

**VLS FINANCE LTD.**

2nd Floor, 13, Sant Nagar,
East of Kailash,
New Delhi - 110 065, India
Tel. : + 91 -11-46656666
Fax : + 91 -11-46656699
E-mail : vls@vsnl.com
Web : www.vlsfinance.com
CIN : L65910DL1986PLC023129

November 24, 2015

LISTING DEPARTMENT
BSE LIMITED
PHIROZE JEEJEEBHOY TOWERS
DALAL STREET
MUMBAI - 400 001

Dear Sir,

In terms of Clause 31 of the listing agreement, please find enclosed herewith the soft copy of Notice of 1st Extraordinary General Meeting of the financial year 2015-16 of our Company for your information and records. The copy of aforesaid Notice has been sent to the members.

Kindly take the same on record and acknowledge.

Thanking you,
For VLS Finance Ltd.

H. Consul
Company Secretary
M. No. A11183

Encl: As above

- Copy to: 1) The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051
- 2) The Calcutta Stock Exchange Association. Ltd., 7, Lyons Range, Kolkata-700 001
- 3) The Madras Stock Exchange Ltd., Exchange Building, Post Box No.183, New No: 30, (old no:11), Second Line Beach, Chennai-600 001

VLS FINANCE LTD.
Regd. Office: - 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110 065
CIN: L65910DL1986PLC023129, email: vls@vsnl.com, Website: www.vlsfinance.com
Ph: 011-4665 6666, Fax: 011-4665 6699
Notice of 1st Extraordinary General Meeting of the Financial Year 2015-16

NOTICE is hereby given that First Extraordinary General Meeting of the financial year 2015-16 of the Members of **VLS FINANCE LTD.** will be held on Saturday, the 19th day of December, 2015 at 1:00 p.m. at "Mikky House", K-Block, Kidwai Nagar, Kanpur, U.P.-208011 to transact the following business: -

SPECIAL BUSINESS:-
1. Revision of remuneration of Shri S. K. Agarwal - Managing Director (DIN: 00106763) of the Company.

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

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

a. Salary

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

b. Perquisites

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

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

All other terms and conditions of service as contained in the agreement dated 22.07.2013 entered into between the Company and the Managing Director as amended by resolution passed in the 27th Annual General Meeting will remain unchanged.

RESOLVED FURTHER THAT the revision in remuneration shall be effective from 1st April, 2015, for residual period of appointment of Managing Director unless enhanced during the intervening period, in accordance with applicable provisions of Companies Act, 2013 and/or other law(s), for the time being in force.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary and/or revise upwards the remuneration of the Managing

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

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

2. Revision of remuneration of Shri K. K. Soni – Director-Finance & CFO (DIN: 00106037) of the Company.

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

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

a. Salary

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

b. Perquisites

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

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

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

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

All other terms and conditions of service as contained in the agreement dated 28.01.2013 entered into between the Company and Director-

Finance & CFO as amended by resolution passed in the 27th Annual General Meeting will remain unchanged.

RESOLVED FURTHER THAT the revision in remuneration shall be effective from 1st April, 2015, unless enhanced during the intervening period, in accordance with applicable provisions of Companies Act, 2013 and/or other law(s), for the time being in force.

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

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

3. Appointment of Shri K. K. Soni (DIN: 00106037) as the Director-Finance & CFO of the Company.

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

"**RESOLVED THAT** Shri K. K. Soni, who was appointed as Director-Finance & CFO on 14th November, 2013 on terms and conditions contained in the agreement dated 28/11/2013 entered into between the Company and Shri K. K. Soni, which expires on 31/01/2016 and pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 consent of the Company be and is hereby accorded for re-appointment of Shri K. K. Soni as the Director- Finance & CFO of the Company for a period of three years w.e.f. 01st February, 2016 on such terms and conditions which are expressed and contained in the agreement dated 6/11/2015 entered into for this purpose between the Company and Shri K. K. Soni.

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

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

By Order of the Board
For VLS Finance Ltd.

Place: New Delhi
Date: 06/11/2015

H. Consul
Company Secretary
M. No. A11183

NOTES:-

1. 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. A proxy may not vote except on a poll.
2. 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 and 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.
3. 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.

4. 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.
5. In the case of joint holders, the vote of the senior shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members. 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 Extraordinary General Meeting ("EGM").
6. In terms of provisions of Sections 108 and 109 of the Companies Act, 2013 read with Rule 20 and 21 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement for votes cast through e-voting, ballot by post and by poll on the business to be transacted in Extraordinary General Meeting of the Company on 19/12/2015, the Board of Directors of the Company has appointed Ms. Pooja Gandhi, Practicing Company Secretary, (CoP:11351) 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 and 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 cpsoojanichani@rediffmail.com with a copy marked to NSDL's e-mail ID evoting@nsdl.co.in. You can also forward the documents at the company's email ID: vls@vsnl.com, complianceofficer@vlsfinance.com.
- 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. You may also address your queries relating to e-voting to the e-mail ID complianceofficer@vlsfinance.com.

- E. **The period for e-voting starts at 9.00 a.m. on Wednesday, 16th December, 2015 and ends at 5.00 p.m. on Friday, 18th December, 2015. E-voting shall be disabled by NSDL at 5.00 p.m. on 18th December, 2015.**
- F. General Information
- Every Client ID No./ Folio No. shall have one e-vote, irrespective of the number of joint holders.
 - Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on Saturday, 12th December, 2015 the cutoff date. Persons who are not members as on cutoff date should treat this notice for information purposes only.
 - E-voting right cannot be exercised by a proxy.
 - The members may cast their vote by either of the three means viz. e-voting facility, ballot form by post and ballot form at general meeting. In case vote is cast by more than one means then vote cast by e-voting will be counted and vote by other means will be treated as invalid.
 - The results of e-voting alongwith the Scrutinizer's Report, will be available on the Company's corporate website www.vlsfinance.com under the section 'Investor Relations' and on the website of NSDL within three days of passing of resolution at the EGM. Such Results will also be forwarded to the Stock Exchanges where the Company's shares are listed.
7. Those persons, who become Members of the Company after the dispatch of this Notice of the EGM 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. 12th December, 2015 may view the Notice of the 1st EGM of financial year 2015-16 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 EGM. The Ballot by post can be exercised by downloading ballot form from the website of the Company and forwarding the duly filled form to Company so as to reach on or before the conclusion of EGM. In case of any difficulty Members may contact the Company or its Registrar and Transfer Agent.
8. 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
9. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participant. Members holding shares in physical form are requested to send their e-mail address to the Registrar and Transfer Agent M/s. RCMC Share Registry Pvt. Ltd., B-25/1 First Floor, Okhla Industrial Area Phase-II, New Delhi-110020.
10. 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 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065 Phone No. 46656666, Fax: 46656699.** Dedicated Investor Services e-mail: hconsul@vlsfinance.com
11. SEBI vide circular ref. no. MRD/DoP/Cir-05/2009 dated May 20, 2009 has clarified that providing the PAN information will be mandatory for transactions in securities in physical form as well. Amongst others, all transactions involving transfer/ transmission/ transposition of shares in physical form of listed companies, whether off market or not, will require copy of PAN card of transferee(s) be furnished to the Company/RTAs for transfer/ transmission/ transposition of shares. This is for information of all investors.
12. 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 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.

- The shares of the Company are traded in demat segment only w.e.f. 28th 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 No. allotted to Company is INE709A01018** for both the Depositories viz. The National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
- 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 EGM.
- Member/Proxies are requested to bring their copies of the Notice to the meeting and the attendance slip duly filled in for attending the meeting. As a measure of economy, copies of Notice and Admission Slips may not be distributed at the EGM.
- Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this EGM is annexed hereto and forms part of this notice.
- 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"). Since no dividend has been declared since 1999, no unpaid /unclaimed dividend remains liable to be transferred to IEPF.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 1

Shri S. K. Agarwal was appointed as the Managing Director of the Company with effect from 21st August, 2013 for a period of 3 years and his terms of appointment were approved by the members of the Company at the Annual General Meeting held on 25/09/2013 with liberty to the Board to revise the remuneration as and when deemed fit. Further in the 27th AGM of the Company held on 25th September, 2014, the members approved amendment in terms and conditions of appointment of Managing Director to the extent that Managing Director would be liable to retire by rotation during continuance of his tenure as Managing Director notwithstanding the contrary contained in Articles of Association of Company. Accordingly Shri S.K. Agarwal was reappointed as Director liable to retire by rotation in the 28th Annual General Meeting on 24/09/2015. The Board in its meeting held on 06/11/2015, concurring to the recommendations made by Nomination and Remuneration Committee of the Board had approved the revision in the remuneration payable to Managing Director effective from 1st April, 2015 as set out in the resolution sought to be approved in the accompanying notice. All other terms and conditions of service of Managing Director will remain unchanged.

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

- Salary**
Basic salary of Rs. 1,60,000 /-(Rupees One Lac Sixty Thousand Only) per month.
- Perquisites**
In addition to the aforesaid salary, the Managing Director was entitled to the following:
 - HRA/ Leased Accommodation: Rs.54,400/- (Rupees Fifty Four Thousand Four Hundred 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. 55,800/-(Rupees Fifty Five Thousand Eight Hundred only) per annum.
 - Reimbursement of secretarial services upto Rs. 12,500/-(Rupees Twelve Thousand Five Hundred only) per month.

- vi. Reimbursement of expenses for Business Promotion upto Rs. 36,000/- (Rupees Thirty Six Thousand only) per annum.
- vii. Provident Fund, Gratuity payable, entitlement & encashment of leave as per rules of the Company.
- viii. Facility of Chauffeur driven car for use on Company's business as per rules of the Company.
- ix. Facility of Telephones or provision of similar equipments/facilities for official purpose will be free & not to be considered as perquisites except that the charges for personal long distance calls to be billed by Company to Managing Director.

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

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

A copy each of the resolution passed by the Board of Directors on 06/11/2015 modifying the remuneration of Shri S. K. Agarwal as Managing Director, the agreement entered into between the Company and Shri S. K. Agarwal on 22/07/2013 and resolution of members amending terms of Managing Director passed at 27th AGM of Company 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 Extraordinary General Meeting except on Saturdays, Sundays and Holidays.

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

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

None of the Directors except Shri S. K. Agarwal is concerned or interested in the resolution.

ITEM NO. 2 and 3

Shri K.K. Soni was reappointed as Executive Director & CFO vide agreement dated 28.01.2013 w.e.f. 1.2.2013 for a period of 3 years. On Shri K.K. Soni's appointment as Director of the Company on 14.11.2013, he was re-designated as Director-Finance & CFO on the same terms and conditions as contained in agreement dated 28.01.2013 referred to hereinabove. The appointment as Director-Finance & CFO was approved by members in EGM held on 21/12/2013 with liberty to Board to revise remuneration as and when deemed fit. Further in the 27th AGM of the Company held on 25th September, 2014, the members approved amendment in terms and conditions of appointment of Director-Finance & CFO to the extent that Director-Finance & CFO would be liable to retire by rotation as Director during continuance of tenure as Director-Finance & CFO notwithstanding the contrary contained in Articles of Association of Company.

The Board in its meeting held on 06/11/2015, concurring to the recommendations made by Nomination and Remuneration Committee of the Board had approved the revision in the remuneration payable to Director-Finance & CFO effective from 1st April, 2015 as set out in the resolution sought to be approved in the accompanying notice. All other terms and conditions of service of Director-Finance & CFO will remain unchanged.

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

a. **Salary**

Basic salary of Rs. 1,55,000 /-(Rupees One Lac Fifty Five Thousand Only) per month.

b. **Perquisites**

In addition to the aforesaid salary, the Director-Finance & CFO was entitled to the following:

- i. HRA/ Leased Accommodation: Rs.50,000/- (Rupees Fifty Thousand) per month.
- ii. Medical Reimbursement:
Expenses incurred for the Director-Finance & CFO and the family subject to a ceiling of Rs.15,000/- (Rupees Fifteen Thousand only) per annum.
- iii. Leave Travel Concession: For the Director-Finance & CFO and his family incurred not exceeding Rs.60,000/- (Rupees Sixty Thousand only) per annum.
- iv. Reimbursement of expenses for Books and Periodicals upto Rs. 55,800/- (Rupees Fifty Five Thousand Eight Hundred only) per annum.
- v. Reimbursement of secretarial services upto Rs. 12,500/- (Rupees Twelve Thousand Five Hundred only) per month.
- vi. Reimbursement of expenses for Business Promotion upto Rs. 36,000/- (Rupees Thirty Six Thousand only) per annum.
- vii. Provident Fund, Gratuity payable, entitlement & encashment of leave as per rules of the Company.
- viii. Facility of Chauffeur driven car for use on Company's business as per rules of the Company.
- ix. Facility of Telephones or provision of similar 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 Director-Finance & CFO.

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

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

The overall remuneration of Shri K. K. Soni is within the prescribed limits of the relevant provisions of the Companies Act, 2013. 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.

Shri K. K. Soni is a qualified Chartered Accountant and Company Secretary with over 39 years of experience in the field of Accounts, Finance, Taxation and other corporate affairs. At present he is the Director of VLS Capital Ltd. besides directorships in VLS Securities Limited, South Asian Enterprises Limited, Om Sai Sports Ltd. and VLS Asset Management Ltd. Shri K.K. Soni does not hold any share in the Company. The present tenure of Shri K. K. Soni as Director-Finance & CFO will end on 31/01/2016. The Board in its meeting held on 06/11/2015 has approved the appointment of Shri K. K. Soni as Director-Finance & CFO for a period of 3 years effective from 01/02/2016 in terms of agreement entered into between the Company and Shri K. K. Soni on 06/11/2015.

As per terms of said agreement the CFO will be overall in charge of all financial matters of the Company including accounting, taxation and other allied areas. Additionally, CFO may be assigned such duties as deemed fit from time to time.

A copy of the resolution passed by the Board of Directors on 06/11/2015 modifying the remuneration of Shri K. K. Soni as Director- Finance & CFO, the resolution of members amending terms of appointment of Director-Finance & CFO passed at 27th Annual General Meeting of the Company and the agreements entered into between the Company and Shri K. K. Soni dated 28/1/2013 and 6/11/2015 are available for inspection by the members of the Company at Registered office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Extraordinary General Meeting except on Saturdays, Sundays and Holidays.

Your Directors recommends the resolution for revision in remuneration of Shri K.K. Soni – Director –Finance & CFO and his reappointment for your approval. None of the Directors except Shri K. K. Soni is concerned or interested in the resolutions set out at item no. 2 & 3 of the accompanying notice.

By Order of the Board
For VLS Finance Ltd.

Place: New Delhi
Date: 06/11/2015

H. Consul
Company Secretary
M. No. A11183

VLS VLS FINANCE LIMITED

Regd. Off. : 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi- 110 065
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 resolution 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.	Revision of remuneration of Shri S. K. Agarwal - Managing Director (DIN:00106763) of the Company.			
2.	Revision of remuneration of Shri K. K. Soni – Director- Finance & CFO (DIN:00106037) of the Company.			
3.	Appointment of Shri K. K. Soni as the Director -Finance & CFO (DIN:00106037) of the Company.			

Place:

Date:

Note: Please read the instructions before filling the form.

Signature of the Member

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 Extraordinary 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 e-voting, ballot by post or poll at general meeting. In case voting is exercised both through more than one means, the vote through e-voting will supersede ballot/vote at poll in all cases i.e. voting by ballot/vote at poll 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 forms will be treated as invalid.
- 5 Duly completed Ballot Form should reach the Company not later than the conclusion of the Extraordinary General Meeting on Saturday, the 19th day of December, 2015. 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. 12th December, 2015.
- 7 The Ballot shall not be exercised by a duly appointed proxy except in the Extraordinary 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.



VLS FINANCE LIMITED

CIN: L65910DL1986PLC023129

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

email: vls@vsnl.com, Website: www.vlsfinance.com, Phone: 011-46656666, FAX: 011-46656699

Form of Proxy

(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:	

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

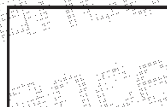
1.	Name:		Signature of proxy
	Address:		
	E-Mail id:		
Or failing him			
2.	Name:		Signature of proxy
	Address:		
	E-Mail id:		
Or failing him			
3.	Name:		Signature of proxy
	Address:		
	E-Mail id:		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 1st Extraordinary General Meeting for the financial year 2015-16 of the Company, to be held on the 19th day of December, 2015 at 1:00 p.m. at "Mikky House", K-Block, Kidwai Nagar, Kanpur, U.P.-208011 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Description
Special Business	
1.	Revision of remuneration of Shri S. K. Agarwal - Managing Director (DIN:00106763) of the Company.
2.	Revision of remuneration of Shri K. K. Soni – Director-Finance & CFO (DIN:00106037) of the Company.
3.	Appointment of Shri K. K. Soni as the Director -Finance & CFO (DIN:00106037) of the Company.

Signed this _____ day of _____ 2015

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 joint holding, all the joint holders must sign the proxy form.



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ATTENDANCE CARD

1ST EXTRAORDINARY GENERAL MEETING FOR THE FINANCIAL YEAR 2015-16

Saturday, the 19th day of December, 2015

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 hereby record my presence at the **1st Extraordinary General Meeting for the financial year 2015-16** at 1:00 p.m. at "Mikky House", K-Block, Kidwai Nagar, Kanpur, U.P.-208011.

* 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 premises.
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 at the venue.

Route map of EGM Venue



∴ Micky House, K Block, Kidwai Nagar, Kanpur (U.P.)