



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 Seventh Annual General Meeting of the members of V-Guard Industries Limited ("the Company") will be held on Thursday, August 24, 2023, at 11.00 a.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses;

Ordinary Business

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Report of Auditors and the Board of Directors thereon.
2. To declare dividend of ₹ 1.30/- per equity share for the Financial Year 2022-23.
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 ratify the remuneration payable to Cost Auditor

To consider and if thought fit, to pass 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, Ernakulam, (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, 2024, amounting to ₹ 3,50,000/- (Rupees Three

Lakh 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 ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

5. To consider appointment of Mr. Ishwar Subramanian (DIN: 01473535) as Non-Executive Independent Director of the Company

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

"RESOLVED THAT Mr. Ishwar Subramanian (DIN: 01473535) who was appointed by the Board of Directors, on the recommendation of Nomination and Remuneration Committee, as an Additional Director of the Company with effect from May 30, 2023, in terms of Section 161 of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Ishwar Subramanian (DIN: 01473535), who meets the criteria of Independence, be appointed as Non-Executive Independent Director of the Company,

not liable to retire by rotation, to hold office for a first term with effect from May 30, 2023 for a period of five consecutive years on such terms and conditions as set out in Explanatory Statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

6. To consider appointment of Mr. Antony Sebastian K (DIN: 01628332) as Executive Non-Independent Director of the Company.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Antony Sebastian K (DIN: 01628332) who was appointed by the Board of Directors, on the recommendation of Nomination and Remuneration Committee, as an Additional Director of the Company with effect from May 30, 2023, in terms of Section 161 of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Act and being eligible has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, 196, 197 and 203 read with Schedule V 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 thereof for the time being in force) and recommendation of the members of Nomination and Remuneration Committee and Board of Directors, consent of the members of the Company be and is hereby accorded for appointment of Mr. Antony Sebastian K (DIN: 01628332) as Whole-time Director of the Company, liable to retire by rotation, for a period of 4 (Four) years, with effect from May, 30 2023, till May 29, 2027 on a monthly remuneration

and such other allowances, perquisites, benefits, amenities as applicable to the Company’s Executives in the similar grade and on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening this meeting with liberty to the Board of Directors to alter and vary the terms and conditions/or remuneration subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT in the absence or inadequacy of the profits in any year, Mr. Antony Sebastian K (DIN: 01628332), shall be entitled to receive and be paid a minimum remuneration in that year by way of salary, allowances, perquisites and other benefits as stated in the Explanatory Statement hereto, subject to the ceiling as specified under Schedule V and any other provisions of Companies Act, 2013 (including any statutory modifications and re-enactments thereof);

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper, expedient to give effect to this resolution.”

7. Payment of emoluments to Mr. Kochouseph Chittilappilly, Chairman Emeritus, for providing advisory services

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** on the recommendation of Audit, Nomination & Remuneration Committee and Board of Directors and pursuant to Section 188 and other relevant provisions of the Companies Act, 2013 and rules thereof and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and any other law for the time being in force or any amendments of modifications thereof Mr. Kochouseph Chittilappilly, Chairman Emeritus will be paid emoluments @ 0.25% of the net profits of the Company on annual basis for a period of five years w.e.f. April 1, 2023 and reimbursement of expenses for travelling and lodging, car, driver or any other personal staff and any other soft perquisites etc., for providing service as an advisor or mentor, to the Company, the Board and the Management.”

8. To Grant of options to employees of subsidiary company(ies) under the Employee Stock Option Scheme, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b), and all other applicable provisions, if any, of the Companies Act 2013, read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB Regulations”), and all other applicable provisions, if any, of SBEB Regulations, the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approval(s), the consent of the shareholders’ of the Company, be and is hereby accorded to offer, issue, grant and allot from time to time, in one or more tranches, employee stock options (“Options”) under ‘ESOS 2013’ (“Scheme”) to the permanent eligible employees of subsidiary company(ies) who are working in or outside India, within the ceiling of total number of Options and equity shares, as specified in ESOS 2013 along with such other terms and in such manner as the Nomination and Remuneration Committee may decide in accordance with the provisions of the applicable laws and the provisions of the ESOS 2013.

RESOLVED FURTHER THAT such shares as are issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing fully paid-up shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to Nomination and Remuneration Committee with power to further delegate to any executives/officers of the Company to do all such acts, deeds, matters and things and also to execute such documents as may be necessary in this regard.”

9. To create further number of options for grant under the existing Employee Stock Option Scheme of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b), and all other applicable provisions, if any, of the Companies Act 2013, read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB Regulations”), and all other applicable provisions, if any, of SBEB Regulations, the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approval(s), the consent of the shareholders’ of the Company, be and is hereby accorded to the amendments made in ‘ESOS 2013’ (“Scheme”), to increase the aggregate number of employee stock options (“Options”) reserved under the Scheme by creating additional 57,00,000 (Fifty Seven Lakh) Options, exercisable into not exceeding 57,00,000 (Fifty Seven Lakh) equity shares (“Shares”) of face value of ₹ 1/- (Rupee One Only) each fully paid-up, where one Option would convert into one equity share upon exercise, on such terms and in such manner in accordance with the provisions of the applicable laws and the provisions of ESOS 2013.

RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation, split, change in capital structure of the Company, as applicable from time, if any additional Options granted or equity shares are issued by the Company to the grantees for the purpose of making a fair and reasonable adjustment to the employee stock Options granted earlier, the ceiling of total number of Options and equity shares specified above shall be deemed to be increased to the extent of such additional Options granted or equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be allotted and the price of acquisition payable by the grantees under the Scheme shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity

shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted stock options under the Scheme and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the Scheme on the stock exchanges where the equity shares of the Company are listed in due compliance with SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion, deem necessary

including authorising or directing to appoint merchant bankers, solicitors, and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Scheme as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions to give effect to this resolution.”

By Order of the Board
For V-Guard Industries Limited

Sd/-
Vikas Kumar Tak
Company Secretary & Compliance Officer
(Membership No.: F 6618)

Regd. Office: 42/962, Vennala High School Road,
Vennala, Kochi – 682 028
Date: May 30, 2023

Notes:

1. In accordance with the provisions of the Companies Act, 2013 (“the Act”), read with the Rules made thereunder and General Circular No. 10/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs (“MCA”), Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by SEBI and other Circulars issued by the Ministry of Corporate Affairs (“MCA”) and SEBI, with respect to holding the Annual General Meeting (“AGM”) through video conference/other audio visual means (“VC/OAVM”), from time to time (“the Circulars”), the 27th AGM of the Company is being held 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. 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. Pursuant to the above circulars, Annual Report for the Financial Year 2022-23 and Notice of the 27th AGM are sent only through electronic mode to all the Members of the Company. Physical copy of Annual Report and Notice calling 27th AGM will be sent to those shareholders who have requested for the same.
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.
4. The Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, 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 9 of the accompanying Notice is annexed hereto.
5. Corporate Members are required to send by e-mail to scrutinizer at mds@mdsassociates.in, a certified true copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote on their behalf at the Meeting.
6. Pursuant to Section 108 of the Companies Act, 2013 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 Central Depository Services (India) Limited (CDSL) to provide e-voting facility and for participation in the AGM through VC / OAVM facility.
7. Brief resume of the Directors proposed to be 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standard-2 on General Meetings, are provided in **Annexure 1**.
8. Electronic copy of the Annual Report for FY 2022-23 and Notice of AGM are uploaded at ‘Investor Relations’ section 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 Ltd. at www.bseindia.com and www.nseindia.com respectively. Further, Notice of AGM is available on the website of CDSL, the agency engaged for providing e-voting facility, i.e. www.evotingindia.com.

9. 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.
 10. The annual accounts of the subsidiary companies are made available on the website of the Company at <https://www.vguard.in/investor-relations/annual-reports>.
 11. The Register of members and e-Transfer Books will remain closed from Friday, August 18, 2023 to Thursday, August 24, 2023 (both days inclusive), for determining the names of members eligible for dividend on Equity Shares, if declared at the AGM.
 12. The dividend, as recommended by the Board, if approved at the AGM, will be paid on or before September 22, 2023 to those members or their mandates whose names appear on the record of Depositories [National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited(CDSL)] (for shares held in Demat form) or Register of Members (for shares held in physical form) on August 17, 2023.
 13. Members holding shares in physical form are requested to promptly notify in writing their bank account details/ any change therein or change in their address, nomination, e-mail address, mobile number, etc. in Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 03, 2021 and SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 along with requisite documents as mandated by SEBI, to RTA. These details will be updated provided other relevant KYC details are registered for the folio. Members holding shares in electronic form are requested to notify the change in above particulars directly to their DP.
 14. The requisite Registers, as required under the Act, are available for inspection by the members. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to the Secretarial Department at investors@vguard.in.
- 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 amount 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 Declaration in Form 15G (for individuals with no tax liability on total income). Declaration in Form 15H (for individuals above the age of 60 years with no tax liability on total income). |

II Tax on dividend amount to Resident Non-Individual Shareholders

Tax on dividend payable during the financial year to Resident Non-Individual Shareholders shall be deducted either @ 10% or at applicable 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 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

Tax deductible at source / withholding tax on payment of dividend during the financial year to Non-Resident Shareholders shall 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 (in electronic mode, for shareholders having PAN), any other document which may be required to avail the tax treaty benefits.

Format for submission of various declarations mentioned above are made available at 'Investor Relations' section on the website of the Company and the shareholders are requested to upload the duly filled in declarations to the link, www.linkintime.co.in/formsreg/submission-of-form-15g-15h.html, on or before August 17, 2023.

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 1st July 2021. The term 'specified person' is defined in sub section (3) of section 206AB and covers the persons who satisfy the following conditions:

- A person who has not filed the income tax return for the previous year 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 the said previous year.

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%

1. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the Company has transferred on due dates, all unclaimed dividends up to the Interim Dividend for Financial Year 2015-16 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 at 'Investor Relations' section 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 2015-16 and for consecutive 7 years from the Financial Year 2015-16, 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 14, 2023, failing which the unpaid / unclaimed amount for the Financial Year 2015-16 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.

2. Pursuant to the provisions of Section 124(6) of the

Companies Act, 2013 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 24, 2023 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.

3. The cut-off date for the purpose of determining the members eligible for participation in remote e-voting (e-voting from a place other than venue of the AGM) and voting at the AGM is August 17, 2023. 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.

4. 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.

5. The Board vide its Resolution passed on May, 30, 2023, 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.

6. Any person, who acquires shares of the Company and becomes member of the Company after sending of the Notice and holding shares as on the cut-off date i.e. August 17, 2023, may generate the login ID and password as provided in instructions on e-voting mentioned below.

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.

7. 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.
8. 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, promptly.
9. 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 Wednesday, August 23, 2023. The speaker members are requested to maintain a time limit of 5 minutes to complete their questions.
10. 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 GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, August 21, 2023 at 9.00 A.M. and ends on Wednesday, August 23, 2023 at 5.00 P.M. The remote e-voting module shall be disabled by CDSL 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. August 17, 2023, 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 August 17, 2023.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting facility to its shareholders.

Instructions of e-voting are hereunder:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL Depository | <ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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. CDSL and NSDL

| Login type | Helpdesk details |
|--|--|
| 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 toll free no. 1800 22 55 33 |
| 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 |

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|--|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN of V-Guard Industries Limited.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address mds@mdsassociates.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM / EGM THROUGH VC/ OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request on or before August 17, 2023 mentioning their name, demat account number/folio number, email id, mobile number at investors@vguard.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries before 5 p.m. on Wednesday, August 23, 2023, mentioning their name, demat account number/folio number, email id, mobile number at investors@vguard.in.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM 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 available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in

the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, 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 email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

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

To ratify the remuneration payable to Cost Auditor

As per the provisions of Section 148 of the Act read with The 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 M/s. BBS & Associates, Cost Accountants, Ernakulam, (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, 2024. The Board also approved payment of ₹ 3,50,000/- (Three Lakh Fifty Thousand only) 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. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2023-24.

None of the Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

Item No. 5

To consider appointment of Mr. Ishwar Subramanian (DIN: 01473535) as Non-Executive Independent Director of the Company.

The members of the Nomination and Remuneration Committee in their meeting held on May 29, 2023,

recommended the proposal of appointment of Mr. Ishwar Subramanian (DIN: 01473535) as an Independent Director of the Company for a period of five years. The Board in its meeting held on May 30, 2023, considered the proposal and recommended to the shareholders of the Company for their consideration and approval, in accordance with the provisions of Section 149 read with Schedule IV to the Act. The Company has received a Notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Ishwar Subramanian (DIN: 01473535) for the office of Director of the Company and consent has been filed by Mr. Ishwar Subramanian pursuant to Section 152 of the Act. 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. The Company has received a declaration from him stating that he has not been debarred from holding the office of Director by the Securities And Exchange of Board of India, the Ministry of Corporate Affairs, the Reserve Bank of India or such statutory authority and meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and under Listing Regulations.

In the opinion of the Board, Mr. Ishwar Subramanian (DIN: 01473535) fulfils the conditions for his 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.

Copy of draft letter of appointment of Mr. Ishwar Subramanian setting out the terms and conditions of appointment are available electronically for inspection by the Members during the e-AGM and is also uploaded on the website of the company at <https://www.vguard.in/uploads/downloads/Drat-LOA-website.pdf>.

He is a Chartered Accountant and has expertise in the areas of Business Strategy, Consulting, Finance, Management, etc. He is a Private Equity Investor, Co-founder, Executive Chairman and GP of Forum Synergies (India focused Private Equity Fund). He is also Technology Entrepreneur, Co-founder and Executive Chairman of then India's largest B2B market-place for construction materials (MSupply). The Board is of the opinion that the Company would benefit immensely from his professional experience and expertise.

A detailed resume of Mr. Ishwar Subramanian (DIN: 01473535) is accompanying this Notice pursuant to the provisions of the Listing Regulations and Secretarial

Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

In line with the aforesaid provisions of the Act and varied experience of Mr. Ishwar Subramanian (DIN: 01473535), the Board recommends the Special Resolution set out at Item No. 5 of the Notice of the 27th AGM for the approval by the members.

Other than Mr. Ishwar Subramanian (DIN: 01473535) and his relatives, none of the Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

Item No. 6

To consider appointment of Mr. Antony Sebastian K (DIN: 01628332) as Executive Non-Independent Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors vide resolution dated May 29, 2023 and May 30, 2023 respectively, appointed Mr. Antony Sebastian K (DIN: 01628332) as an Additional Director (Whole-time Director) of the Company w.e.f. May 30, 2023. The appointment of Mr. Antony Sebastian K, if approved by the members of the Company, shall be effective from May 30, 2023 till May 29, 2027 in terms of Section 149, 196 and 203 read with Schedule V of the Companies Act, 2013 (‘the Act’), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), or any amendment thereto or modification thereof. The office of Mr. Antony Sebastian K is liable to retire by rotation as per Section 152 of the Act.

Mr. Antony Sebastian K 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. The Company has received a declaration from him stating that he has not been debarred from holding the office of Director by the Securities And Exchange of Board of India, the Ministry of Corporate Affairs, the Reserve Bank of India or such statutory authority. Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Antony Sebastian K has been received by the Company, and consent has been provided by Mr. Antony Sebastian K, pursuant to Section 152 of the Act.

Mr. Antony Sebastian K has done EMBA in Materials Management, GDMM, Dip. Electronics Eng., Dip. Production Management Quality Management Program

from Osaka, Japan and Executive Education Program from IIM Bangalore. He holds 39 years of experience in areas of experience in the fields of After Sales and Service, Production Management, Quality Control, Supply Chain Management etc. He joined the Company in 1985 and is currently heading the Department of SCM as Sr Vice President in the Company. He has been instrumental for various initiatives in after sales and SCM divisions, which has not only increased the efficiency but also been able to achieve the brand image of the Company.

Mr. Antony Sebastian K has served the Company for nearly 4 decades and his contribution has been mainly in the key areas of SCM modernization, after sales and service, Production Management, Quality Control, Supply Chain Management. He is specialized in negotiation with suppliers, planning, trouble shooting, Project management and people’s management of the Company which has helped the sales teams to expand throughout the country particularly in the last decade. Considering the background and experience of Mr. Antony Sebastian K, the Board of Directors at its meeting held on May 30, 2023, based on the recommendation of Nomination and Remuneration Committee and subject to the approval of members at the ensuing Annual General Meeting has appointed Mr. Antony Sebastian K as Whole Time Director of the Company liable to retire by rotation for period of 4 years commencing from May 30, 2023 to May 29, 2027, on the terms and conditions given below:-

1. **Term** : Period commencing from May 30, 2023 to May 29, 2027
2. **Period** : 4 Years
3. **Nature of Duties** : Mr. Antony Sebastian K shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Managing Director and/ or the Board from time to time and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company. He shall also exercise his duties with due and reasonable care, skill and diligence and independent judgment.
4. **Salary** : ₹ 4,13,100/- per month with a power to the Board or any Committee thereof to give an annual increase up to 7% of the last drawn salary and also to alter or modify other terms and conditions of appointment including the remuneration payable subject to the limits specified herein above.

5. **Medical Allowance:** ₹ 41,692/- per month
6. **Short Term Variable Pay :** ₹ 19,82,880/- for the Financial Year 2023-24 with a power to the Board or any Committee thereof to give an annual increase upto 7% during the subsequent years falling under the re-appointment and the payment is linked to Company performance and parameters consist of 15% annual growth in Revenue and EBITDA with equal weightage to both the parameters and the amount shall be calculated by applying multiplier as per linear measure detailed herein below and that the maximum amount payable shall not exceed 150% of short term variable pay fixed

| | | | | | |
|--|------------------|------------------|-------------------|-------------------|--------|
| Achievement % to desired growth (15%) | 80 % - 94.99% | 95% - 104.99% | 105% - 114.99% | 115% - 124.99% | > 125% |
| Multiplier for short term variable pay | 80% | 100% | 115% | 130% | 150% |

7. **Perquisites:** The Second Party is entitled to the following perquisites during the tenure of his re-appointment:

- (i) **Rent Free Residential Accommodation:** The Company will provide rent free residential accommodation to the Second Party and would also reimburse the housing society charges, other utility bills and salary paid to the domestic help by the Second Party or 40% of salary as HRA;
- (ii) Employer's contribution to Provident Fund;
- (iii) A car for office use with driver and use of car for private purpose shall be considered as perquisite or 35% of salary as car allowance.
- (iv) A mobile phone for official use. Personal long distance calls made by the Second Party shall be billed by the Company and the same be considered as perquisite.
- (v) Medical Insurance as per the rules of the Company.
- (vi) Leave and leave encashment as per the rules of the Company.

No sitting fee

So long as the Second Party functions as a Director in the Whole-time employment of the Company, he shall not be paid any sitting fees for attending the Meetings of the Board of Directors or the Committees thereof in which he is a Member.

8. **Other Terms :** He will continue to act in the category of Whole Time Director till he holds the executive position of the Company and if ceases to hold

executive position he will continue to hold his office as Director under Non-Executive Non Independent Category and will be eligible to retire by rotation. As a Non-Executive Non Independent Director he will not be eligible for any salary but will be eligible for sitting fee for the Board and Committee meeting in which he may act as member or chairman.

Explanation:-

Perquisites shall be evaluated as per the Income Tax Rules wherever applicable and in the absence of any such rule perquisite shall be evaluated at actual cost to the Company.

No Sitting fee for attending the meetings of Board of Directors / Committee thereof shall be paid to Mr. Antony Sebastian K, till the time he is functioning as a Whole Time Director.

Overall Remuneration

The total remuneration payable to Mr. Antony Sebastian K, by way of salary perquisites, allowances, benefits and amenities as approved by the Board shall not exceed the limits laid down in Section 197, 198 and other relevant provisions of Companies Act, 2013 or any statutory modifications or re-enactments thereof and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Minimum Remuneration

In the absence of or inadequacy of profits in any year, Mr. Antony Sebastian K shall be entitled to receive and be paid the above remuneration as minimum remuneration in that year by way of salary, allowances, perquisites and other benefits in that year, subject however to the ceiling specified under Schedule V of the Companies Act, 2013 (including any statutory modifications and re-enactment thereof).

In line with the aforesaid provisions of the Act and varied experience of Mr. Antony Sebastian K (DIN: 01628332), the Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice of the 27th AGM for the approval by the members.

Other than Mr. Antony Sebastian K (DIN: 01628332) and his relatives, none of the Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 6 of the Notice.

Item No. 7

Payment of emoluments to Mr. Kochouseph Chittilappilly, Chairman Emeritus, for providing advisory services

Mr. Kochouseph Chittilappilly, was appointed as Chairman Emeritus of the Company by the shareholders of the Company effective from April 1, 2020. His continued association in a mentor/ advisory role, would add goodwill to the Company, and the Board, its Sub-committees and the Management would immensely benefit out of his tremendous experience, knowledge and wisdom in the business of the Company and the industry to which the Company belongs. His presence as the Chairman Emeritus will be of great value to the Company. The shareholders had approved the payment of emoluments @ 0.25% of the net profits, to Mr. Kochouseph Chittilappilly on March 27, 2020 through postal ballot process. During the last three years emoluments paid to him was ₹ 73.44 Lakh, ₹ 75.17 Lakh and ₹ 63.69 Lakh for FY-2020-21, FY 2021-22 and FY 2022-23 respectively.

The Board in its meeting held on February 02, 2023 approved payment of emoluments to Mr. Kochouseph Chittilappilly @ 0.25% of the net profits of the Company on annual basis for a period of five years ending March 31, 2028 and reimbursement of expenses like travelling and lodging expenses, perquisites like car along with driver, personal staff etc. will be paid to him. The payment of emoluments to Mr. Kochouseph Chittilappilly are in the ordinary course of business and on arm's length basis.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 7 of the Notice for Payment of emoluments to Mr. Kochouseph Chittilappilly, Chairman Emeritus, for providing advisory services.

Mr. Mithun K Chittilappilly, Managing Director of the Company is related to Mr. Kochouseph Chittilappilly. None

of the other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the Resolution set out at Item No. 7 of the Notice.

Mr. Kochouseph Chittilappilly and the relatives of Mr. Kochouseph Chittilappilly, may be deemed to be interested in the respective resolution to the extent of their and Mr. Kochouseph Chittilappilly's shareholding, if any, in the Company.

Item Nos. 8 & 9

To consider & approve Grant of options to employees of subsidiary company(ies), under the Employee Stock Option Scheme, 2013 and to create further number of options for grant under the existing Employee Stock Option Scheme of the Company

The Company had implemented Employee Stock Option Scheme in the year 2013 ('Scheme') in accordance with the provisions of erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, to grant stock options to the employees. The scheme is administered by Nomination and Remuneration Committee and options were granted to eligible employees as part of their compensation structure, from time to time.

Subsequently the Scheme was amended from time to time to increase the number of options for new grants to existing and new employees. The Shareholders approved the amendments at the 20th Annual General Meeting held on July 26, 2016 and on April 30, 2017, December 09, 2017 through Postal Ballot process and at the 24th Annual General Meeting held on August 12, 2020 to increase the pool of options available for grant.

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock-based compensation scheme.

Considering the nature of the industry, the long-term incentives being offered to the employees of the Company mainly consist of Options. The Company is on a growth path and has aggressive business plans for the next few years. To support these plans, the current number of available Options for new grants is estimated to be insufficient over the next three to five years. Given this background, it is proposed to increase the total Options reserve by

additional 57,00,000 (Fifty Seven Lakh) Options under ESOS 2013 by amending clause 3.1 of the Scheme. The said options will be used for existing and future employees of the Company and its subsidiary companies for future grants under the Scheme. The detailed options movement is given under Annexure IV of Directors' Report.

Further, the Company has already covered the eligible employees of the subsidiary company(ies) under ESOS 2013, however, not yet granted any Options to them.

With the objective to motivate key employees of subsidiary company(ies), for their contribution to the corporate growth, to create an employee ownership culture, to retain the best talent in the competitive environment and to encourage them in aligning individual goals with that of the Company's objectives, your Company intends to grant of Options to the eligible employees of the subsidiary company(ies) under ESOS 2013.

Accordingly, the Nomination and Remuneration Committee ('Committee') and the Board of Directors ('Board') of the Company, at their respective meetings held on May 29, 2023 and May 30, 2023, had approved the increase in Options reserve and grant of Options to the eligible employees of the subsidiary company(ies) under ESOS 2013, subject to your prior approval. As per the above rationale, the said amendments are not prejudicial to the interests of the employees. The beneficiaries of such amendments shall be the future eligible employees who may be granted Options under the Scheme.

Given the above proposals, the Company seeks your approval by way of a special resolution in terms of Regulation 6(3)(c) and Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB Regulations**").

In terms of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 6 of the SBEB Regulations, the salient features of the Scheme are as follows:

| S. No. | Particulars | Details |
|--------|---|--|
| a. | Brief description of the Scheme(s) | <p>In view of the aforesaid objectives, the Scheme contemplates grant of Options to the eligible employees of the Company and/or subsidiary company(ies). After vesting of Options, the eligible employees earn a right, but not obligation, to exercise the vested Options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon and other terms and conditions of the Scheme.</p> <p>The Committee shall act as the Compensation Committee for the administration of the Scheme. All questions of interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Scheme.</p> |
| b. | The total number of options to be offered and granted | <p>Under the Scheme, the Company would grant upto 57,00,000 (Fifty Seven Lakh) additional Options in one or more tranches to eligible employees that would entitle the Grantees (in aggregate) to acquire, not exceeding 57,00,000 (Fifty Seven Lakh) fully paid-up equity shares of ₹ 1/- (Rupee one only) each.</p> <p>Further, SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division, etc., a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and price of the Options granted in such a manner that the total value of the Options granted under the Scheme remain the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the grantees for making such fair and reasonable adjustment, the ceiling of aforesaid shall be deemed to be increased to the extent of such additional Options issued.</p> |

| S. No. | Particulars | Details |
|--------|--|---|
| c. | Identification of classes of employees entitled to participate and be beneficiaries in the Scheme | <p>Following employees are entitled to participate and be beneficiaries in the scheme:</p> <ol style="list-style-type: none"> 1. permanent employee of the Company working in India or out of India, 2. a director of the Company, whether a whole-time director or not, 3. an employee of a subsidiary, in India or out of India, or of a Holding Company of the Company <p>However, an employee who is a Promoter or belongs to the Promoter Group or a director who either himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company are not entitled to participate and be beneficiaries in the Scheme.</p> <p>As per provisions of SBEB Regulations a person who is an Independent Director of the Company is not entitled to participate and be beneficiary in the Scheme.</p> |
| d. | Requirements of vesting and period of vesting | The requirements of vesting and period of vesting shall remain the same as last approved by the shareholders at relevant times in the past and the current proposal doesn't contemplate any change. |
| e. | Maximum period within which the Options shall be vested | The maximum period within which the Options shall be vested shall remain the same as last approved by the shareholders at relevant times in the past and the current proposal doesn't contemplate any change. |
| f. | Exercise price or pricing formula | The exercise price or pricing formula shall remain the same as last approved by the shareholders at relevant times in the past and the current proposal doesn't contemplate any change. |
| g. | Exercise period and process of exercise | Exercise period and process of exercise shall remain the same as last approved by the shareholders at relevant times in the past and the current proposal doesn't contemplate any change. |
| h. | The appraisal process for determining the eligibility of employees for the Scheme | The appraisal process for determining the eligibility of employees for the Scheme shall remain the same as last approved by the shareholders at relevant times in the past and the current proposal doesn't contemplate any change. |
| i. | Maximum number of Options to be offered and issued per employee and in aggregate | Maximum number of Options to be offered and issued per employee and in aggregate shall remain the same as last approved by the shareholders at relevant times in the past and the current proposal doesn't contemplate any change. |
| j. | Maximum quantum of benefits to be provided per employee under the Scheme | Maximum quantum of benefits to be provided per employee under the Scheme shall remain the same as last approved by the shareholders at relevant times in the past and the current proposal doesn't contemplate any change. |
| k. | Whether the scheme is to be implemented and administered directly by the company or through a trust: | The Scheme shall be implemented and administered directly by the Company. |
| l. | Whether the Scheme involves new issue of shares by the company or secondary acquisition by the trust or both | The Scheme contemplates issue of fresh/primary equity shares by the Company. |
| m. | The amount of loan to be provided for implementation of the scheme by the company to the trust, its tenure, utilization, repayment terms, etc. | Not Applicable since this is currently not contemplated under the Scheme. |

| S. No. | Particulars | Details |
|--------|--|---|
| n. | Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme | Not Applicable since this is currently not contemplated under the Scheme. |
| o. | A statement to the effect that the company shall conform to the accounting policies specified in regulation 15 | The Company shall follow the IND AS 102 on Share-based payments and/or any relevant accounting standards/ guidance note as may be prescribed by the Institute of Chartered Accountants of India or any other competent authority, from time to time, including the disclosure requirements prescribed therein, in compliance with Regulation 15 of SBEB Regulations. |
| p. | The method which the company shall use to value its Options | The Company shall adopt 'fair value method' for valuation of Options as prescribed under IND AS 102 on Share-based payments or any accounting standard/ guidance note, as applicable, notified by competent authorities from time to time. |
| q. | The statement, if applicable | The below Statement is not applicable to the Company since the Company is opting for the Fair Value Method. 'In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report'. |
| r. | Period of lock-in | The Shares issued pursuant to exercise of vested Options shall not be subject to any lock-in period restriction in general. Usual restrictions as may be prescribed under the applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended, shall apply. |
| s. | Terms & conditions for buyback, if any | Subject to the provisions of the applicable laws, the Board shall determine the procedure for buy-back of the specified securities/Options if to be undertaken at any time by the Company and the applicable terms and conditions thereof. |

A copy of ESOS 2013 is available for inspection by the members and can be obtained for inspection by writing to the Company at its email ID investors@vguard.in till the date of AGM.

The Board recommends the resolution set out at Item No. 8 and 9 in this notice, for approval of the shareholders by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 8 and 9 of the Notice, except to the extent they may be lawfully granted Options under the ESOS 2013.

By Order of the Board
For V-Guard Industries Limited

Sd/-
Vikas Kumar Tak
Company Secretary & Compliance Officer
(Membership No.: F6618)

Place: Kochi
Date: May 30, 2023

Annexure 1

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING 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]

| Name | Ramachandran Venkataraman | Ishwar Subramanian | Antony Sebastian K |
|--|--|---|--|
| Date of Birth & Age | 27.10.1963 59 years | 19.02.1960 63 years | 23.05.1960 63 years |
| DIN & Nationality | 06576300 Indian | 01473535 Indian | 01628332 Indian |
| Date of first appointment to the Board | 01.06.2013 | 30.05.2023 | 30.05.2023 |
| Qualification | Bachelor of Science Master in Management Studies (Marketing) | Bachelor of Commerce Chartered Accountant | EMBA – Materials Management, GDMM, Dip. Electronics Eng., Dip. Production Management Quality Management Program – Osaka, Japan. Executive Education Program – IIM, Bangalore. ISO 9000: 2000 – DNV, Chennai |
| Experience in specific functional areas | A leading management professional with more than 3 decades of cross functional experience across blue chip companies like HUL and LG Electronics, has been appointed as a whole time Director of the Company since June 2013. He is engaged in building and enhancing business competitiveness and capabilities required to secure future market position by putting together a strategic framework for the organization. In addition to leading the execution of the corporate strategic initiatives and developing new growth platforms, he is engaged in developing long-term business plans with supporting infrastructure development roadmap. His strategic foresight and pioneering vision have led to several transformational processes being rolled out across various functions including Marketing, Customer Service, Supply Chain Management, Manufacturing Excellence, Research & Development apart from others to build a future ready organization. | More than 4 decades of experience as a CEO of MNC, Private Equity Investor, Technology Entrepreneur, Consultant, Board Member and Advisor and Angel Investor. He is a Private Equity Investor, Co-founder, Executive Chairman and GP of Forum Synergies (India focused Private Equity Fund) He is also Technology Entrepreneur, Co-founder and Executive Chairman of then India's largest B2B market-place for construction materials (MSupply) | Mr. Antony Sebastian K joined V-Guard Industries Ltd. in the year 1985, where he worked with the company in various capacities and gained experience in the fields of After Sales and Service, Production Management, Quality Control, Supply Chain Management. He is specialized in negotiation with suppliers, planning, trouble shooting, Project management and people's management |
| 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 |

| Name | Ramachandran Venkataraman | Ishwar Subramanian | Antony Sebastian K |
|--|--|---|--|
| Directorship held in other listed Companies | NIL | NIL | NIL |
| Memberships in the Committees of Board of other listed Companies* | NIL | NIL | NIL |
| Membership and Chairmanship in the Committees of the Board of the Company* | NIL | NIL | NIL |
| No. of shares held in the Company | 15,91,148 Equity Shares as on March 31, 2023 | NIL | 4,59,568 Equity Shares as on March 31, 2023 |
| Number of meetings of the Board attended during the Financial Year 2022-23 | 5 | NA | NA |
| Terms and conditions of appointment/ re- appointment along with details of remuneration sought to be paid | Not Applicable. He is seeking reappointment under the provisions of Section 152 of the Companies Act, 2013. | Appointment as Independent Director on the Board of the Company to hold office for a term of five consecutive years effective from May 30, 2023. As per the provisions of Section 152 of the Act, he is not liable to retire by rotation. He is entitled to sitting fees and commission as may be approved by the Board of Directors in accordance with applicable provisions of law. | Appointment as Whole-time Director for a period of four years effective from May 30, 2023, liable to retire by rotation as per Section 152 of the Act. Remuneration details are provided in explanatory statement of the Notice of 27th AGM. |
| Details of last drawn remuneration | Remuneration paid to Mr. Ramachandran V during the Financial Year 2022-23 is ₹ 689.53 Lakh. | NA | Remuneration paid to Mr. Antony Sebastian K during the Financial Year 2022-23 is ₹ 83.30 Lakh. |

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

By Order of the Board
For V-Guard Industries Limited

Sd/-
Vikas Kumar Tak
Company Secretary & Compliance Officer
(Membership No.: F6618)

Place: Kochi
Date: May 30, 2023