



## V-GUARD INDUSTRIES LIMITED

CIN: L31200KL1996PLC010010

Regd. Office: 42/962, Vennala High School Road,  
Vennala, Ernakulam-682028

E-mail: mail@vguard.in; Website: www.vguard.in;

Phone No.: 0484-3005000; Fax: 0484-3005100

### NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the members of V-Guard Industries Limited will be held at Hotel, "The Renai Cochin", Palarivattom P.O., Ernakulam - 682025, on Tuesday, the 26<sup>th</sup> July, 2016, at 4.30 p.m. to transact the following business:

#### Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2016 and Statement of Profit and Loss of the Company for the year ended on that date together with Cash Flow Statement, the Directors' Report and Auditors' Report thereon
2. To confirm the interim dividend of ₹4.50/- per equity share (45% on the face value of ₹10/-) already paid and declare final dividend on equity shares for the Financial Year ended 31<sup>st</sup> March, 2016
3. To appoint a Director in place of Mrs. Joshna Johnson Thomas (DIN: 02613030), who retires by rotation and being eligible, offers herself for re-appointment
4. To ratify the appointment of Statutory Auditors and fixing of remuneration payable

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), the appointment of M/s. S R Batliboi & Associates LLP, Chartered Accountants, with ICAI firm registration no. 101049W/E300004, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty First Annual General Meeting of the Company to be held in the year 2017, be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix the remuneration payable to them, as may be recommended by the Audit Committee in consultation with the Statutory Auditors.

#### Special Business

5. To re-appoint Mr. Ramachandran Venkataraman as Whole-time Director for a period of four 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 provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (the Rules) (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force) and the Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities, in granting such approvals, permissions and sanctions and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide resolutions dated 4<sup>th</sup> May, 2016, the consent of the members be and is hereby accorded for the re-appointment of Mr. Ramachandran Venkataraman (DIN: 06576300), as Whole-time Director of the Company, liable to retire by rotation, designated as Director and Chief Operating Officer, or such other designation, as the Board of Directors of the Company, decide from time to time for a period of four years with effect from 01<sup>st</sup> June, 2016 to 31<sup>st</sup> May, 2020, upon and subject to the terms and conditions including remuneration subject to an overall limit of 5% of the net profit of the Company for each financial year computed in the manner prescribed in Section 198 of the Act, as agreed and contained in the Agreement entered into with him and as set out in the Explanatory Statement to this Notice, with liberty to the Board of Directors including any Committee thereof, to alter and vary the terms and conditions of the said re-appointment and / or remuneration and / or agreement, as may be agreed to between the Board and Mr. Ramachandran Venkataraman, subject to such other approvals of applicable authorities, as may be required under the applicable law to such alterations or variations.

RESOLVED FURTHER THAT notwithstanding anything contained herein above, where in any financial year, during the tenure of the Whole-time Director, the Company has no profits or its profits are inadequate, the Company may, subject to receipt of requisite approvals, including approval of Central Government, if any, pay to the Whole-time Director, the remuneration, set out in the Explanatory Statement to this Notice, as the minimum remuneration by way of salary, perquisites, other allowances and benefits and that the perquisites pertaining to contribution to provident fund, superannuation fund or annuity fund, gratuity and leave encashment shall not be included in the computation of the ceiling on remuneration specified in Section II, Section III and Section IV of Part II of Schedule V to

the Act, or any statutory act(s), rules, regulation(s), notification(s), modification(s), enactment(s) thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized severally to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.

6. To pay commission to Mrs. Joshna Johnson Thomas, Non-Executive Director 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 pursuant to the provisions of Sections 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), and subject to such approvals, consents and sanction as may be required, consent of the members of the Company be and is hereby accorded for payment of remuneration in the form of commission to Mrs. Joshna Johnson Thomas (DIN: 02613030), a Non-Executive Director of the Company, for a period of three Financial Years commencing from 01<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2019 and that the commission payable to her shall not exceed 1% of the net profits of the Company for each financial year computed in accordance with the provisions of Section 198 of the Act .

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to decide the amount of commission payable to Mrs. Joshna Johnson Thomas, for each financial year.

RESOLVED FURTHER THAT the commission payable to Mrs. Joshna Johnson Thomas shall be exclusive of sitting fee payable to her for attending meetings of the Board or Committees thereof.

RESOLVED FURTHER THAT the Board of Directors, including any committee thereof, of the Company be and are hereby authorized severally to do all acts, deeds, matters and things and to take all such steps as may be necessary or expedient to give effect to the resolution.

7. To pay remuneration to the Cost Auditor for the Financial Year 2016-17

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 provision of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), M/s. Ajeesh & Associates, Cost Accountants (Firm Registration

No. 100870) 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 31<sup>st</sup> March, 2017, be paid remuneration of ₹ 1.65 lakhs (Rupees One lakh and Sixty Five Thousand only), plus service tax as applicable and re-imbusement of out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.

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

8. To increase the borrowing limits 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 in supersession of the special resolution adopted by the members at the 18<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> July, 2014 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and subject to such approvals, consents, sanctions and permissions and provisions of other applicable laws, regulations, rules, guidelines issued by various regulatory authorities, including Reserve Bank of India, from time to time, as may be applicable, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to borrow from time to time, any sum or sums of monies, secured or unsecured, as it may deem necessary, for the purpose of the business of the Company, notwithstanding that the money or monies to be borrowed together with the money or monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), would exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that, apart from the aforesaid aggregate of the paid-up share capital of the Company and its free reserves, the total amount upto which money or monies may be borrowed shall not exceed the sum of ₹750.00 crores (Rupees Seven Hundred and Fifty Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time, as to interest, repayment, security or otherwise, as it may think fit and to do all such

acts, deeds and things, to execute all such documents, instruments and writings as may be required.

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

9. To increase the limit for investing in securities of other bodies corporate

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

RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force) consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include any Committee of the Board, constituted to exercise its powers, including the powers conferred by this Resolution) to invest, in one or more tranches by acquisition, subscription, purchase, transfer or otherwise of the securities of bodies corporate, on such terms and conditions as the Board may deem fit, from time to time, in excess of 60% of the paid up share capital, free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account, whichever is more, provided that the aggregate amount of such investments made over and above the aforesaid limits and outstanding at any time, shall not exceed ₹750,00,00,000/- (Rupees Seven Hundred and Fifty Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine the time and manner of making investment(s), within the above sanctioned limits, and to finalise, settle and execute such documents, deeds, writings, papers, agreements etc., as may be required, for the said purpose, and to complete the transaction with such modification(s) as may be required by any of the regulatory authority(ies) concerned and to do all such acts, deeds, matters and things as may in its absolute direction deem necessary, fit, proper or desirable to give effect to the above resolution.

10. To issue further number of options for grant under ESOS 2013

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

RESOLVED THAT in partial modification of the special resolution passed by the shareholders on 14<sup>th</sup> May, 2013, through Postal Ballot procedure and pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013, (the

Act), and applicable rules made thereunder, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), and pursuant to the provisions of Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (SEBI Regulations) and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide their respective resolutions dated 16<sup>th</sup> June, 2016, and subject to such other approvals, permissions and sanctions as may be necessary from various authorities and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent and approval of the Company be and are hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers conferred by this resolution), to create, issue, offer, grant and allot to or for the benefit of such person(s), as identified by the Nomination and Remuneration Committee, who are in permanent employment of the Company in India or out of India, including any Whole-time Director of the Company, except those who are Promoter or belonging to the Promoter Group and Independent Directors, additional options, exercisable into not more than 2,25,000 equity shares of the Company under Employee Stock Option Scheme 2013, in one or more tranches, giving the right but not obligation to the holder, to subscribe for cash on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of the law or guidelines issued by the relevant Authority and that each option would be exercisable into one equity share of face value of ₹10/- each fully paid-up on payment of the requisite exercise price to the Company and the Board of the Company be and is hereby authorised to make requisite alterations in ESOS 2013, to give effect to the above creation of additional options.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the Option Grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 2,25,000 equity shares shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the employee stock option scheme and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated,

then the number of shares to be allotted and the price of acquisition payable by the option grantees under the schemes shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of ₹10/- per equity share bears 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 said employees.

RESOLVED FURTHER THAT the Board shall take necessary steps for listing of the Equity Shares of the Company allotted under ESOS 2013 on the stock exchanges where the shares of the Company are listed, as per the provisions of the Listing Agreement executed with the stock exchanges concerned, the Act, the SEBI Regulations and other guidelines, rules and regulations as may be applicable.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any 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.

11. To grant options to identified employees during any one year, equal to or exceeding one percentage of the issued capital of the Company at the time of grant of option.

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

RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made thereunder, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force) and provisions of Regulation 6(3)(d) of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 and recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide their respective resolutions dated 16<sup>th</sup> June, 2016, and in accordance with the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions of any authorities, as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and subject to approval of resolution by members for sub-division of the face value of equity shares being duly passed and becoming effective as set out in item no. 12 of this Notice convening the 20<sup>th</sup> Annual General Meeting, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers,

including the powers conferred by this resolution) to grant stock options under Employee Stock Option Scheme 2013, as amended from time to time, to identified employees, during any one year, equal to or exceeding 1% of the issued, subscribed and paid-up capital of the Company at the time of grant of option.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, on behalf of the Company.

12. Sub-division of Equity Shares from the face value of ₹ 10/- per share to face value of Re. 1/- per share.

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 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s), as may be necessary from the regulatory authority(ies) concerned, each equity share of the Company having face value of ₹ 10/- each (Rupees Ten only) fully paid-up, be sub divided into 10 (Ten) equity shares of the face value Re. 1/- each (Rupee One only) fully paid up and the relevant Capital Clause of Memorandum of Association of the Company be and is hereby altered accordingly.

RESOLVED FURTHER THAT on sub-division, 10 (Ten) equity shares of face value of Re.1/- each (Rupee One only) be allotted in lieu of existing 1 (one) equity share of ₹ 10/- each (Rupees Ten only) subject to the terms of Memorandum and Articles of Association of the Company and shall rank pari-passu in all respect, with the existing fully paid up equity shares of ₹ 10/- each (Rupees Ten only) of the Company.

RESOLVED FURTHER THAT on sub-division of equity shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the face value of ₹ 10/- each (Rupees Ten only) held in physical form shall be deemed to have been automatically cancelled and be of no effect, on and from the Record Date and the Company may without requiring the surrender of the existing share certificate(s), issue and dispatch new share certificate(s) of the Company in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and the Articles of Association of the Company and in the case of equity shares held in dematerialized form, the number of sub-divided equity shares be credited

to the respective beneficiary accounts of the members maintained with depository participants, in lieu of the existing credits representing the equity shares of the Company before sub-division.

RESOLVED FURTHER THAT the Board of Directors are hereby authorized to fix the Record Date and take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relating to above, including delegation of all or any of its powers herein conferred to any Director(s), Committees, the Company Secretary or any other officer(s) of the Company and to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid resolution, including but not limited to signing and execution of necessary forms, papers, writings, agreements and documents, giving customary representations and warranties, together with such indemnities as may be deemed necessary and expedient in its discretion and setting any question, difficulty or doubt that may arise in this regard, as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding on all the members.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to make appropriate adjustments due to the sub-division of equity shares as aforesaid, to stock options which have been granted or to be granted to employees of the Company under its Employees Stock Option Scheme 2013 approved pursuant to the Securities Exchange Board of India (Employee Stock Options and Employee Stock Purchase Scheme ) Guidelines, 1999 and any amendment thereof from time to time, in such a manner that the exercise price for all employee stock options which are granted and outstanding as on the Record Date (vested and unvested or yet to be exercised) shall be proportionately adjusted and the number of stock options which are available for grant as on Record Date shall be proportionately adjusted and the Nomination and Remuneration Committee, be and is hereby authorized to do all things incidental and necessary in compliance with the applicable Guidelines.

13. Alteration of Capital Clause of Memorandum of Association

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

RESOLVED THAT subject to approval of resolution by members for sub-division of the face value of equity shares of the Company, being duly passed and becoming effective as stated in the resolution as set out at item no.12 of this Notice convening the 20th Annual General Meeting and subject to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-

enactments thereof for the time being in force), the existing Clause V of Memorandum of Association of the Company, be and is hereby amended by deletion of the existing Clause V and substituted by the following Clause:

V. The Authorised Share Capital of the Company is ₹35,00,00,000/- (Rupees Thirty Five Crores only) divided into 35,00,00,000 (Thirty Five Crores) Equity Shares of Re.1/- each (Rupee One only), with power to increase or reduce or modify the said capital and to divide the share for the time being of the Company into several classes and attach thereto preferential, deferred, qualified or special rights or conditions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided for by the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized, to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to delegate all or any of the powers herein conferred, to any Committee of Directors or any other Officer(s) / Authorised Representative(s) of the Company to give effect to the above resolution.

14. To increase the Authorised Share Capital 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 subject to approval of resolutions by members for sub-division of the face value of equity shares and Alteration in Capital Clause of Memorandum of Association being duly passed and becoming effective as set out at item nos. 12 and 13 of this Notice convening the 20<sup>th</sup> Annual General Meeting and pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), and in accordance with the provisions of Article 4 of the Articles of Association of the Company and subject to such approvals, consents, permissions and sanction, if any, required from any authority, the Authorised Share Capital of the Company be increased from ₹35,00,00,000/- (Rupees Thirty Five Crores only) divided into 35,00,00,000 (Thirty Five Crores) Equity Shares of Re.1/- each (Rupee One only) to ₹40,00,00,000/- (Rupees Forty Crores only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Re.1/- each (Rupee One only) by further creation of 5,00,00,000 (Five Crores) Equity Shares of Re.1/- each (Rupee One only).

RESOLVED FURTHER THAT, pursuant to provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made

thereunder, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactments thereof for the time being in force), and subject to such approvals, consents, permissions and sanctions, if any, required from any authority, the existing Clause V of the Memorandum of Association be altered by deletion of the existing clause and by substitution thereof with the following:

V. The Authorised Share Capital of the Company is ₹40,00,00,000/- (Rupees Forty Crores only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Re.1/- each (Rupee One only), with power to increase or reduce or modify the said capital and to divide the share for the time being of the Company into several classes and attach thereto preferential, deferred, qualified or special rights or conditions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided for by the Articles of Association of the Company.

RESOLVED FURTHER THAT, the Board of Directors of the Company, be and are hereby authorized severally 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.

By Order of the Board  
For V-Guard Industries Limited

Sd/-  
Jayasree K  
Company Secretary  
(Membership No.: ACS 15900)

Place: Kochi  
Date : 27<sup>th</sup> June, 2016

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.
2. A blank form of proxy is enclosed and if intended to be used, should be lodged with the Company at the Registered Office at least FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions/authority as applicable. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Members and proxies who desires to attend the Annual General Meeting of the Company are requested to bring the attendance slip duly filled in and signed and hand over the same at the registration counter at the venue of the Annual General Meeting. Members who have opted physical copy are requested to bring their copies of the Notice and Annual Report.
4. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under item nos. 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 is annexed hereto. Pursuant to Regulation 36 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 on General Meetings, brief resume and functional expertise of the Directors seeking appointment / re-appointment is furnished below along with the details of listed Companies in which they hold Directorship and the details of membership or chairmanship of sub-committees of Board.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will also be available for inspection by the members at the Annual General Meeting.
6. All the documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during the business hours on any working day, except Saturdays, Sundays and Public Holidays between 11.00 a.m. and 1.00 p.m. upto

- the date of Annual General Meeting. Members may also note that the Notice and Annual Report of the Company for the Financial Year 2015-16 are available on Company's website at [www.vguard.in](http://www.vguard.in).
7. The Register of Members and Transfer Books of the Company will be closed from 20<sup>th</sup> July, 2016 to 26<sup>th</sup> July, 2016 both days inclusive. If the final dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made after 26<sup>th</sup> July, 2016, but within the statutory time limit of 30 days, as under:
    - a) To all beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) on 19<sup>th</sup> July, 2016.
    - b) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 19<sup>th</sup> July, 2016.
  8. Members holding shares in dematerialized form may, kindly note that their address and bank account details, as furnished by their depositories to the Company, shall be printed on the Dividend Warrants, as per applicable regulations of the depositories. Members who wish to change their address/bank account details are requested to advise their Depository Participants about such change on or before 17<sup>th</sup> July, 2016.
  9. Members holding shares in physical form are requested to advise any change of address immediately to Link Intime India Private Limited, Surya, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028, the Registrar and Transfer Agents of the Company, on or before 17<sup>th</sup> July, 2016.
  10. Members who still continue to hold shares in physical form, are requested to dematerialize their shares at the earliest and avail of the various benefits of dealing in securities in electronic / dematerialized form. The shareholders have the option to hold Company's shares in demat form through National Securities Depositories Limited (NSDL) or Central Depository Services (India) Limited (CDSL).
  11. Members who wish to seek/desire any further information/clarification on the annual accounts are requested to send their queries at least 48 hours in advance of the date of the meeting to the Registered Office, by quoting the folio no. / client ID.
  12. The Notice of the Annual General Meeting along with the Annual Report for Financial Year 2015-16, is being sent by electronic mode to those members, whose e-mail ids are registered with the Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email ids, physical copies are being sent by the permitted mode.
  13. To support the 'Green Initiative', the members who have not registered their e-mail ids are requested to register the same with Depositories.
  14. Members holding shares in physical form and not opted for NECS facility earlier, are requested to fill up the enclosed mandate form and forward the same to Link Intime India Private Ltd., latest by 17<sup>th</sup> July, 2016 to avail the NECS facility; members who have already availed the NECS facility may intimate Link Intime India Private Ltd., of any change in the Bank account details already furnished latest by 17<sup>th</sup> July, 2016.
  15. Members who are holding shares in physical form and opts dividend warrant are also requested to intimate their Savings Account/Current Account No. and the name of the Bank & Branch with whom such account is held or of any change in the information already furnished to Link Intime India Private Ltd. latest by 17<sup>th</sup> July, 2016 to enable the printing of the said details on the Dividend Warrant to prevent fraudulent encashment of the same.
  16. Transfer of Unclaimed / Unpaid amounts lying in unpaid dividend account to the Investor Education and Protection Fund (IEPF)
 

Pursuant to the provisions of Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, unclaimed / unpaid dividend for the Financial Year 2008-09 is due for transfer to the Investor Education and Protection Fund (IEPF) on 26<sup>th</sup> August, 2016. Members who have not yet encashed their dividend warrant or made any claim for the dividend of the Financial Year 2008-09, are requested to make their claims without delay to Link Intime India Private Ltd. Members who have not yet claimed the dividend for the subsequent financial years are also requested to make their claim at the earliest, though the dividend for the respective years is not due for transfer to IEPF this year. Members' attention is particularly drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend.
  17. In compliance with Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited (NSDL). The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

18. The instructions for e-voting are as under:
- A. In case a Member receives an e-mail from NSDL (for Members whose email addresses are registered with the Company / Depositories):
- i. Open the e-mail and also open PDF file, namely, "V-Guard e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - ii. Open the internet browser and type the following URL: <https://www.evoting.nSDL.com>
  - iii. Click on Shareholder - Login
  - iv. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
  - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - vi. Once the e-voting home page opens, click on e-Voting> Active Voting Cycles.
  - vii. Select "EVEN" (E-voting Event Number) of V-Guard Industries Limited which is 104165. Now you are ready for e-voting as Cast Vote page opens.
  - viii. Cast your vote by selecting the appropriate option and click on "Submit" and also "Confirm" when prompted.
  - ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - x. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.
  - xi. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution and / or Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [jayan@svjs.in](mailto:jayan@svjs.in), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for Shareholders, available at the Download section of [www.evoting.nSDL.com](http://www.evoting.nSDL.com) or call on toll free no.: 1800-222-990.
- B. In case a Member receives physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company / Depositories):
- i. Initial password is provided in the enclosed attendance slip: EVEN (E-voting Event Number) + USER ID and PASSWORD
  - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- C. Other Instructions
- i. The e-voting period commences on Saturday, 23<sup>rd</sup> July, 2016 (9.00 a.m. IST) and ends on Monday, 25<sup>th</sup> July, 2016 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on 19<sup>th</sup> July, 2016 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
  - ii. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting as well as voting at the meeting through ballot.
  - iii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.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 forget your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).
  - iv. Mr. Jayan K, Practicing Company Secretary (Membership No. FCS 8154), has been appointed as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
  - v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.vguard.in](http://www.vguard.in) and on the website of NSDL [www.evoting.nSDL.com](http://www.evoting.nSDL.com) immediately after the result is declared. The Company shall



simultaneously forward the results to BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), where the shares of the Company are listed.

#### EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013 (hereinafter referred as “the Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item nos. 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 of the accompanying Notice dated 27<sup>th</sup> June, 2016.

#### Item No. 5

Mr. Ramachandran Venkataraman was appointed as a Whole-time Director of the Company under the designation Director-Marketing and Strategy for a period of three years effective from 01<sup>st</sup> June, 2013. His term of office as Whole-time Director expired on 31<sup>st</sup> May, 2016. Considering his contributions in the areas of marketing and initiating various strategic projects, the Nomination and Remuneration Committee, at its meeting held on 04<sup>th</sup> May, 2016, recommended the re-appointment of Mr. Ramachandran Venkataraman (DIN: 06576300), as Whole-time Director designated as Director and Chief Operating Officer, for a term of four years effective from 01<sup>st</sup> June, 2016 to 31<sup>st</sup> May, 2020, whose office shall be liable to retire by rotation. The Board of Directors in their meeting held on 04<sup>th</sup> May, 2016, approved the re-appointment subject to the approval of the members in the ensuing Annual General Meeting.

The remuneration payable to him is given herein below:

Particulars	(Amount in ₹)	
	Per month	Per Annum
Salary	13,10,000	1,57,20,000
Medical Allowance	37,800	4,53,600
Total	13,47,800	1,61,73,600

The Board of Directors or any committee thereof, have the power to give an annual increase upto 20% of the last drawn salary and also to alter or modify other terms and conditions of appointment including the remuneration payable to him.

He is also entitled to the following perquisites during the tenure of his re-appointment.

- Rent free residential accommodation, and reimbursement of housing society charges and salary of domestic help paid by the Director.
- Employer’s contribution to Provident Fund.
- The Company shall provide a car for office use with driver and use of car for private purpose shall be considered as perquisite.
- The Company shall provide a mobile phone for official use. Personal long distance calls made by the Director shall be billed by the Company and same be considered as perquisite.

The Board has also granted Employee Stock Options to Mr. Ramachandran Venkataraman, under Employee Stock Option Scheme, 2013, which would be vested over a period of four years from the date of grant.

He will be entitled to avail leave as per the rules of the Company and unavailed leave can be encashed.

He will not be entitled for sitting fee for attending the meetings of the Board or Committees thereof.

Detailed resume of Mr. Ramachandran Venkataraman, along with disclosures required under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 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 appointment of Mr. Ramachandran Venkataraman, as a Whole-time Director by way of passing an Ordinary Resolution. Accordingly, the Board of Directors recommend passing of the Ordinary Resolution contained in item no.5 of the accompanying Notice.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Act, of the Agreement entered into between the Company and Mr. Ramachandran Venkataraman.

The copy of the agreement setting out the terms and conditions of appointment and remuneration of Mr. Ramachandran Venkataraman, shall be open for inspection by the Members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m., on any working day, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting and at the Meeting.

Other than Mr. Ramachandran Venkataraman and his relatives, no other Director or Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the Ordinary Resolution set out in item no. 5 of the accompanying Notice.

#### Item No. 6

The Directors have appointed Mrs. Joshna Johnson Thomas, as a Non-Executive Director of the Board, liable to retire by rotation. She is also a member of the Nomination & Remuneration Committee. Considering contribution in strengthening and overseeing the Human Resource activities of the Company and also the guidance being provided to the Ethical Committee of the Company formed for Women welfare, on recommendation of Nomination and Remuneration Committee, your Directors have proposed payment of commission to Mrs. Joshna Johnson Thomas, as per the provisions of Sections 197 and 198 of the Act for a period of three years, from 01<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2019. The amount of commission payable to her shall be decided by the Board of Directors, and the same shall not exceed 1% of the net profits of the Company for each financial year, determined in accordance with the provisions of Section 198 and other applicable provisions of the Act. Such Commission will be in addition to the sitting fee being paid to her by the Company for attending the Board / Committee meetings of the Company.

Accordingly, your Directors recommend the Ordinary Resolution set out under item no. 6 of the Notice for approval of the shareholders.

Other than Mr. Mithun K Chittilappilly, Mr. Kochouseph Chittilappilly and Mrs. Joshna Johnson Thomas and their relatives, to the extent of their shareholding interest, if any, in the Company, no other Director or Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the Ordinary Resolution set out in item no.6 of the accompanying Notice.

#### **Item No. 7**

The Board on recommendation of the Audit Committee has approved the appointment of M/s. Ajeesh and Associates, Cost Accountants, Ernakulam, as the Cost Auditors to conduct audit of the Cost records of the Company for the Financial Year ending 31st March, 2017. The Board has also approved payment of ₹1,65,000/- as audit fee payable to the Cost Auditors plus applicable tax and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Act, read with The Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

A certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting and at the Meeting.

Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for the Financial Year 2016-17 as set out in the Resolution for the aforesaid services to be rendered by them.

The Board of Directors recommend the Ordinary Resolution set out at item No. 7 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise, in the resolution set out in the item no. 7 of the accompanying Notice.

#### **Item No.8**

The members of the Company in their 18<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> July, 2014, had accorded consent to the Board of Directors of the Company to borrow any sum or sums of money upto a limit of ₹350 crores. However, the Company has not availed any long term loans subsequent to the said approval.

Company intends to expand its manufacturing capabilities and is also looking for inorganic growth opportunities in order to keep pace with the changing environment. Your Directors are of the opinion that in order to fund the said requirements, the Company may avail long term financial assistance from various Banks or Financial Institutions.

In terms of the provisions of Section 180(1)(c) of the Act, the Board of Directors of the Company cannot, except with the consent of the members of the Company by way of Special

Resolution, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up share capital and free reserves i.e. reserves not set apart for any specific purpose.

It is therefore, necessary for the members to pass Special Resolution under Section 180(1)(c) and other applicable provisions of the Act, as set out at item no. 8 of the Notice, to enable the Board of Directors to borrow money or monies in excess of the aggregate of the paid up share capital and free reserves of the Company, but not exceeding ₹750,00,00,000/- (Rupees Seven Hundred Fifty Crores only).

The Board of Directors accordingly recommend the Special Resolution set out at item no. 8 of the accompanying Notice for approval by the members.

None of the 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. 8 of the accompanying Notice.

#### **Item No.9**

As a result of various strategic initiatives undertaken by the Management, the Company was able to bring down its working capital requirements and has accrued huge cashflows during the Financial Year 2015-16. The Company's future growth plans may necessitate it to subscribe or acquire securities of other bodies corporate in excess of, 60% of the aggregate of paid up capital or free reserves or 100% of the free reserves. Considering the Company's strategic plans, your Directors propose to seek the approval of the members under section 186 of the Act, by way of passing a Special Resolution, to invest in the securities of other bodies corporate upto a limit of ₹750.00 crores (Rupees Seven Hundred and Fifty Crores only).

Your Directors propose passing of Special Resolution under item no.9 for consideration and approval of members.

None of the 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. 9.

#### **Item No. 10 & 11**

The Company had implemented an Employee Stock Option Scheme, 2013 (ESOS 2013), in accordance with erstwhile Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and sought the approval of the members on 14<sup>th</sup> May, 2013, through postal ballot procedure for grant of 11,20,000 numbers of options under the scheme to eligible employees of the Company. The members had also authorized the Board or its Committee to make alterations, modification or variation in the ESOS 2013, from time to time. The scheme is administered by Nomination and Remuneration Committee and options are granted to eligible employees from time to time.

Equity based compensation is considered to be an integral part of employee compensation, which enables alignment of personal goals of the employees with organizational goals.

Directors believe that equity based compensation schemes are an effective tool to reward the employees including the professional Directors in the growth pace of the Company and helps in retaining the existing key resources and also attract new talents, who are required for the future growth.

With this objective, on recommendation of Nomination and Remuneration Committee, your Directors propose, to create, issue, grant, offer and allot at any time to or for the benefit of such person(s) who are in permanent employment of the Company, in India or out of India including Whole-time Director, other than Promoters and Independent Directors of the Company, additional options exercisable into not more than 2,25,000 equity shares of the Company under Employee Stock Option Scheme 2013, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board or Nomination and Remuneration Committee in accordance with the provisions of the law or regulations issued by the relevant authority and that each option would be exercisable into one equity share of face value of ₹10/- each fully paid-up on payment of the requisite exercise price to the Company, subject to approval of members and such other approvals, as the case may be. The Board or the Nomination and Remuneration Committee of the Company is authorised to carry out requisite modifications in ESOS 2013, to enhance the limit of options to be granted, after obtaining the approval of the members.

#### **Brief description of ESOS 2013**

- a. The Nomination and Remuneration Committee, may, on such dates as it shall determine, grant to such eligible employees and Directors, as it may in its absolute discretion, options under ESOS 2013, on such terms and conditions, as it may decide.
- b. The options granted under the Scheme would vest not less than one year and not more than four years from the date of grant of such options. Vesting of options would be a function of continued employment with the Company.
- c. The exercise price would be equal to a price not less than face value of the shares and not more than the prevailing Fair Market Value of the shares, on the prior date of the meeting of the Nomination and Remuneration Committee, for consideration of grant.
- d. The options granted under the Scheme shall be exercisable at any time during the exercise period, and subject to fulfilment of conditions of vesting. The options shall be deemed to have been exercised when an employee makes an application in writing to the Company accompanied by payment of an amount equivalent to the exercise price in respect of such shares. Exercise of option is permitted upto a period of 6 years from the date of vesting and if the options are not exercised within the said period, it will get lapsed.
- e. The Company will conform to the disclosures and the accounting policies prescribed by SEBI and other regulatory authorities from time to time.
- f. The Company shall use intrinsic value method to value its options. The difference between the employee compensation cost computed under intrinsic value method and the employee compensation cost that shall have been recognized, if it had used the fair value method of the options, shall be disclosed in the Directors' Report and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

As per Regulation 6(3)(d) of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, approval of the Members by way of Special Resolution is required to extent benefits to identified employees under any Employee Stock Option Scheme during any one year equal to or exceeding one percentage of the issued capital of the Company at the time of grant of options.

The Nomination and Remuneration Committee may identify certain employees to whom it may be necessary to grant option exceeding one percentage of the issued capital of the Company in any one year, considering the contributions made by them for the growth of the Company. Approval of the members is sought by way of Special Resolution for the proposal to grant options exceeding one percentage of the issued capital of the Company.

A copy of ESOS 2013 is available for inspection by the Members at the Registered Office of the Company, during business hours between 11.00 a.m. and 1.00 p.m., on any working day, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting and at the meeting.

The Board of Directors recommend passing of the Special Resolution contained in item nos. 10 & 11 of the accompanying Notice.

None of the Directors and Key Managerial Personnel of the Company including their relatives are interested or concerned, financially or otherwise, in the resolutions set out in Item No.10 & 11, except to the extent of their entitlements, if any, under the ESOS 2013, of the accompanying Notice.

#### **Item No. 12 & 13**

The Equity Shares of the Company are listed and actively traded on the National Stock Exchange of India Limited and BSE Ltd. The market price of the shares of the Company has increased significantly during the last two years. In order to improve the liquidity of the Company's shares in the stock market and with a view to encourage the participation of small investors by making Equity Shares of the Company affordable, the Board of Directors at their meeting held on 16<sup>th</sup> June, 2016, have considered and approved sub-division of One Equity Share of the Company having face value of ₹10/- each into Ten Equity Shares of face value of Re.1/- each, subject to the approval of the members of the Company and any other statutory and regulatory approvals, as applicable. The Record Date for the aforesaid sub-division of Equity Shares will be fixed by the Board of Directors of the Company.

The sub-division of Equity Shares would require appropriate adjustments with respect to all the stock options of the Company under its Employee Stock Option Scheme and all the stock options that are granted and vested, but not exercised on the Record Date and options which are unvested and lapsed options which are forfeited and available for reissue, shall be proportionately converted into options for Equity Shares of face value of Re.1/- each and the grant price of all the outstanding stock options shall be proportionately adjusted.

The sub-division of equity shares requires consequential amendments to the existing Capital Clause of Memorandum of Association of the Company and hence, your Directors propose passing of Ordinary Resolutions set out in the item nos. 12 & 13 of the accompanying notice, by the members of the Company.

The Memorandum of Association depicting the proposed alteration is available for inspection by the Members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m. on any working day, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting and at the meeting.

None of the Directors and Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in the resolutions set out in item nos. 12 & 13 of the accompanying Notice.

#### **Item No. 14**

Your Company is presently foraying into different product verticals and is strengthening its manufacturing base in various product categories. The Management is also taking various strategic initiatives to build capabilities in various areas, strengthen its Research and Development activities and also resort to various cost reduction programmes across operational areas. To implement all these initiatives, infusion of long term financial resources is required both in terms of equity and external borrowings.

To enable the Company to raise equity, it is proposed to increase the Authorised Capital of the Company from ₹ 35,00,00,000/- (Rupees Thirty Five Crores only) divided into 35,00,00,000 (Thirty Five Crores) Equity Shares of Re.1/- each (Rupee One only) to ₹ 40,00,00,000/- (Rupees Forty Crores only) divided into 40,00,00,000 (Forty Crores) equity shares of Re.1/- each (Rupee One only).

As per the provisions of Section 13 and 61 of the Act, approval of the members of the Company is required for increasing the Authorised Share Capital and altering the capital clause of the Memorandum of Association. Hence, the Board of Directors recommend the resolution set out at item no.14 for approval of the members by way of passing an Ordinary Resolution.

The Memorandum of Association depicting the proposed alteration is available for inspection by the Members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m. on any working day, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting and at the meeting.

None of the Directors and Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in the resolution set out in item no.14 of the accompanying Notice.

By Order of the Board  
For V-Guard Industries Limited

Sd/-  
Jayasree K  
Company Secretary  
(Membership No.: ACS 15900)

Place: Kochi  
Date : 27<sup>th</sup> June, 2016

## DIRECTORS PROFILE

Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting in pursuance of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meeting issued by Institute of Company Secretaries of India.

Particulars	Mrs. Joshna Johnson Thomas	Mr. Ramachandran Venkataraman
Date of birth & Age	14.06.1984; 32 years	27.10.1963; 52 years
DIN	02613030	06576300
Date of first appointment to the Board	02.05.2014	01.06.2013
Qualification	MBA - Human Resources	- Bachelor of Science - Master's in Management Studies(Marketing)
Experience in specific functional areas	As a Human Resources professional, she has the opportunity to work across multiple organizations in the Middle East. Currently she is the Non-Executive Director in V-Star Creations Pvt. Ltd.	Having more than twenty five years cross functional experience in Hindustan Unilever/ Unilever and L G Electronics. He was occupying the position of Director-Marketing and Strategy, of the Company since 1st June, 2013 and has been heading sales and marketing activities of the Company and is leading several new initiatives in the Company.
Relationship with any Director(s) or Manager or Key Managerial Personnel of the Company	Related to Mr. Mithun K Chittilappilly and Mr. Kochouseph Chittilappilly, the Directors of the Company.	Not related to any Director of the Company.
Directorship held in other listed Companies	Nil	Nil
Memberships in the Committees of Board of other listed Companies	Nil	Nil
Membership and Chairmanship in the Committees of the Board of the Company	Member of Nomination and Remuneration Committee	Nil
No. of shares held in the Company	Nil	36,881
Number of meetings of the Board attending during the Financial Year 2015-16	4	6
Terms and conditions of re-appointment along with details of remuneration sought to be paid	Occupies the position of Non-Executive Director and liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible offers herself for re-appointment. Details of remuneration proposed is detailed in the item no. 6 of the Notice of the 20 <sup>th</sup> Annual General Meeting dated 27 <sup>th</sup> June, 2016 as well as in the item no. 6 of the Explanatory Statement.	Re-appointed as Whole-time Director under the designation Director and Chief Operating Officer, for a period of four years effective from 01 <sup>st</sup> June, 2016, subject to the approval of the members in the 20 <sup>th</sup> Annual General Meeting. Details of remuneration payable is given in item no. 5 of the Explanatory Statement.
Details of last drawn remuneration	Not Applicable	During the Financial Year 2015-16, an aggregate amount of ₹ 254.66 lakhs was paid as salary, commission and other perquisites and 68,532 nos. of options were vested under ESOS 2013.



**V-GUARD INDUSTRIES LIMITED**

CIN : L31200KL1996PLC010010

Regd. Office: 42/962, Vennala High School Road, Vennala P.O., Kochi - 682 028, Kerala, India  
Tel: + 91 484 - 3005000; Fax: +91 484 - 3005100; E-mail id: mail@vguard.in; website: www.vguard.in

FORM NO. MGT - 11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014, as amended from time to time]

Name of the member(s)	:	
Registered address	:	
E-mail	:	
Folio No/Client Id	:	
DP ID	:	

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

- Name :

Address :

E-mail Id :

Signature :

or failing him / her

- Name :

Address :

E-mail Id :

Signature :

or failing him / her

- Name :

Address :

E-mail Id :

Signature :

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, the 26<sup>th</sup> July, 2016, at 4.30 p.m., at Hotel "The Renai Cochin", Palarivattom P.O, Ernakulam - 682025 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Resolution Number	Resolution	Vote (optional see note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary Business</b>				
1	Adoption of Financial Statements for the Financial Year ended 31 <sup>st</sup> March, 2016.			
2	To confirm the payment of interim dividend of ₹4.50 per shares and declaration of final dividend for the Financial Year 2015-16.			
3	Re-appointment of Mrs. Joshna Johnson Thomas, Director, who retires by rotation and offers for re-appointment.			
4	Ratify the appointment of M/s. S R Batliboi & Associates LLP, Chartered Accountants as Statutory Auditors of the Company from the conclusion of 20 <sup>th</sup> Annual General Meeting upto the conclusion of 21 <sup>st</sup> Annual General Meeting.			
<b>Special Business</b>				
5	Re-appointment of Mr. Ramachandran Venkataraman, as Whole-time Director, designated as Director and Chief Operating Officer, for a period of four years with effect from 1 <sup>st</sup> June, 2016.			
6	Payment of Commission to Mrs. Joshna Johnson Thomas, Non-Executive Director, for a period of three years with effect from 1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2019.			
7	Ratification of payment of ₹1,65,000/- as remuneration and plus applicable tax and reimbursement of out of pocket expenses to M/s. Ajeesh & Associates, the Cost Auditors of the Company for the Financial Year 2016-17.			
8	To increase the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013, to an aggregate limit of ₹750.00 crores.			
9	To increase the limit for investing in securities of other Bodies Corporate under Section 186 of the Companies Act, 2013, upto aggregate limit of ₹ 750.00 crores.			
10	To issue further number of options to the extent of 2,25,000 nos. for grant under ESOS 2013.			
11	To grant options to identified employees during any one year, equal to or exceeding one percentage of the issued capital of the Company at the time of grant of option.			
12	Sub-division of Equity Shares from the face value of ₹ 10/- per share to face value of Re. 1/- per share.			
13	Alteration of Capital Clause of Memorandum of Association of the Company to effect the sub-division of Equity Shares of the Company.			
14	To increase the Authorised Share Capital of the Company from ₹ 35 crores to ₹40 crores.			

Signed this ..... day of ..... 2016

Signature of shareholder : .....

Signature of Proxy holder(s) : .....

Affix Revenue  
Stamp not  
less than  
Re. 1

**Note :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against', 'abstain' column blank against any or all resolutions, your proxy will be entitled to vote in the manner he/she may deem applicable.



## V-GUARD INDUSTRIES LIMITED

CIN : L31200KL1996PLC010010

Regd. Office: 42/962, Vennala High School Road, Vennala P.O, Kochi - 682 028, Kerala, India  
Tel: + 91 484 - 3005000; Fax: +91 484 - 3005100; E-mail id: mail@vguard.in; website: www.vguard.in

### National Electronic Clearing Service (NECS) Mandate Form (For shares held in physical form)

1. First Shareholder's Name :
2. Shareholder's Folio no. :
3. Particulars of Bank Account :
  - a) Bank Name :
  - b) Branch Name :
  - c) Account no. :
  - d) Account Type : SB  Current  Cash Credit   
(tick whichever is applicable)
  - e) Ledger Folio no. of the Bank A/c :  
(as appearing on the cheque book)
  - f) 9 Digit code no. of the Bank & Branch appearing on the MICR Cheque issued by the Bank :

I, hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Company responsible.

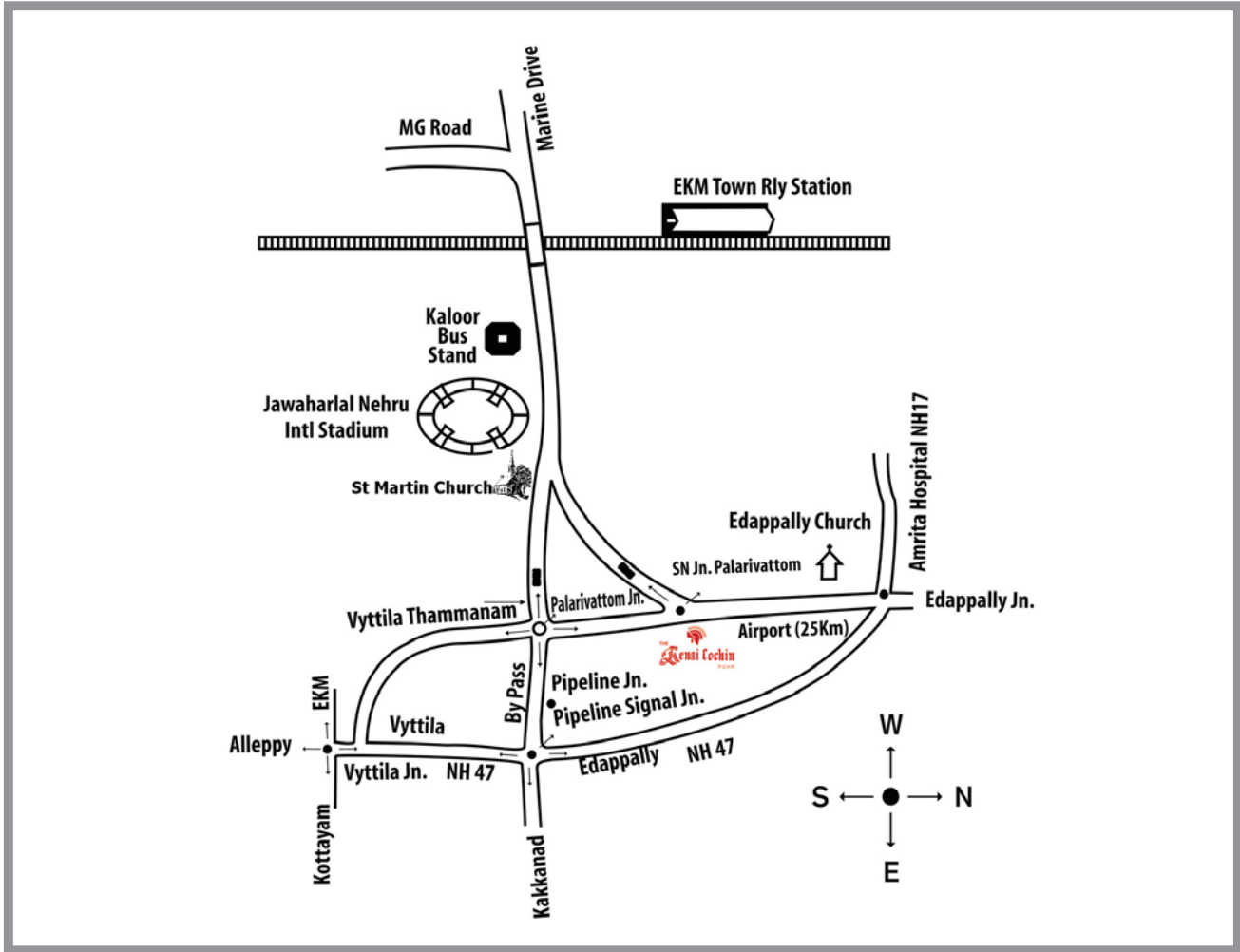
Signature of First Shareholder

Date:

#### Note:

1. Please attach photocopy of a cheque or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the code numbers.
2. Members who are holding shares in physical form and have not opted for NECS facility earlier are requested to fill up the enclosed mandate form and forward the same to Link Intime India Private Ltd, Surya, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore-641028 latest by 17<sup>th</sup> July, 2016.
3. Members who have already availed the NECS facility may intimate Link Intime India Private Ltd in the aforesaid address of any change in the bank account details already furnished latest by 17<sup>th</sup> July, 2016.
4. Members who have received soft copy of the Annual Report may kindly take a print out of the NECS mandate and dispatch the same to the aforesaid address latest by 17<sup>th</sup> July, 2016.

## ROUTE MAP OF THE AGM VENUE





## V-GUARD INDUSTRIES LIMITED

CIN : L31200KL1996PLC010010

Registered Office: 42/962, Vennala High School Road, Vennala, Kochi-682028, Kerala, India  
Phone No.: 0484-3005000; Fax: 0484-3005100; E-mail: mail@vguard.in; website: www.vguard.in

### ATTENDANCE SLIP Twentieth Annual General Meeting - 26<sup>th</sup> July, 2016

Registered Folio No./ DP ID & Client ID	
Name and address of the Member(s)	
No. of Shares	

I hereby record my presence at the Twentieth Annual General Meeting of the Company at 4.30 p.m. at Hotel "The Renai Cochin", Palarivattom P.O, Ernakulam - 682025 on Tuesday, the 26<sup>th</sup> July, 2016.

\_\_\_\_\_  
Member's / Proxy's name in Block Letters

\_\_\_\_\_  
Member's / Proxy's Signature

**Note:** Members who are attending the meeting in person or by Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting room.

#### ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password
104165		

#### Notes:

1. Please read the instructions printed under the Notes to the Notice of 20<sup>th</sup> Annual General Meeting to be held on Tuesday, the 26<sup>th</sup> July, 2016, at 4.30 p.m.
2. The remote e-voting period starts from 9.00 a.m. on Saturday, the 23<sup>rd</sup> July, 2016 and ends at 5.00 p.m. on Monday, the 25<sup>th</sup> July, 2016.