

V-Guard Industries Limited

CIN: L31200KL1996PLC010010

Registered Office: 42/962, Vennala High School Road,
Vennala, Ernakulam - 682028; E-mail: secretarial@vguard.in;
Web: www.vguard.in; Phone: 0484 - 4335000

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of V-Guard Industries Limited will be held on Thursday, August 5, 2021, at 3.30. p.m., through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company, situated at 42/962, Vennala High School Road, Vennala, Ernakulam - 682028.

Ordinary Business

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021, the Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 and the Report of Auditors thereon.
2. To declare dividend of ₹1.20 per equity share for the Financial Year 2020-21.
3. To appoint a Director in place of Mr. Ramachandran V (DIN: 06576300), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

4. To re-appoint Mr. Mithun K Chittilappilly (DIN: 00027610) as Managing Director for a period of five years

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

RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee

and approval of the Board of Directors made in its respective meetings held on March 19, 2021 and the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and 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) read with Schedule V to the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Mithun K Chittilappilly (DIN: 00027610), as Managing Director of the Company, for a period of 5 years effective from April 1, 2021, and the office of Managing Director shall not be liable to retire by rotation, and the remuneration payable to Mr. Mithun K Chittilappilly during the tenure of re-appointment, shall be as follows:

Salary: ₹12,00,000/- per month with a power to the Board or any Committee thereof to give an annual increase up to 25% of the last drawn salary and to alter or modify other terms and conditions of re-appointment including the salary payable subject to the limit specified herein above.

Commission: Not exceeding 1.50% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

Perquisites: Perquisites shall be allowed in addition to salary and commission, and they shall be restricted to the following:-

CATEGORY 'A'

(1) Housing:

The Company shall provide rent free furnished residential accommodation, with free gas, electricity and water as per Company's policy. In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent



allowance up to a limit of 10% of his monthly salary and reimbursement of expenses incurred towards gas, electricity, water and salary of two servants. The Company will also provide annual furnishing allowance not exceeding one month's salary.

(2) Medical Reimbursement:

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year.

(3) Leave Travel Concession:

For self and family, once in a year incurred in accordance with the rules of the Company.

(4) Club Fees:

Reimbursement of annual fees payable to two clubs and the fee payable shall not include admission and life membership fee.

(5) Personal Accident Insurance:

Premium payable per annum shall not exceed 5% of annual salary.

(6) Gratuity

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

(7) Encashment of Leave

Unavailed leave can be encashed as per the rules of the Company.

(8) Contribution to Provident Fund

Contribution to provident fund, superannuation fund or annuity fund as per the rules of the Company.

CATEGORY 'B'

(9) Provision of Car with driver for official use and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

RESOLVED FURTHER THAT notwithstanding anything contained herein above, where in any financial year, during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company shall, subject to receipt of requisite approvals including approval of the Central Government, if any, pay to the Managing Director,

the remuneration, set out above, as the minimum remuneration by way of salary, perquisites, other allowances and benefits.

RESOLVED FURTHER THAT pursuant to Sections 2(51), 203 and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Mithun K Chittilappilly, be and is hereby designated as Key Managerial Personnel of the Company.

5. To consider re-appointment of Ms. Radha Unni (DIN:03242769) as Independent Director

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

RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and the Board in its respective meetings held on May 26, 2021, and the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (the Rules) and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members of the Company, be and is hereby accorded for re-appointment of Ms. Radha Unni (DIN:03242769), whose present term of office of Independent Director expires on September 26, 2021, and who has submitted a declaration confirming the criteria of Independence as provided under Regulation 16(1)(b) of the Listing Regulations and sub-section (6) of Section 149 of the Act, as amended from time to time, and who is eligible for re-appointment as Non-Executive Independent Director, for a second term as per the provisions of the Act, the Rules and the Listing Regulations, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director pursuant to Section 160 of the Act, as Non-Executive Independent Director of the Company, to hold office for a term of five consecutive years, with effect from, September 27, 2021 to September 26, 2026 and that the office of Ms. Radha Unni, as Non-Executive Independent Director, shall not be subject to retirement by rotation.



RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Listing Regulations, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded, for continuation of office of directorship of Ms. Radha Unni, Non-Executive Independent Director of the Company, who may attain the age of 75 years during the second term of office.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.

6. To consider appointment of Prof. Biju Varkkey (DIN: 01298281) as Non-Executive Independent Director

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and recommendation of the Nomination and Remuneration Committee and the Board of Directors made in its respective meetings held on May 26, 2021, Prof. Biju Varkkey (DIN: 01298281), who was appointed as an Additional Director of the Company in the Independent category, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, effective from May 26, 2021 and who holds office upto the date of the ensuing Annual General Meeting, and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company to hold office for a term of five consecutive years with

effect from May 26, 2021 to May 25, 2026 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.

7. To ratify the remuneration payable to Cost Auditor

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

RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. BBS & Associates, Cost Accountants, (Firm Registration No.:00273), re-appointed by the Board of Directors, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022, amounting to ₹3,50,000/- (Rupees Three lakhs and fifty thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.

8. To increase overall managerial remuneration payable from 11% to 15% of the net profits of the Company

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

RESOLVED THAT in accordance with the provisions of Section 197 of the Companies Act, 2013, (the Act) read with Schedule V of the Act and other applicable provisions, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of the Company made in its respective



meetings held on May 26, 2021, approval of the members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable for the financial year 2021-22, from 11% to 15% of the net profits of the Company computed in the manner laid down in Section 198 of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.

9. To increase managerial remuneration payable to Mr. Ramachandran V (DIN: 06576300), Whole-time Director in excess of 5% of the net profits of the Company

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

RESOLVED THAT subject to the approval of resolution by the members for increasing overall managerial remuneration payable for the financial year 2021-22, from 11% to 15% of the net profits of the Company, being duly passed and becoming effective as set out at item no. 8 of this Notice convening the 25th Annual General Meeting and pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) read with Schedule V of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors in its respective meetings held on May 26, 2021, and considering the contributions made and quality of services rendered by Mr. Ramachandran V, Whole-time Director (DIN: 06576300), in the growth trajectory of the Company, approval of the members of the Company, be and is hereby accorded for payment of remuneration to Mr. Ramachandran V, for the financial year 2021-22, in excess of 5% of the net profits of the Company computed in accordance with Section 198 of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.

10. Payment of remuneration by way of commission to Ms. Joshna Johnson Thomas, Past Non-Executive Director for the Financial Year 2020-21, above fifty percent of the total annual remuneration by way of commission payable to all the Non-Executive Directors of the Company

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

RESOLVED THAT pursuant to Regulation 17(6)(ca) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members of the Company, be and is hereby accorded for payment of remuneration, for the Financial Year 2020-21, by way of commission to Ms. Joshna Johnson Thomas, (DIN: 02613030), who was a Non-Executive Director till March 31, 2021, in excess of fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Company for the said Financial Year.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.

By Order of the Board
For V-GUARD INDUSTRIES LIMITED

Place : Ernakulam
Date : July 13, 2021

Sd/-
JAYASREE K
Company Secretary
(Membership No.: A15900)



Notes:

1. In view of the continuing COVID -19 pandemic, the companies are permitted to conduct Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the members at a common venue, for the calendar year 2021, by the Ministry of Corporate Affairs vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 and Circular No. 2/2021 dated January 13, 2021 and Securities and Exchange Board of India (SEBI) vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021. Pursuant to the above circulars, the 25th AGM of the Company shall be conducted through VC/OAVM and hence, the facility for appointment of proxy by the members is not available for this AGM and the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. Pursuant to the above circulars, Annual Report for the Financial Year 2020-21 and Notice of the 25th AGM are sent only through electronic mode to the members of the Company.
2. For convenience of the members and proper conduct of AGM, members can login and join at least 20 minutes before the time scheduled for the AGM and the meeting link shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013, (the Act).
4. The Statement setting out material facts, pursuant to Section 102 of the Act, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) in respect of the Special Businesses, specified in item nos. 4 to 10 of the accompanying Notice is annexed hereto.
5. Corporate Members are required to send by e-mail a certified true copy of the Board Resolution, pursuant to Section 113 of the Act, authorizing their representatives to attend and vote on their behalf at the Meeting.
6. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide its members the facility for voting through remote e-voting as well as e-voting during the AGM in respect of all the businesses to be transacted at the AGM and has engaged National Securities Depository Ltd. (NSDL) to provide e-voting facility and for participation in the AGM through VC / OAVM facility.
7. A brief resume of each of the Directors proposed to be appointed / re-appointed at this AGM, nature of their expertise in specific functional areas, names of companies in which they hold directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter-se as stipulated under Regulation 36 of the Listing Regulations and other requisite information as per Clause 1.2.5 of Secretarial Standard-2 on General Meetings, are provided in the Annexure.
8. The Company's Statutory Auditors, M/s. S R Batliboi & Associates LLP, Chartered Accountants, registered with the Institute of Chartered Accountants of India vide registration number 101049W/ E300004, were re-appointed as Statutory Auditors of the Company for a period of five consecutive years at the 21st AGM of the members held on July 31, 2017, to hold office till the conclusion of AGM to be held in the year 2022, on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

Their appointment was subject to ratification by the members at every AGM held in the subsequent years. Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act,



2017, effective from May 7, 2018, the requirement of seeking ratification of the members for the appointment of the Statutory Auditors has been withdrawn.

In view of the above, ratification by the members for continuation of their re-appointment at this AGM is not being sought. The remuneration payable to the Statutory Auditors shall be determined from time to time by the Board of Directors based on the recommendation of the Audit Committee.

9. Electronic copy of the Annual Report for FY 2020-21 and Notice of AGM are uploaded on the Company's website www.vguard.in and is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s)/RTA for communication purposes and also on the website of BSE Ltd., and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. Further, Notice of AGM is available on the website of NSDL, the agency engaged for providing e-voting facility, i.e. www.evoting.nsdl.com.
10. All documents referred to in the accompanying Notice and the Statement setting out material facts can be obtained for inspection by writing to the Company at its email ID investors@vguard.in till the date of AGM.
11. The annual accounts of the subsidiary company are made available on the website of the Company www.vguard.in.
12. The Register of Members and e-Transfer Books will remain closed from Friday, July 30, 2021 to Thursday, August 5, 2021 (both days inclusive), for determining the names of members eligible for dividend on Equity Shares, if declared at the AGM.
13. The dividend, as recommended by the Board, if approved at the AGM, will be paid after August 5, 2021 but before August 27, 2021 to those members or their mandates whose names appear on the record of Depositories (National Securities Depository Limited and Central Depository Services (India) Limited) on July 29, 2021 (for shares held in demat mode) and in the Register of Members of the Company (for shares held in physical mode) updated as on July 29, 2021.
14. Pursuant to the amendments introduced in the Income-tax Act, 1961 ('the Act') vide Finance Act, 2020, w.e.f. April 1, 2020, dividend declared, paid or distributed by a Company on or after April 1, 2020, shall be taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct TDS/ Withholding Tax (TDS/ WHT) at the time of payment of dividend at the applicable tax rates. The rates of TDS/ WHT would depend upon the category and residential status of the shareholder as briefed hereunder:

A. Tax on Dividend to Resident Shareholders

I Tax on dividend to Resident Individual Shareholders

- a) Tax shall not be deducted on payment of dividend to **Resident Individual Shareholder**, if the total amount of dividend payable during the financial year does not exceed ₹ 5,000/-
- b) Tax to be deducted on payment of dividend to Resident Individual shareholder, if the total amount of dividend payable during the financial year exceeds ₹ 5,000/-:

Category of shareholder	Applicable tax rate	Documents required to be submitted
Resident individual shareholders with PAN	10%	PAN to be updated with Depository Participant / RTA
Resident individual shareholders without PAN / invalid PAN	20%	NA



- c) Resident Individual Shareholders, desires to avail exemption from deduction of tax on payment of dividend exceeding ₹ 5,000/- during the financial year:

Category of shareholder	Applicable tax rate	Documents required to be submitted
Resident Individual shareholders with PAN	Nil	Copy of PAN card
a) For individuals with no tax liability on total income		Declaration in Form 15G
b) For individuals above the age of 60 years with no tax liability on total income		Declaration in Form 15H

II Tax on dividend to Resident Non-Individual Shareholders

Tax on dividend payable during the financial year to Resident Non-Individual Shareholders shall be deducted either @ 10% or lower rates. They can avail exemption from TDS by submission of following documents:

Category of shareholder	Applicable tax rate	Documents required to be submitted
Mutual Fund specified under Section 10(23D) of the Income Tax Act, 1961 (the Act)	Nil	Copy of self attested PAN Declaration under Section 10(23D) of the Act
An Insurance Company exempted under Section 194 of the Act	Nil	Copy of self attested PAN Declaration qualifying as Insurer as per Section 2(7A) of the Insurance Act, 1938
Alternate Investment Fund (AIF established in India)	Nil	Copy of self attested PAN Declaration under Section 10(23FBA) of the Act for exemption and registration certificates for either Category I or Category II AIF as per SEBI Regulations
Other Non-Individual shareholders	Nil	Copy of self attested PAN Declaration along with self-attested copy of documentary evidence supporting the exemption
Shareholders who have submitted order u/s 197 of the Act	As per order	Copy of self attested PAN Lower withholding tax certificate for the FY 2021-22 obtained from tax authority to be submitted to claim the lower tax rates

B. Tax on Dividend to Non-Resident Shareholders

TDS/WHT on payment of dividend during the financial year to Non-Resident Shareholders shall be as follows:

Non-resident shareholders shall be taxed @ 20% plus applicable surcharge and cess on the dividend payable during the financial year. They can avail beneficial rates under tax treaty between India and their country of residence, subject to submission of necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.



Format for submission of various declarations mentioned above are made available on the website of the Company and the shareholders are requested to upload the duly filled in declarations to the link, <https://www.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before July 29, 2021.

C. SPECIAL PROVISIONS OF SECTION 206AB OF THE ACT

(For non-filers of tax return - For resident shareholders and selected non-resident shareholders)

The Finance Act, 2021 has inter alia inserted the provisions of Section 206AB of the Act which introduces special provisions for TDS in respect of non-filers of income-tax return with effect from July 1, 2021. The term 'specified person' is defined in sub-section (3) of Section 206AB and covers the persons who meet the following conditions:

- A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under Section 139(1) of the Act has expired; and
 - The aggregate of TDS and TCS in his case is ₹ 50,000 or more in each of these two previous years.
- TDS is required to be deducted at higher of following rates in case of payments to specified persons:
- twice the rate specified in the relevant provision of the Act; or
 - twice the rate or rates in force; or
 - the rate of 5%

As per the provisions of newly introduced Section 206AB the verification as required under this section will be done by the Company from the Income Tax portal and applicable tax will be deducted. The decision of the Company in this respect will be final and for any refund of tax the shareholder has to file the return of income and claim tax refund.

Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts. In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Members may note that in case the tax on said dividend is deducted at a higher rate in absence of timely receipt, or insufficiency/incomplete/incorrectness of the aforementioned details/documents from you, an option is available to you to file the return of income as per the Act and claim an appropriate refund, if eligible.

No claim shall lie against the Company for such taxes deducted.

15. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 (the Act), the Company has transferred on due dates, all unclaimed dividends up to the Financial Year 2012-13 to Investor Education and Protection Fund (IEPF) established by Central Government. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has uploaded the details of the unpaid and unclaimed amounts lying with the Company on the website of the Company (www.vguard.in), and on the website of the Ministry of Corporate Affairs (www.iepf.gov.in). Members who have not encashed the dividend warrant(s) for the Financial Year 2013-14 and for consecutive 7 years from the Financial Year 2013-14, so far, are requested to make their claim to the Secretarial Department of the Company, at the Registered Office or the office of the RTA on or before August 10, 2021, failing which the unpaid / unclaimed amount for the Financial Year 2013-14 shall be transferred to said fund at an appropriate date. Members' attention is particularly drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend.
16. Pursuant to the provisions of Section 124(6) of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for seven consecutive years or more on August 27, 2021 shall be transferred by the Company to Investor Education and Protection Fund Authority (IEPFA). The Company has also written to the Shareholders concerned intimating the particulars of the equity shares due for transfer. These details are also available on the Company's website www.vguard.in. No claim shall lie against the Company



in respect of these equity shares post their transfer to IEPFA. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application, the details of which are available at www.iepf.gov.in. and on the website of the Company at www.vguard.in. All correspondence should be addressed to the RTA of the Company viz. Link Intime India Pvt. Ltd , Surya, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore- 641 028, Tel: 0422 2314792 email ID: coimbatore@linkintime.co.in.

17. The cut-off date for the purpose of determining the members eligible for participation in remote e-voting and voting during the AGM is July 29, 2021. Please note that a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting during the Meeting. If members opt for remote e-voting, then they should not vote at the Meeting. However, once an e-vote on a resolution is cast by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again.
18. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
19. The Board vide its Resolution passed on May 26, 2021 has appointed M/s. M D Selvaraj & Associates, Company Secretaries, Coimbatore, as the scrutinizer to scrutinize both the remote e-voting as well as e-voting during the AGM in a fair and transparent manner.
20. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Thursday, July 29, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or investors@vguard.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on Shareholder/Member Login at www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, July 29, 2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again. At the end of remote e-voting period, the facility shall forthwith be blocked.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA /the Company.
22. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) is not processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, at the earliest.
23. Members who desires to raise/ask questions during the AGM are requested to send the same to investors@vguard.in before 5 p.m. on Monday, August 2, 2021. The speaker members are requested to maintain a time limit of 5 minutes to complete their questions.
24. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

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

The remote e-voting period begins on Monday, August 2, 2021 at 9.00 A.M. and ends on Wednesday, August 4, 2021 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names



appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 29, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 29, 2021.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a Mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a Mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.



3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 116314 then user ID is 116314001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.



- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mds@mdsassociates.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Asst .Vice President - NSDL at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, Certificate No., scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to investors@vguard.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card),



AADHAR (self attested scanned copy of Aadhar Card) to investors@vguard.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

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

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in shareholder/member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investors@vguard.in in atleast 48 hours before the start of AGM. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.



STATEMENT SETTING OUT MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE ACT), SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (THE LISTING REGULATIONS)

Item No. 4

Re-appointment of Mr. Mithun K Chittilappilly (DIN: 00027610) as Managing Director for a period of five years

Mr. Mithun K Chittilappilly was re-appointed as Managing Director of the Company for a period of three years effective from April 1, 2018. He has been the Managing Director of the Company since April 2012 and was instrumental in taking the brand beyond South Indian markets and driving performance with innovation at the core. He has expanded the product portfolio over the years by launching new products to folder and has played a pivotal role in developing a new channel network by associating with leading e-commerce market players. Under his stewardship, the Company has implemented robust processes and practices to support the future growth plans. Considering his contribution to the growth trajectory of the Company, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on March 19, 2021, re-appointed Mr. Mithun K Chittilappilly, as Managing Director, for a period of five years effective from April 1, 2021, subject to ratification of members of the Company at the 25th Annual General Meeting. The office of directorship of Mr. Mithun K Chittilappilly, shall not be liable to retire by rotation. He is not entitled for sitting fee for attending the meetings of the Board or Committees thereof.

Brief resume of Mr. Mithun K Chittilappilly, along with disclosures required under the Listing Regulations and Secretarial Standard - 2 on General Meeting issued by the Institute of Company Secretaries of India, is given in the Annexure accompanying this Notice. Directors seek the approval of the members for re-appointment of Mr. Mithun K Chittilappilly, as Managing Director by way of passing an Ordinary Resolution. Accordingly, the Board of Directors recommend passing of the Ordinary Resolution contained at item no.4 of the accompanying Notice.

Other than Mr. Mithun K Chittilappilly and his relatives, no other Director and Key Managerial Personnel including their relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution set out at item no. 4 of the accompanying Notice.

Item No. 5

To consider re-appointment of Ms. Radha Unni (DIN: 03242769) as Non-Executive Independent Director

The members of the Company, pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Act, appointed Ms. Radha Unni, as Independent Director, for a period of three consecutive years from September 27, 2018. Her initial term of appointment expires on September 26, 2021, and she is eligible for re-appointment for another term upto 5 consecutive years.

Considering her expertise and experience in various functional areas and contributions in the meetings of Board and Sub-committees of the Board, and based on the performance evaluation, the members of the Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on May 26, 2021, recommended the proposal of re-appointment of Ms. Radha Unni, as Independent Director for a second term of five consecutive years effective from September 27, 2021. In terms of Section 160 of the Act, the Company has received notice in writing from a member proposing the candidature of the Director for re-appointment.

The re-appointment proposed is in accordance with the provisions of Section 149 read with Schedule IV to the Act. The office of the Director shall not be liable to retire by rotation as provided under Section 152(6) of the Act. The Company has received consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time and declaration confirming the criteria of Independence as prescribed under Regulation 25(8) of the Listing Regulations and sub-section (7) of Section 149 of the Act. Further, the Director is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Ms. Radha Unni may attain the age of 75 years during the tenure of re-appointment and approval of the shareholders is sought for continuation of directorship for the remaining period of tenure of re-appointment in the resolution at item no.5 of the Notice of the AGM.



Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Statement setting out material facts.

Except Ms. Radha Unni, Director seeking re-appointment, and her relatives, no other Director and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice of the AGM. This Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends passing of the resolution set out at item no. 5 of the Notice of the AGM as Special Resolution.

Item No. 6

To consider appointment of Prof. Biju Varkkey (DIN: 01298281) as Non-Executive Independent Director

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 26, 2021, appointed Prof. Biju Varkkey, as an Additional Director under Section 161(1) of the Act, in the Independent category, for a period of five years effective from May 26, 2021. Prof. Biju Varkkey, shall hold office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Independent Director.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Prof. Biju Varkkey for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director in Form DIR-2. The Company has received a declaration from him stating that he has not been debarred from holding the office of Director pursuant to any SEBI Order and meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Prof. Biju Varkkey fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management and possesses appropriate skills, experience and knowledge.

Prof. Biju Varkkey is a faculty in Human Resource Management at Indian Institute of Management, Ahmedabad, and having more than twenty years of experience in teaching and is on the Board of various companies. The Board is of the opinion that the Company would benefit immensely from his professional experience and expertise.

In terms of Section 160 of the Act, the Company has received a notice in writing from one of the members proposing the candidature of Prof. Biju Varkkey for appointment.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Statement setting out material facts.

Except Prof. Biju Varkkey, who is seeking appointment, and his relatives, no other Director and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice of the AGM. This Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends passing of the resolution as set out at item no. 6 of the Notice of the AGM as an Ordinary Resolution.

Item No. 7

To ratify the remuneration payable to Cost Auditor

As per the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its cost records audited by a Cost Accountant in Practice.

The Board on the recommendation of the Audit Committee, has approved the re-appointment of M/s. BBS & Associates, Cost Accountants, Kochi (Firm Registration No.: 00273), as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2022. The Board also approved payment of ₹ 3,50,000/- as audit fee payable to the Cost Auditors plus applicable taxes and reimbursement of out-of-pocket expenses.



As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2021-22.

None of the Directors and Key Managerial Personnel of the Company including their relatives is concerned or interested, financially or otherwise, in this resolution.

Item Nos. 8 & 9

To increase overall managerial remuneration payable from 11% to 15% of the net profits of the Company and to increase managerial remuneration payable to Mr. Ramachandran V, Whole-time Director in excess of 5% of the net profits of the Company

With the approval of the members accorded in their 24th Annual General Meeting held on August 12, 2020, and in accordance with the provisions of Section 197 of the Act, the limit for total managerial remuneration payable to the Company's Directors including Managing Director and Whole-time Director, for the financial year 2020-21 was increased from 11% to 15% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. Further, the members accorded approval for increasing the limit of the remuneration payable to Mr. Ramachandran V, Whole-time Director, for the financial year 2020-21, in excess of 5% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The increased limit for payment of both overall managerial remuneration and remuneration to individual Director, has enabled exercise of significant number of outstanding stock options by the Whole-time Director during the financial year 2020-21. Mr. Ramachandran V, Whole-time Director, has not exercised completely the outstanding options and some number of options, if not exercised during the financial year 2021-22, would lapse in the coming financial years. If he exercises fairly large number of options in the current financial year, taking into account the perquisite value which will get added to the remuneration, the total managerial remuneration payable to the Managing Director and Whole-time Director(s) is expected to exceed 11% of the net profits of the Company and the remuneration payable to Mr. Ramachandran V, during the financial year 2021-22 may also exceed the limit of 5% of the net profits of the Company for the said financial year.

The employee stock compensation expenses relating to the options vested had been taken into the Statement of Profit and Loss in the respective years of vesting and there will not be any impact neither on the profits nor on the cashflow for the financial year 2021-22 on account of increase in the overall managerial remuneration.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 26, 2021 considered the proposal to increase the overall limit of managerial remuneration payable from 11% to 15% of the net profits of the Company calculated as per Section 198 of the Act and increase the limit of the remuneration payable to Mr. Ramachandran V, in excess of 5% of the net profits of the Company, for the financial year 2021-22.

Your Directors recognize that business of the Company had been impacted during the last two financial years due to COVID - 19 pandemic and the second wave started during the beginning of the financial year 2021-22 has partially disrupted the operations and the business is expected to rebound in the coming months. Considering the unfavourable business environment, your Directors submit that the increase in the overall limit of managerial remuneration and the limit of remuneration payable to Mr. Ramachandran V, Whole-time Director is proposed by your Board mainly to facilitate exercise of options vested to him out of the stock options grant made during the years 2013 and 2016 which will lapse in the coming financial years, if not exercised and the Board do not intend to provide any undue remuneration to the managerial personnel during this time of crisis.

Your Directors recommend the Ordinary and Special Resolutions at item nos. 8 and 9 of the Notice of the AGM respectively to the members for their approval.

Except Mr. Ramachandran V, Director, and his relatives, no other Director and Key Managerial Personnel of the Company including their relatives are interested or concerned, financially or otherwise, in the resolutions set out at item nos.8 and 9 of the accompanying notice.



Item No. 10

Payment of remuneration by way of commission to Ms. Joshna Johnson Thomas, Past Non- Executive Director for the Financial Year 2020-21, above fifty percent of the total annual remuneration by way of commission payable to all the Non-Executive Directors of the Company.

As per Regulation 17(6)(ca) of the Listing Regulations [as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018] approval of shareholders is required, in case the annual remuneration payable to a single Non-Executive Director exceeds the limit of 50% of that payable to all the Non-Executive Directors.

The members of the Company in their 23rd Annual General Meeting held on July 24, 2019, approved payment of commission to Non-Executive Directors @ not exceeding 2% of the net profits of the Company. The Board of Directors had fixed the amount of commission payable to Ms. Joshna Johnson Thomas, who was on the Board of the Company as Non-Executive Director till the end of the financial year 2020-21 and the amount payable to her for the said financial year is Rs.73.44 lakhs, which exceeds 50% of the total annual remuneration payable to all the Non-Executive Directors. The amount of commission payable is in addition to the sitting fee paid to her for the attendance in the meetings of Board and Committees thereof.

Considering the provisions of the said amendment, your Directors recommend the Special Resolution at item no. 10 of the Notice of the AGM to the members for their approval for payment of commission to Ms. Joshna Johnson Thomas.

Other than Mr. Mithun K Chittilappilly and his relatives, no other Director or Key Managerial Personnel including their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at item no.10 of the accompanying Notice.

By Order of the Board
For V-GUARD INDUSTRIES LIMITED

Place : Ernakulam
Date : July 13, 2021

Sd/-
JAYASREE K
Company Secretary
(Membership No.: A15900)



BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 25TH ANNUAL GENERAL MEETING

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

Particulars	Mithun K Chittilappilly	Radha Unni	Prof. Biju Varkey [#]
Date of Birth & Age	02.09.1980 40 Years	04.12.1948 72 years	22.12.1965 55 years
DIN & Nationality	00027610 Indian	03242769 Indian	01298281 Indian
Date of first appointment to the Board	01.04.2003	27.09.2018	26.05.2021
Qualification	Graduate in Commerce & MBA (Finance & Marketing)	M.A., B.Ed., CAIIB	Master's in human resource management, Fellow in Management, NIBM
Experience in specific functional areas	He is on the Board of the Company for more than 16 years and has headed various strategic initiatives and lead the organisation to the next level by implementing various transformational activities in the functional areas of Supply Chain Management, Sales & Marketing and Customer Services. He has been instrumental in Company going digital and unveiling a new brand identity. He has taken an active role in increasing the manufacturing footprint of the Company in various product categories.	She is an Associate at Indian Institute of Banking & Finance having more than 36 years of experience in banking sector. During the tenure in the Bank, she was predominantly involved in credit and project appraisal of small, medium and large projects. She had held various positions at the State Bank of India, including deputation to SBI Capital Markets overseeing public issues, debt placements, project appraisal etc. She retired as the Chief General Manager, State Bank of India, Kerala Circle.	He is a faculty member at IIM Ahmedabad in Human Resource Management Area where he teaches in the graduate, executive development and doctoral programs. He chaired the task force for EPGP, IIMAs online Master's Degree program and was the founder chairperson of the EPGP program (2016-2020).
Relationship with any Director(s) or Manager or Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company
Directorship held in other listed Companies	NIL	1. Nitta Gelatin India Limited 2. Muthoot Capital Services Limited 3. Western India Plywoods Limited	1. Aster DM Healthcare Limited 2. Husys Consulting Limited
Memberships in the Committees of Board of other listed Companies*	NIL	1. Nitta Gelatin India Limited 2. Muthoot Capital Services Limited 3. Western India Plywoods Limited	Husys Consulting Limited



Particulars	Mithun K Chittilappilly	Radha Unni	Prof. Biju Varkey#
Membership and Chairmanship in the Committees of the Board of the Company	Audit Committee Stakeholders' Relationship Committee	Audit Committee	Nil
No. of shares held in the Company	10,76,87,278 Equity Shares as on March 31, 2021	Nil	Nil
Number of meetings of the Board attended during the Financial Year 20-21	8	8	NA
Terms and conditions of appointment/ re- appointment along with details of remuneration sought to be paid	He is re-appointed as Managing Director of the Company effective from April 1, 2021 for a period of five years by the Board of Directors in their meeting held on March 19, 2021, subject to the approval of the members in the ensuing Annual General Meeting. As per the terms of re-appointment, he is not liable to retire by rotation pursuant to Section 152 of the Act. Details of remuneration sought to be paid forms part of the resolution seeking approval for re-appointment.	Ms. Radha Unni was appointed as the Non-Executive Independent Director of the Company on September 27, 2018 for a period of 3 years. The Board in its meeting held on May 26, 2021, based on the recommendation of the Nomination and Remuneration Committee recommends re-appointment of Ms. Radha Unni as Independent Director for second term of 5 years.	Based on the recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on May 26, 2021, appointed Prof. Biju Varkkey as an Additional Director in the Independent Category for a period of 5 years. As per the provisions of Section 161 of the Act, he holds office up to the date of this Annual General Meeting and seeks approval for appointment.
Details of last drawn remuneration	During the Financial Year 2020-21, an aggregate amount of ₹ 524.44 lakhs was paid towards salary, retirement benefits, perquisites and commission.	During the Financial Year 2020-21, an aggregate amount of ₹ 5.90 Lakhs was paid towards fee for attending Board / Committee Meetings.	NA

* Chairmanship / Membership of Committees given above include details of Audit Committee / Stakeholders' Relationship Committee.

Prof. Biju Varkkey was appointed as Additional Director effective from May 26, 2021.

By Order of the Board
For V-GUARD INDUSTRIES LIMITED

Place : Ernakulam
Date : July 13, 2021

Sd/-
JAYASREE K
Company Secretary
(Membership No.: A15900)