

**VLS FINANCE LTD.**
**Regd. Office:- 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi – 110 065.**
**CIN: L65910DL1986PLC023129, email: [vls@vsnl.com](mailto:vls@vsnl.com), Website: [www.vlsfinance.com](http://www.vlsfinance.com)**
**Phone: 011-4665 6666, FAX: 011-4665 6699**
**NOTICE of 29th Annual General Meeting ("AGM")**

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of **VLS FINANCE LTD.** will be held at The Auditorium, Sri Sathya Sai International Centre, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003, on Thursday, 15<sup>th</sup> day of September, 2016 at 3:30 p.m. to transact the following business: -

**ORDINARY BUSINESS:**

- To receive, consider and adopt the audited balance sheet of the Company as at 31<sup>st</sup> March, 2016, the statement of Profit & Loss for the year ended on that date together with the report of auditors and directors thereon and the consolidated Financial Statements for the said period.
- To appoint a Director in place of Shri K. K. Soni (DIN: 00106037) who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint the Auditors and to fix their remuneration and in this connection to consider and if thought fit, to pass following resolution, with or without modification(s), as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, M/s. Agiwal & Associates, Chartered Accountants, (Firm's Regn. No. 000181N) the present Statutory Auditors of the Company be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting of the Company and at such remuneration as may be determined by the Board of Directors of the Company / Committee of the Board and that the remuneration may be paid on a progressive billing basis if so agreed between the Auditors and Audit Committee or such other officer of Company as may be authorised by the Audit Committee/ Board."

**SPECIAL BUSINESS:**

- To approve appointment of Shri S. K. Agarwal (DIN: 00106763) as Managing Director.

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

**"RESOLVED THAT** subject to the provisions of Sections 196, 197 and 203 and Schedule V and other applicable provisions of the Companies Act, 2013 and such other laws, rules and regulations as may be applicable and other approvals as may be required, consent of the Company be and is hereby accorded for reappointment of Shri S. K. Agarwal who is also Managing Director of VLS Securities Ltd., as Managing Director of Company for a period of three years w.e.f. 21<sup>st</sup> August, 2016 (i.e. from 21/08/2016 to 20/08/2019) on such remuneration as set out in explanatory statement annexed to this notice and on such other terms and conditions as are expressed and contained in the agreement entered into for this purpose between the Company and the Managing Director.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to vary and/or revise the remuneration of the said Managing Director within the permissible limits under the provisions of the Companies Act, 2013 or any statutory modification thereof, from time to time, to settle any question or difficulty in connection therewith or incidental thereto and to do all such things, deeds and acts including delegation of powers herein to any person/committee as may be necessary or expedient for giving effect to said appointment."

- To approve appointment of Shri R. Bandyopadhyay (DIN: 01122778) as Independent Director.

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

**"RESOLVED THAT,** in terms of sections 149, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013, the rules/ directives made thereunder and regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof for the time being in force, consent of the Company is hereby accorded to the appointment of Shri R. Bandyopadhyay (DIN: 01122778) in respect of whom the Company has received a notice in writing along with the deposit of the requisite amount under section 160 of the Act and who was appointed by the Board in its meeting held on 28<sup>th</sup> May, 2016 as an Additional Director in the category of independent director under section 161 of Companies Act, 2013, ('the Act'), as an Independent Director not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 28<sup>th</sup> May, 2016 to 27<sup>th</sup> May, 2021 or till such earlier date to conform with the policy on retirement as may be determined by Board of Directors and/or applicable statutes, rules, regulations or guidelines.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to settle any question or difficulty in connection therewith or incidental thereto and to do all such things, deeds and acts including delegation of powers herein to any person/committee as may be necessary or expedient for giving effect to said appointment."

- To approve appointment of Shri D.K. Mehrotra (DIN: 00142711) as Independent Director.

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

**"RESOLVED THAT,** in terms of sections 149, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013, the rules/ directives made thereunder and regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof for the time being in force, consent of the Company is hereby accorded to the appointment of Shri D.K. Mehrotra (DIN: 00142711) in respect of whom the Company has received a notice in writing along with the deposit of the

requisite amount under section 160 of the Act and who was appointed by the Board in its meeting held on 28<sup>th</sup> May, 2016 as an Additional Director in the category of independent director under section 161 of Companies Act, 2013, ('the Act'), as an Independent Director not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 28<sup>th</sup> May, 2016 to 27<sup>th</sup> May, 2021 or till such earlier date to conform with the policy on retirement as may be determined by Board of Directors and/or applicable statutes, rules, regulations or guidelines.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to settle any question or difficulty in connection therewith or incidental thereto and to do all such things, deeds and acts including delegation of powers herein to any person/committee as may be necessary or expedient for giving effect to said appointment."

- To approve appointment of Shri Vikas Mehrotra (DIN: 06476150) as Director.

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

**"RESOLVED THAT** Shri Vikas Mehrotra (DIN: 06476150) who was appointed by the Board as an Additional Director in the category of Non-Independent Director of the Company w.e.f. 28/05/2016 and who holds office till the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 and for whose appointment as a Director, a notice in writing along with the deposit of requisite amount under Section 160 of the Act, has been received from a member of Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

Place: New Delhi  
Date : 29/07/2016

H. Consul  
Company Secretary  
M. No. : A11183

**NOTES:-**

- A Member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself. The proxy need not be a member of the Company. The appointment of proxy in order to be effective must be lodged at the registered office of the Company not less than 48 hours before the commencement of the meeting, in the form enclosed hereto, duly filled and authenticated. Proxy holder shall prove his identity at the time of attending the Meeting. A proxy Form which does not state the name of the proxy shall be considered invalid. A proxy may not vote except on a poll.
- Pursuant to section 105 of Companies Act, 2013 and rule 19 of the Companies (Management and Administration) Rules, 2014 a person can act as Proxy for 50 Members holding 10 percent of the total share capital of the Company carrying voting rights. Member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other Member.
- If a person is appointed as Proxy for more than 50 members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
- The submission of form of proxy by a member does not preclude such member from attending and voting at the meeting. The proxy in such event shall not be eligible to attend the meeting. Only bonafide members of the Company whose names appear on the Register of Members/ Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- In the case of joint holders, the vote of the 1<sup>st</sup> holder shall be accepted to the exclusion of the vote of the other joint holders. In absence of 1<sup>st</sup> holder seniority shall be determined by the order in which the names stand in the Register of Members and the vote of senior most will be accepted. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the AGM.
- In terms of provisions of sections 108 and 109 of the Companies Act, 2013 read with rules 20 and 21 of Companies (Management and Administration) Rules, 2014 and regulation 44 of the listing regulations for votes cast through e-voting, ballot by post and by poll at AGM on the business to be transacted in AGM of the Company on 15/09/2016, the Board of Directors of the Company has appointed Shri V. B. Aggarwal, Practicing Company Secretary, as the scrutinizer. The procedure with respect to e-voting is provided below:-  
A. In case of Members who receive the Notice in electronic mode:  
(a) Open e-mail and open PDF file viz. 'VLS e-voting.pdf' with your Client ID No. or Folio No. as password. The said PDF file contains your User ID and password for e-voting. Please note that the password is an initial password.  
(b) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/> and click on 'Shareholder - Login'.  
(c) Insert User ID and password as initial password stated in (a) above. Click on 'Login'.  
(d) Password change menu appears. Change the password with a new password of your choice with minimum 8 digits/ characters or combination thereof. Please do not share your password with any other person and take utmost care to keep your password confidential.  
(e) Home page of e-voting opens. Click on 'e-voting: Active E-voting Cycles' and select the Electronic Voting Event Number (EVEN) of VLS Finance Limited.  
(f) Now you are ready for e-voting as 'Cast Vote' page opens.

- (g) Cast your vote by selecting appropriate option and click on 'Submit'. Thereafter click on 'Confirm' when prompted.
- (h) Upon confirmation, the message 'Vote cast successfully' will be displayed. Thereafter, you will not be allowed to modify your vote.
- (i) Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF/JPG format) of the relevant Board Resolution/ appropriate authorisation, with the specimen signature(s) of the authorised signatory(ies) duly attested, to the Scrutinizer through e-mail at [vbaggarwal.scrutinizer@gmail.com](mailto:vbaggarwal.scrutinizer@gmail.com) with a copy marked to NSDL's e-mail ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case of Members who receive the Notice by post:  
(a) User ID and initial password is provided in the separate slip.  
(b) Please follow the steps from Sl. Nos. (b) to (i) mentioned in (A) above, to cast your vote.
- C. Members already registered with NSDL for e-voting can use their existing User ID and password for Login. Thereafter please follow the steps from Sl. Nos. (e) to (i) mentioned in (A) above, to cast your vote.
- D. In case of any queries, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com). You may also address your queries relating to e-voting to the e-mail ID [complianceofficer@vlsfinance.com](mailto:complianceofficer@vlsfinance.com).
- E. **The period for e-voting starts at 9.00 a.m. on Monday, 12<sup>th</sup> September, 2016 and ends at 5.00 p.m. on Wednesday, 14<sup>th</sup> September, 2016. E-voting shall be disabled by NSDL at 5.00 p.m. on 14<sup>th</sup> September, 2016.**
- F. General Information  
(a) Every Client ID No./ Folio No. shall have one e-vote, irrespective of the number of joint holders.  
(b) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on **Wednesday, 7<sup>th</sup> September, 2016** the cutoff date. Persons who are not members as on cutoff date should treat this notice for information purposes only.  
(c) E-voting right cannot be exercised by a proxy.  
(d) The members may cast their vote by either of the three means viz. e-voting facility, ballot form by post and ballot form at general meeting. In case vote is cast by more than one means then vote cast by e-voting will be counted and vote by other means will be treated as invalid.  
(e) The results of e-voting alongwith the scrutinizer's report, will be available on the Company's corporate website [www.vlsfinance.com](http://www.vlsfinance.com) under the section 'Investor Relations' and on the website of NSDL within three days of conclusion of the AGM. Such Results will also be forwarded to the Stock Exchanges where the Company's shares are listed.
7. Those persons, who became Members of the Company after the dispatch of this Notice of the AGM by the Company and whose names appear in the Register of members or register of beneficial holders as on the cut-off date i.e. 7<sup>th</sup> September, 2016 may view the Notice of the 29<sup>th</sup> AGM on the Company's website or on the website of NSDL. Such members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.
8. The register of members of the Company shall remain closed from 8.09.2016 to 15.09.2016 (both days inclusive).
9. Members who wish to obtain information about the Company or view the financials of Company, may visit the Company's website viz. [www.vlsfinance.com](http://www.vlsfinance.com)
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participant. Members holding shares in physical form are requested to send their e-mail address to the Registrar and Transfer Agents M/s. RCMC Share Registry Pvt. Ltd., B-25/1, First Floor, Okhla Industrial Area Phase-II, New Delhi-110020.
11. The Company has retained M/s RCMC Share Registry Pvt. Ltd., ("Registrar & Transfer Agent") at B-25/1 First Floor, Okhla Industrial Area Phase II, New Delhi-110020 (Phone Nos. 011 – 26387320, 26387321, 26387323 and Fax 011-26387322) w.e.f. 01/04/2003 for entire shareholder services. All correspondence, therefore, may be addressed to the said Registrar & Transfer Agent. However, for any further assistance in said matters, queries may be addressed to the Company Secretary at Registered Office at 2<sup>nd</sup> Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065 Phone No. 4665 6666, Fax: 4665 6699. Dedicated Investor Services e-mail: [hconsul@vlsfinance.com](mailto:hconsul@vlsfinance.com)
12. The extant SEBI listing regulations mandate compulsory procurement of PAN by the Companies of both transferor and transferee to effect the share transfer including transmission/ transposition of shares in physical form of listed companies, whether off market or not. Copy of PAN card of both transferor(s) and transferee(s) is required to be furnished to the Company/RTAs for transfer/ transmission/ transposition of shares. This is for information of all investors.
13. Members are requested to intimate the change in address, if any, to the Company's Registrar or the Company at its registered office for shares held in physical mode. Members can avail the facility of nomination in respect of shares held by them in physical form, in accordance with the provisions of section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in prescribed Form no. SH-13/SH-14 duly filled in, to the Registrar & Transfer Agent of Company. Members holding shares in demat (electronic) form are requested to notify any change in address, mandate/bank details/nominations to their respective Depository Participants. The changes effected by depository participants will automatically be reflected in Company's records upon updation of beneficiary owners list provided by Depositories.
14. The shares of the Company are traded in demat segment only w.e.f. 28<sup>th</sup> August, 2000 for all categories of investors. Members who still hold the shares of Company in physical form are advised to contact their depository participant for dematerialization of their holdings in their own interest. **The ISIN allotted to**

**Company is INE709A01018** for both the Depositories viz. The National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

15. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company on all working days between 11.00 a.m. and 1.00 p.m. up to the date of AGM.
16. Member/Proxies are requested to bring their copies of the Annual Report to the meeting and the attendance slip duly filled in, for attending the meeting. As a measure of economy, copies of Annual Report and Admission Slips may not be distributed at the AGM.
17. Explanatory statement, pursuant to section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM is annexed hereto and forms part of this notice.
18. The Unpaid/unclaimed dividends up to 31/03/95 had been transferred to General Revenue Account of Central Government and can be claimed from the Central Government in prescribed form. Pursuant to Section 205A of the Companies Act, 1956 ("the Act") all unclaimed/unpaid dividends after 31/03/95 up to the financial year 1997-99 (18 months) has been credited to Investor Education & Protection Fund ("IEPF"). No dividend has been declared since 1999, no unpaid /unclaimed dividend remains liable to be transferred to IEPF.
19. Information regarding Directors:

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

Sl. No.	Name of the Director	Date of Birth	Date of Appointment	Qualifications and Expertise in specific functional areas	List of Companies in which Directorship held as on 29/07/2016	Chairman/ Member of the Committees of other Companies as on 29/07/2016	Whether qualified u/s 164(2) of the Companies Act, 2013
				No. of Board meetings attended during the year			
1.	Shri K. K. Soni (DIN:00108037)	14/09/1953	14/11/2013	B.Com, FCA, FCS He is a qualified Chartered Accountant and Company Secretary with around 40 years of experience in the field of Accounts, Finance, Taxation and other Corporate Affairs. In his first stint with the Company, Shri K. K. Soni served as President (Corporate Affairs) from 1995 to 1998 before resigning. Subsequently Shri K. K. Soni was appointed as Non-Executive Director of company w.e.f. 25/05/2005 and on 28/07/2006 was designated as Director Finance & CFO which position he held till 31/01/2007. He served as Executive Director & CFO from 01/02/2007 till 13/11/2013 and on 14/11/2013, Shri K. K. Soni was redesignated as Director-Finance & CFO on his induction into the Board. He was reappointed as Director - Finance & CFO for 3 years w.e.f. 01/02/2016.	a) South Asian Enterprises Limited b) VLS Securities Ltd. c) VLS Asset Management Ltd. d) VLS Capital Limited e) Om Sai Sports Ltd.	Audit Committee Member Audit Committee Member NIL NIL NIL	Yes

**(B) Shareholding of above Director as on 29/07/2016**

S. No.	Name	No. of Shares held in Company	Percentage
1.	Shri K. K. Soni	NIL	NIL

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

**ITEM NO.4**

On the recommendation of Nomination and Remuneration Committee Shri S. K. Agarwal was reappointed as Managing Director of the Company w.e.f. 21<sup>st</sup> August, 2016 by the Board of Directors in its meeting held on 28/05/2016 on the terms and conditions as contained in agreement entered into between the Company and Shri S. K. Agarwal for this purpose on that date, subject to such approvals as may be required. Shri S.K. Agarwal aged about 65 years, is a Commerce Graduate & Associate of Indian Institute of Bankers. He is former banker having vast experience in the Banking and Financial Services.

Shri S. K. Agarwal, at the time of his reappointment as Managing Director of the Company, was also the Managing Director of VLS Securities Ltd., a subsidiary of the Company. He continues to hold said position by virtue of his reappointment by the Board of Directors of VLS Securities Ltd. in its meeting held on 25/05/2016 for a further period of 3 years w.e.f. 01.07.2016. He is not drawing any remuneration from said subsidiary.

Shri S. K. Agarwal's appointment as Managing Director is being made in accordance with the conditions specified in Part I of Schedule V and the remuneration payable is within the ceiling laid down in Part II thereof and the requirements of Part III thereof are being

complied with. The Nomination and Remuneration Committee had recommended following remuneration package for Shri S. K. Agarwal as Managing Director:

**a. Salary**

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

**b. Perquisites**

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

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

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

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

Notwithstanding anything contrary contained in Articles of Association of the Company, Shri S. K. Agarwal shall be liable to retire by rotation during his tenure as Managing Director of the Company.

In terms of Section 196 read with other applicable provisions of the Companies Act, 2013 the appointment and any modification in terms and conditions of appointment including remuneration of managerial personnel is subject to the approval of members.

Accordingly, approval by members is sought for the aforesaid appointment of Shri S. K. Agarwal as Managing Director on the terms and conditions as set out in the agreement entered into between Shri S. K. Agarwal and the Company. The members may also authorize the Board to review the remuneration of Managing Director within the ceiling prescribed under the Companies Act, 2013 as and when thought fit, without further approval from members. The Board recommends the appointment of Shri S. K. Agarwal as Managing Director of the Company as set out in item No.4 of the Notice.

Shri S. K. Agarwal does not hold any shares in the Company.

**Interest in Other entities as on 29/07/2016**

Name/ nature of interest	VLS Capital Limited. VLS Asset Management Ltd., VLS Securities Limited. Risk Software Solution Pvt. Ltd.	Director Director Managing Director Director
Chairman/ Member of Audit committee	Nil	
Chairman/ Member of Stakeholders Relationship Committee	Nil	
Chairman/ Member of Nomination and Remuneration committee	Nil	
Chairman/ Member of CSR committee	Nil	

A copy of the agreement entered into between the Company and Shri S. K. Agarwal and the resolution of the Board for his reappointment as Managing Director is available for inspection by the members of the Company at Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Annual General Meeting except on Saturdays, Sundays and other holidays.

None of the Directors, Key Managerial Personnel of the Company and their relatives in any way are concerned or interested, financially or otherwise, in the said resolution except Shri S. K. Agarwal- Managing Director and his relatives.

**Item no. 5 and 6**

Section 149 of Companies Act, 2013 ('the Act') provides that Independent Directors shall hold office for a term upto 5 (five) consecutive years. The Board of Directors on the recommendation of Nomination and Remuneration Committee has decided to appoint Shri R. Bandyopadhyay and Shri D. K. Mehrotra as Independent Directors for a term of 5 (five) consecutive years from the date of their appointment as additional directors as per the terms of their appointment. The Board had appointed Shri R. Bandyopadhyay and Shri D. K. Mehrotra as Additional Directors w.e.f. 28/05/2016 in the category of Independent Director subject to approvals as may be required. As per the provisions of section 152 of Companies Act, 2013, Independent Directors are not liable to retire by rotation and their appointment is required to be approved by Members. Further, in terms of section 160 of the Act, the Company has received from a member separate notices in writing signifying intention to propose candidature for appointment of Shri R Bandyopadhyay and Shri D K Mehrotra as Independent Directors in ensuing AGM along with a deposit of Rs. 1,00,000/- for each of the candidature proposed.

Copy of the draft letters for respective appointments of Shri R. Bandyopadhyay and Shri D. K. Mehrotra as Independent Directors setting out the terms and conditions are available for inspection by Members at the registered office on all working days of the Company upto and including the day of the meeting from 11.00 a.m. to 1.00 p.m. and can also be accessed at the website viz. [www.vlsfinance.com](http://www.vlsfinance.com).

Further, in terms of Sections 149, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors have reviewed the declarations made by Shri R. Bandyopadhyay and Shri D. K. Mehrotra that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, ('listing regulations') and the Board is of opinion that they fulfill the conditions specified in the Companies Act, 2013 and listing regulations, and are independent of the management. In the opinion of the Board, Shri R. Bandyopadhyay and Shri D.K. Mehrotra are persons of integrity and have the necessary knowledge, experience and expertise for being appointed as Independent Directors. The Board recommends their respective appointments as proposed. None of the directors or key managerial personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution, except the appointee directors and their relatives.

**Details of Independent Directors seeking approval of appointment at the Annual General Meeting on 15/09/2016.**

Name of directors	Shri R. Bandyopadhyay, IAS (Retd.) (DIN 01122778)	Shri D.K. Mehrotra (DIN 00142711)
Age	65 years.	63 years.
Qualification	M.Sc (Physics), M.A. (Rural Development).	Honours Graduate in Science.
Date of appointment	28/05/2016	28/05/2016
Brief profile	He is a distinguished bureaucrat with 37 years of experience in administration. He has held various prestigious posts during his tenure in the IAS including Secretary, Ministry of Corporate Affairs (MCA), Secretary, and Department of Public Enterprises (DPE) Government of India as well as holding additional charges of Secretary, Minority Affairs, and Secretary of Informational & Broadcasting and Secretary Youth Affairs. He was a member of 'Committee on Financial Inclusion' headed by Dr. C. Rangarajan, ex-Governor Reserve Bank of India and participated as 'Senior Advisor' in the preparation of 11 <sup>th</sup> Five Year Plan during 2005-06 period. He also functioned as ex officio member of SEBI and chairman of Quality Review Board to review and improve quality of Chartered Accountants. Shri R. Bandyopadhyay was catalyst in bringing national focus on Corporate Governance and Corporate Social Responsibility (CSR) leading to introduction of first ever guidelines on Corporate Governance and CSR by MCA. He has participated in various international programs have led Indian side in bilateral discussion with UK, USA, Germany, Japan and Australia amongst others.	He joined LIC as a Direct Recruit Officer in 1977 and in an illustrious career spanning 35 years, has occupied several pivotal positions in LIC spanning three Zones and the Corporate Office at Mumbai besides International exposure in the field of Insurance during his posting in the foreign office of LIC at Suva in Fiji. Prior to taking charge as Managing Director of LIC, Shri D. K. Mehrotra was posted as Executive Director (International Operations) to lead LIC's overseas thrust. Shri D. K. Mehrotra has attended several important knowledge forums in India and abroad and is associated with the apex training institutes of insurance in India like the National Insurance Academy and the Insurance Institute of India. Presently Shri. D. K. Mehrotra is whole time Director of West End Housing Finance Ltd.
Other Directorship	1. Development Consultants (P) Ltd. 2. DCG Date-Core Systems (India) Pvt. Ltd.	1. Tata Steel Ltd. 2. Computer Age Management Services (P) Ltd. 3. West End Housing Finance Ltd. 4. Tata AIA Life Insurance Company Ltd. 5. CAMS Insurance Repository Services Ltd 6. Indian Energy Exchange Ltd.
Chairman/ Member of Audit committee as on 29/07/2016.	Nil.	1. Computer Age Management Services Pvt. Ltd. - Chairman. 2. Tata AIA Life Insurance Company Ltd. -Member
Chairman/Member of Stakeholders Relationship committee as on 29/07/2016	Nil	1. TATA Steel Ltd. -Member.
Chairman/ Member of Nomination and Remuneration committee as on 29/07/2016.	Nil	1. Computer Age Management Services Pvt. Ltd. - Chairman.
Chairman/ Member of CSR committee as on 29/07/2016.	Nil	1. TATA Steel Ltd. -Member.
Shareholding in the Company	Nil	Nil.
Relationship between directors inter-se	Nil	Nil.



**ITEM NO. 7**

The Board on the recommendation of Nomination and Remuneration Committee appointed Shri Vikas Mehrotra (DIN: 06476150) as an Additional Director in its meeting held on 28/05/2016. As per provision of section 161(1) of the Companies Act, 2013, Shri Vikas Mehrotra will hold office upto the conclusion of this Annual General Meeting. The Company has received a notice in writing along with a deposit of Rs. 1,00,000/- from a member signifying intention to propose the candidature of Shri Vikas Mehrotra as Director of the Company.

**Details of Non Independent Director seeking approval of appointment at the Annual General Meeting.**

Name of director	Shri Vikas Mehrotra (DIN: 06476150)
Age/Occupation	48 years/Business
Qualification	Commerce Graduate from the University of Delhi, MBA from Rochester Institute of Technology (USA).
Date of appointment	28/05/2016
Brief profile	Shri Vikas Mehrotra is a Commerce Graduate from the University of Delhi with MBA from Rochester Institute of Technology (USA). He is the Founder CEO of Venus Capital, actively investing in Asia since 1989. He is regular speaker at various conferences on Emerging markets. He is related to Shri M.P. Mehrotra who is Director and also Promoter of the Company.
Other Directorship as on 29/07/2016.	1. Venus India Asset Finance (P) Limited.
Chairman/ Member of Audit committee as on 29/07/2016.	Nil.
Chairman/ Member of Stakeholders Relationship Committee as on 29/07/2016.	Nil.

Your Directors recommend appointment of Shri Vikas Mehrotra as Director of Company. Shri Vikas Mehrotra holds 486006 shares of the Company.

None of the other Directors or Key Managerial Personnel or their relatives, directly or indirectly except Shri Vikas Mehrotra and his relatives including Shri M.P. Mehrotra are concerned or interested in the resolution.

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

Place: New Delhi  
Date : 29/07/2016

**H. Consul**  
Company Secretary  
M. No. A11183



## VLS FINANCE LIMITED

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

### BALLOT FORM

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

Serial No.	Particulars	No. of Shares held by me/us	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1	To receive, consider and adopt the audited balance sheet of the Company as at 31st March, 2016, the statement of Profit & Loss for the year ended on that date together with the report of auditors and directors thereon and the consolidated Financial Statements for the said period.			
2	To appoint a Director in place of Shri K. K. Soni (DIN: 00106037) who retires by rotation and being eligible, offers himself for re-appointment.			
3	To appoint the Auditors and to fix their remuneration.			
4	To approve appointment of Shri S. K. Agarwal (DIN: 00106763) as Managing Director.			
5	To approve appointment of Shri R. Bandyopadhyay (DIN 01122778) as Independent Director.			
6	To approve appointment of Shri D.K. Mehrotra (DIN 00142711) as Independent Director.			
7	To approve appointment of Shri Vikas Mehrotra (DIN: 06476150) as Director.			

Place:

Date:

Signature of the Member (s)

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

## INSTRUCTIONS FOR FILLING THE BALLOT FORM

- 1 A member desiring to exercise vote by ballot may complete this Ballot Form and send it to the Company by post addressed to scrutinizer at the registered office of the Company. Envelops, containing Ballots if sent by courier or registered post or delivered personally at the expense of the members will also be accepted. The member may choose to tender the ballot form at the time of Annual General Meeting in the ballot box kept at the venue.
- 2 Vote can be exercised by E-voting facility provided for this purpose and details thereof has been provided in accompanying notice. Members are requested to exercise vote either by ballot or e-voting. In case voting is exercised both through e-voting and ballot, the vote through e-voting will supersede ballot in all cases i.e. voting by ballot will be rendered invalid.
- 3 This form should be completed and signed by the member (as per the specimen signature registered with the Company ). In case of joint holding, this form should be completed and signed by the first named member and in his/her absence, by the next named member.
- 4 Incomplete/Unsigned Ballot Form will be rejected. Vote exercised through multiple forms i.e. more than one form will render the vote invalid and all Ballot forms will be treated as invalid.
- 5 Duly completed Ballot Form should reach the Company not later than the conclusion of Annual General Meeting on Thursday, the 15th day of September, 2016. Ballot form received after this date will be strictly treated as if the reply from the member has not been received.
- 6 Voting rights for ballot shall be reckoned on the paid up value of shares registered in the name of the shareholders on the cut off date i.e. 7<sup>th</sup> September, 2016.
- 7 The Ballot shall not be exercised by a duly appointed proxy except in Annual General Meeting.
- 8 In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified true copy of Board Resolution/ Authority letter together with attested specimen signature(s).
- 9 The decision of scrutinizer on the validity of Ballot form will be final.

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# VLS FINANCE LIMITED

CIN: L65910DL1986PLC023129

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

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

## Proxy Form

(Pursuant to Section 105(6) of Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):	
Registered Address:	
E-Mail id:	
Folio No./DP ID/Client ID:	
No. of Shares Held	

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company, to be held on the 15<sup>th</sup> day of September, 2016 at 3:30 p.m. at The Auditorium, Sri Sathya Sai International Centre, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Description	(Optional)	
		For	Against
Ordinary Business			
1.	To receive, consider and adopt the audited balance sheet of the Company as at 31 <sup>st</sup> March, 2016, the statement of Profit & Loss for the year ended on that date together with the report of auditors and directors thereon and the consolidated financial statements for the said period.		
2	To appoint a Director in place of Shri K. K. Soni (DIN: 00106037) who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To appoint the auditors and to fix their remuneration.		
Special Business			
4	To approve appointment of Shri S. K. Agarwal (DIN: 00106763) as Managing Director.		
5	To approve appointment of Shri R. Bandyopadhyay (DIN: 01122778) as Independent Director.		
6	To approve appointment of Shri D.K. Mehrotra (DIN: 00142711) as Independent Director.		
7	To approve appointment of Shri Vikas Mehrotra (DIN: 06476150) as Director.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

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

Affix Revenue Stamp

### NOTE:

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





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### ATTENDANCE CARD

#### 29<sup>th</sup> ANNUAL GENERAL MEETING

Thursday, the 15<sup>th</sup> day of September, 2016

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

I/we hereby record my/our presence at the 29<sup>th</sup> Annual General Meeting of the Company on 15<sup>th</sup> day of September, 2016 at 3:30 p.m. at The Auditorium, Sri Sathya Sai International Centre, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003.

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

Member/ Proxy Signature

#### NOTES:

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

#### Route Map of AGM Venue



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