri K. K. Soni served as President (Corporate Affairs) from 1995 to 1998 before resigning. Subsequently Shri K. K. Soni was appointed as Non-Executive Director of the Company w.e.f. 25/05/2005 and on 28/07/2006 was designated as Director Finance & CFO which position he held till 31/01/2007. He served as Executive Director & CFO from 01/02/2007 till 14/11/2013. Upon appointment as Director, w.e.f. 14/11/2013 he was re-designated as Director Finance & CFO till 31/01/2016. He was reappointed as Director - Finance & CFO for 3 years w.e.f. 01/02/2016.	a) South Asian Enterprises Limited, b) VLS Securities Ltd. c) VLS Asset Management Ltd. d) VLS Capital Limited e) Om Sai Sports Ltd.	i. Audit-Member ii. Shareholders Relationship-Chairman  i. Audit-Member ii. Nomination and Remuneration-Chairman  NIL  NIL  NIL	Yes
2.	Sh. Vikas Mehrotra (DIN:06476150)	25/04/1968	28/05/2016	Shri Vikas Mehrotra is a Commerce Graduate from the University of Delhi with an MBA from Rochester Institute of Technology (USA). He is the Founder CEO of Venus Capital, actively investing in Asia since 1989. He is regular speaker at various conferences on Emerging markets. He is related to Shri M.P. Mehrotra who is an Executive Director and also Promoter of the Company.	1. Venus India Asset Finance (P) Limited.  2. VLS Securities Ltd. 3. VLS Capital Ltd.	i. Audit-Member ii. Nomination and Remuneration-Member iii. Assets Liability & Risk Management-Member iv. Investment-Member v. Corporate Social Responsibility -Member vi. Management -Member  NIL  NIL	Yes

**(B) Shareholding of above Directors as on 19/07/2018**

S. No.	Name	No. of Shares held in Company	Percentage
1.	Shri K.K. Soni	NIL	NIL
2.	Shri Vikas Mehrotra	486006	1.26

**Explanatory Statement pursuant to section 102 of the Companies Act, 2013.**

**ITEM NO. 5**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s. M. L. Puri, & Co. - Chartered Accountants, (Firm's Registration No. 002312N) had been appointed as Statutory Auditors of the Company for a period of 5 (five) years to hold office from the conclusion of 30<sup>th</sup> AGM till the conclusion of 35<sup>th</sup> AGM to be held in year 2022 subject to ratification in every Annual General Meeting in intervening period by the Members of the Company and any other applicable compliances.

With the enforcement of Section 40 of the Companies Amendment Act, 2017 w.e.f. 07/05/2018, the provision relating to ratification of appointment of Statutory Auditors in the intervening period as envisaged in Section 139 of the Companies Act, 2013 from Members had been done away with. The amendment in relevant rules to this effect have also been made from the same date. The ratification of appointment of Statutory Auditors by the Members is, therefore, no longer required. However, the remuneration of Statutory Auditors for each financial year during their tenure would continue to be fixed by Members for each financial year except where the Board of Directors have been authorised by the Members to fix their remuneration for the relevant year / remaining tenure.

Accordingly, approval of the members is sought for authorising Board of Directors to

determine the remuneration of statutory auditors for each year of their remaining tenure to avoid repeated authorisation every year.

Your Board recommends the ordinary resolution set out at item no. 5 of the Notice for approval by the Members. None of the Directors or Key Managerial Personnel of the Company is, in any way, concerned or interested in the subjected resolution.

**ITEM NO. 6**

Shri S. K. Agarwal (DIN:00106763) was re-appointed as the Managing Director of the Company with effect from 21st August, 2016 for a period of 3 years and his terms of appointment were approved by the members of the Company at the Annual General Meeting held on 15/09/2016 with liberty to the Board to revise the remuneration upward as and when deemed fit. The Board in its meeting held on 19/07/2018, concurring to the recommendations made by Nomination and Remuneration Committee of the Board and subject to requisite approvals, had approved the revision in the remuneration payable to Managing Director effective from 1st April, 2018 as set out in the resolution sought to be approved in the accompanying notice. All other terms and conditions of service of Managing Director will remain unchanged. There has been no change in remuneration of Managing Director since his appointment in present term which will end on 20/08/2019.

The remuneration package of Shri S. K. Agarwal – Managing Director prior to the proposed revision was as under:

**a. Salary**

Basic salary of Rs. 2,00,000/- (Rupees Two Lacs Only) per month.

**b. Perquisites**

In addition to the aforesaid salary, the Managing Director will be entitled to the following Perquisites:

- i. HRA/ Leased Accommodation: Rs.55,000/- (Rupees Fifty Five Thousand Only) per month.
- ii. Medical Reimbursement:  
Expenses incurred for the Managing Director and the family subject to a ceiling of Rs.15,000/- (Rupees Fifteen Thousand only) per annum.
- iii. Leave Travel Concession: For the Managing Director and his family incurred not exceeding Rs.60,000/- (Rupees Sixty Thousand only) per annum.
- iv. Reimbursement of expenses for Books and Periodicals upto Rs. 81,000/- (Rupees Eighty One Thousand only) per annum.
- v. Reimbursement of expenses for Business Promotion upto Rs. 60,000/- (Rupees Sixty Thousand only) per annum.
- vi. Reimbursement of secretarial services upto Rs.15,000/- (Rupees Fifteen Thousand only) per Month.
- vii. Provident Fund, Gratuity payable, entitlement & encashment of leave as per rules of the Company.
- viii Facility of Chauffeur driven car for use on Company's business as per rules of the Company.
- ix. Facility of Telephones or provision of similar equipment/facilities for official purpose will be free & not to be considered as perquisites except that the charges for personal long distance calls will be billed by Company to Managing Director.

Explanation: 'Family' for the purpose of this clause means spouse & dependent children of the Managing Director.

**c. Sitting Fees:-** The Managing Director shall not be paid any sitting fee for attending the meeting of the Board of Directors or committees thereof.

A copy of the agreement entered into between the Company and Shri S. K. Agarwal on 22/07/2016 and resolution of Board of Directors on 19/07/2018 is available for inspection by the members of the Company at Registered office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Annual General Meeting except on Saturdays, Sundays and Holidays.

Shri S. K. Agarwal is Director in VLS Asset Management Limited, Risk Software Solution Pvt. Limited and VLS Capital Limited. Shri S. K. Agarwal is also the Managing Director of VLS Securities Limited, a subsidiary of the Company. He is not drawing any remuneration from said subsidiary.

Shri S. K. Agarwal does not hold any shares in the Company. In terms of Section 196 read with other applicable provisions of the Companies Act, 2013 the appointment and any modification in terms and conditions of appointment including remuneration of Managing Director is subject to the approval of members. The revised overall remuneration of Managing Director would be within prescribed limits of relevant provisions of the Companies Act, 2013. The Board of Directors recommends the resolution for your approval.

None of the Directors or Key Managerial Personnel or relatives thereof except Shri S. K. Agarwal is concerned or interested in the resolution set out at item no. 6 of the accompanying notice.

**Item no. 7**

Shri K.K. Soni was re-appointed as Director-Finance & CFO vide agreement dated 06.11.2015 w.e.f. 1.2.2016 for a period of 3 years. The appointment as Director-Finance & CFO was approved by members in Extra Ordinary General Meeting of the Company held on 19/12/2015 with liberty to Board to revise remuneration upward as and when deemed fit.

The Board in its meeting held on 19/07/2018, concurring to the recommendations made by Nomination and Remuneration Committee of the Board and subject to requisite approvals had approved the revision in the remuneration payable to Director-Finance & CFO effective from 1st April, 2018 as set out in the resolution sought to be approved in the accompanying notice. All other terms and conditions of service of Director-Finance & CFO will remain unchanged. There has been no change in remuneration of Director-Finance & CFO since his appointment in present term.

The remuneration package of Shri K.K. Soni- Director- Finance & CFO prior to the proposed revision was as under:

**a. Salary**

Basic salary of Rs. 1,95,000/- (Rupees One Lac Ninety Five Thousand Only) per month.

**b. Perquisites**

In addition to the aforesaid salary, the Director-Finance & CFO will be entitled to the following Perquisites:

- i. HRA/ Leased Accommodation: Rs.50,000/- (Rupees Fifty Thousand only) per month.
- ii. Medical Reimbursement:  
Expenses incurred for the Director-Finance & CFO and the family subject to a ceiling of Rs.15,000/- (Rupees Fifteen Thousand only) per annum.
- iii. Leave Travel Concession: For the Director-Finance & CFO and his family incurred not exceeding Rs.60,000/- (Rupees Sixty Thousand only) per annum.
- iv. Reimbursement of expenses for Books and Periodicals upto Rs.64,200/- (Rupees Sixty Four Thousand Two Hundred only) per annum.
- v. Reimbursement of expenses for Business Promotion upto Rs. 60,000/- (Rupees Sixty Thousand only) per annum.
- vi. Reimbursement of secretarial services upto Rs.15,000/- (Rupees Fifteen Thousand only) per Month.
- vii. Provident Fund, Gratuity payable, entitlement & encashment of leave as per rules of the Company.
- viii. Facility of Chauffeur driven car for use on Company's business as per rules of the Company.
- ix. Facility of Telephones or provision of similar equipment/facilities for official purpose will be free & not to be considered as perquisites except that the charges for personal long distance calls will be billed by Company to Director-Finance & CFO.

Explanation: 'Family' for the purpose of this clause means spouse & dependent children of the Director-Finance & CFO.

**c. Sitting Fees:-** The Director-Finance & CFO shall not be paid any sitting fee for attending the meeting of the Board of Directors or committees thereof.

Shri K. K. Soni does not hold any shares in the Company. In terms of Section 196 read with other applicable provisions of the Companies Act, 2013 the appointment and any modification in terms and conditions of appointment including remuneration of Director-Finance & CFO is subject to the approval of members. The revised overall remuneration of Director-Finance & CFO would be within prescribed limits of relevant provisions of the Companies Act, 2013.

Shri K. K. Soni holds directorships in VLS Capital Limited, VLS Securities Limited, South Asian Enterprises Limited, Om Sai Sports Limited and VLS Asset Management Limited. The present tenure of Shri K. K. Soni as Director-Finance & CFO will end on 31/01/2019. The copy of the resolution passed by the Board of Directors in its meeting held on 19/07/2018 modifying the remuneration of Shri K. K. Soni as Director- Finance & CFO and the agreement entered into between the Company and Shri K. K. Soni dated 06/11/2015 are available for inspection by the members of the Company at Registered office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Annual General Meeting except on Saturdays, Sundays and Holidays.

The Board of Directors recommends the resolution for revision in remuneration of Shri K.K. Soni – Director –Finance & CFO for your approval. None of the Directors or Key Managerial Personnel or relatives thereof except Shri K. K. Soni is concerned or interested in the resolution set out at item no. 7 of the accompanying notice.

**Item Nos. 8 and 9**

The Securities and Exchange Board of India (SEBI) has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") vide notification no. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018. According to the amended provisions i.e. Regulation 17(1A) of said regulations w.e.f. 01/04/2019, a person who has attained the age of seventy five years can be appointed or if already appointed earlier would continue to be Non-Executive Director in a listed company only after the concerned listed company has taken the approval of its Members by way of a special resolution to this effect.

The Members of the Company at the 27th Annual General Meeting ('AGM') of the Company held on September 25, 2014 had inter alia appointed Shri Ajit Kumar (DIN: 00106597) and Dr. Srinivasan Ramesh (DIN: 00126120) as Independent Directors of the Company for a period of five consecutive years with effect from September 25, 2014. Since Shri Ajit Kumar and Dr. Srinivasan Ramesh have attained seventy five years of age, they can continue as Non- Executive Directors of the Company from April 1, 2019 onwards till the end of their term, if the approval of its Members by way of a Special Resolution in each case has been obtained, on or before March 31, 2019. In order to have the continued guidance of the aforementioned persons in the management of the Company, your Board recommends the special resolutions set out at item nos. 8 and 9 of the Notice for approval by the Members. Further, none of the Directors apart from the persons mentioned above or Key Managerial Personnel of the Company is, in any way, concerned or interested in the concerned resolutions.

*By Order of the Board  
for VLS Finance Ltd.*

Place: New Delhi  
Date : 19/07/2018

H. Consul  
Company Secretary  
M. No. : A11183

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## VLS VLS FINANCE LIMITED

REGD. OFF. : 2ND FLOOR, 13, SANT NAGAR, EAST OF KAILASH, NEW DELHI- 110065  
CIN: L65910DL1986PLC023129, email: vls@vsnl.com, Website: www.vlsfinance.com  
Phone: 011-4665 6666, FAX: 011-4665 6699

### BALLOT FORM

- 1 Name of the Member:.....  
(1st holder in case of Joint holding)
- 2 Registered address of sole  
/first named Member.
- 3 Registered folio No./DP ID No. and Client ID No.\*  
(\* Applicable to investors holding shares in  
dematerialized form)
- 4 Number of Shares held
- 5 Name of the Jointholder (s)
- 6 I/We hereby exercise my vote in respect of Ordinary/Special resolutions enumerated below by recording my assent or  
dissent to the said resolution in the following manner:

Serial No.	Particulars	No. of Shares held by me/us	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1	To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2018, the statement of Profit & Loss for the year ended on that date together with the report of Auditors and Directors thereon and the consolidated Financial Statements for the said period.			
2	To approve dividend of Rupee 1/- per equity share.			
3	To appoint a Director in place of Shri K. K. Soni (DIN: 00106037) who retires by rotation and being eligible, offers himself for re-appointment.			
4	To appoint a Director in place of Shri Vikas Mehrotra (DIN: 06476150) who retires by rotation and being eligible, offers himself for re-appointment.			
5	To fix the remuneration of Statutory Auditors.			
6	To approve revision of remuneration of Shri S. K. Agarwal (DIN: 00106763) - Managing Director of the Company.			
7	To approve revision of remuneration of Shri K. K. Soni (DIN: 00106037) – Director-Finance & CFO of the Company.			
8	<b>Special Resolution</b> for continuation of appointment of Shri Ajit Kumar (DIN: 00106597) as a Non – Executive Director of the Company.			
9	<b>Special Resolution</b> for continuation of appointment of Dr. Srinivasan Ramesh (DIN: 00126120) as a Non – Executive Director of the Company.			

Place:

Date:

\_\_\_\_\_  
Signature of the Member (s)

**Note: Please read the instructions overleaf before filling the form.**

## INSTRUCTIONS FOR FILLING THE BALLOT FORM

- 1 A member desiring to exercise vote by ballot may complete this Ballot Form and send it to the Company by post addressed to scrutinizer at the registered office of the Company. Envelopes, containing ballots if sent by courier or registered post or delivered personally at the expense of the members will also be accepted. The member may choose to tender the ballot form at the time of annual general meeting in the ballot box kept at the venue.
- 2 Vote can be exercised by E-voting facility provided for this purpose and details thereof has been provided in accompanying notice. Members are requested to exercise vote either by ballot or e-voting. In case voting is exercised both through e-voting and ballot, the vote through e-voting will supersede ballot in all cases i.e. voting by ballot will be rendered invalid.
- 3 This form should be completed and signed by the member (as per the specimen signature registered with the Company). In case of joint holding, this form should be completed and signed by the first named member and in his/her absence, by the next named member.
- 4 Incomplete/Unsigned Ballot Form will be rejected. Vote exercised through multiple forms i.e. more than one form will render the vote invalid and all Ballot forms will be treated as invalid.
- 5 Duly completed ballot form should reach the Company not later than the conclusion of Annual General Meeting on Thursday, 20<sup>th</sup> day of September, 2018. Ballot form received after this date will be strictly treated as if the reply from the member has not been received.
- 6 Voting rights for ballot shall be reckoned on the paid up value of shares registered in the name of the shareholders on the cutoff date i.e. 13<sup>th</sup> September, 2018.
- 7 The ballot shall not be exercised by a duly appointed proxy except in Annual General Meeting.
- 8 In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified true copy of Board Resolution/ Authority letter together with attested specimen signature(s).
- 9 The decision of scrutinizer on the validity of ballot form will be final.

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# VLS FINANCE LIMITED

CIN: L65910DL1986PLC023129

Registered Office: 2<sup>nd</sup>Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065

email: vls@vsnl.com, Website: [www.vlsfinance.com](http://www.vlsfinance.com), Phone: 011-4665 6666, FAX: 011-4665 6699

## Proxy Form

(Pursuant to Section 105(6) of 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:	
Folio No./DP ID/Client ID:	
No. of Shares Held	

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

1.	Name:		Signature of proxy
	Address:		
	E-Mail id:		
Or failing him			
2.	Name:		Signature of proxy
	Address:		
	E-Mail id:		
Or failing him			
3.	Name:		Signature of proxy
	Address:		
	E-Mail id:		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company, to be held on the 20<sup>th</sup> day of September, 2018 at 3:30 p.m. at The Auditorium, Sri Sathya Sai International Centre, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Description	(Optional)	
		For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Audited Balance Sheet of the Company as at 31 <sup>st</sup> March, 2018, the statement of Profit & Loss for the year ended on that date together with the report of Auditors and Directors thereon and the consolidated Financial Statements for the said period.		
2	To approve dividend of INR Rupee 1/- per equity share.		
3	To appoint a Director in place of Shri K. K. Soni (DIN: 00106037) who retires by rotation and being eligible, offers himself for re-appointment.		
4	To appoint a Director in place of Shri Vikas Mehrotra (DIN: 06476150) who retires by rotation and being eligible, offers himself for re-appointment.		
5	To fix the remuneration of Statutory Auditors.		
<b>Special Business</b>			
6	To approve revision of remuneration of Shri S. K. Agarwal (DIN: 00106763) - Managing Director of the Company.		
7	To approve revision of remuneration of Shri K. K. Soni (DIN: 00106037) – Director-Finance & CFO of the Company.		
8	<b>Special Resolution</b> for continuation of appointment of Shri Ajit Kumar (DIN: 00106597) as a Non – Executive Director of the Company.		
9	<b>Special Resolution</b> for continuation of appointment of Dr. Srinivasan Ramesh (DIN: 00126120) as a Non – Executive Director of the Company.		

Signed this      day of                      2018

Signature of Shareholder \_\_\_\_\_ Signature of Proxy Holder(s) \_\_\_\_\_

Affix Revenue Stamp

### NOTE :

- The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting. A Proxy need not be a Member.
- The form should be signed across the stamp by the member as per specimen signature registered with the Company.
- In case of jointholding, all the jointholders must sign the proxy form.
- It is optional to put a "X" in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



# VLS VLS FINANCE LIMITED

CIN: L65910DL1986PLC023129

Registered Office: 2<sup>nd</sup> Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065  
 email: vls@vsnl.com, Website: [www.vlsfinance.com](http://www.vlsfinance.com), Phone: 011-4665 6666, FAX: 011-4665 6699

## ATTENDANCE CARD 31<sup>st</sup> ANNUAL GENERAL MEETING Thursday, the 20<sup>th</sup> day of September, 2018

NAME OF THE ATTENDING MEMBER(S) (IN BLOCK LETTERS)	
* Folio No.	
DP ID No.	
Client ID No.	
No. of Shares Held	
NAME OF PROXY (IN BLOCK LETTERS, TO BE FILLED IN IF THE PROXY ATTENDS INSTEAD OF MEMBER)	

I/We hereby record my/our presence at the 31<sup>st</sup> Annual General Meeting of the Company on 20<sup>th</sup> day of September, 2018 at 3:30 p.m. at The Auditorium, Sri Sathya Sai International Centre, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110 003.

\* Applicable in case of shares held in physical form.

\_\_\_\_\_  
 Member/ Proxy Signature

### NOTES:

1. Member/Proxy wishing to attend the meeting must present this card duly filled in at the Entrance of the Venue.
2. No Gift/Coupon or equivalent will be given to members who are present in the meeting.
3. For convenience of members, persons other than member/proxy will not be allowed inside the Auditorium.

### Route Map of AGM Venue



**A** Sri Sathya Sai International Centre,  
 Lodhi Road, Institutional Area,  
 Pragati Vihar, New Delhi-110003