



NOTICE

NOTICE is hereby given that the Thirty-Second Annual General Meeting of the members of **VALSON INDUSTRIES LIMITED** will be held on Saturday, 13th day, August, 2016 at 10.30 A.M. at 28, Bldg. No.6, Mittal Industrial Estate, Sir M. V. Road, Andheri (East), Mumbai - 400 059 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt an Audited Financial Statement of the Company for the financial year ended March 31, 2016 and the Reports of the Board of Directors and the Auditors' thereon.
2. To declare dividend on Equity Shares @ 10% i.e. Re. 1/- per Equity Share.
3. To appoint a Director in place of Mr. Varun S. Mutreja (DIN: 07022832), who retires by rotation and being eligible, offers himself for re-appointment.
4. Appointment of Statutory Auditors

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Mehta Chokshi & Shah, Chartered Accountants, Mumbai having ICAI Firm Registration No.106201W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial year 2016-2017, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imbusement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

SPECIAL BUSINESS:

5. To re-appoint Mr. Suresh N. Mutreja (DIN: 00052046) as a Managing Director and in this regard, to consider, and thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including Schedule V of the said Act as amended up-to-date, consent and approval be and is hereby accorded to the re-appointment of and payment of remuneration and perquisites to Mr. Suresh N. Mutreja as a Managing Director of the Company for a period of three years with effect from 1st July, 2016 till 30th June, 2019.

RESOLVED FURTHER THAT Mr. Suresh N. Mutreja shall be paid remuneration and perquisites of Rs.3,00,000/- per month and shall be eligible for monthly increments as may be decided by the Board of Directors from time to time annually, if permissible as per the provisions of the Act.

RESOLVED FURTHER THAT the terms and conditions of re-appointment shall be as per the letter of appointment as approved by the Board at its meeting held on 28th May, 2016 be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration and perquisites to the extent the Board of Directors may consider appropriate and as may be authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration and perquisites payable to Mr. Suresh N. Mutreja shall be within the limits set out in the said Act including the said Schedule V to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and/or any rules or regulations framed there under provided that the terms of the letter of appointment between the Company and Mr. Suresh N. Mutreja shall be suitably modified to give effect to such variation or increase as the case may be.



RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of office of Mr. Suresh N. Mutreja as a Managing Director, the remuneration and perquisites set out in the aforesaid letter of appointment be paid or granted to him as minimum remuneration provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the ceiling provided in Part II Section II(A)(ii) of Schedule V to the said Act or such other amount and perquisites as may be provided in the said Schedule V whether or not amended from time to time or any equivalent statutory re-enactment(s) thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution."

NOTES:

1. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of the businesses under Item No. 5 of the accompanying Notice are annexed hereto.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item No. 3 and 5 of the accompanying Notice, as required by Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 is annexed herewith.
3. 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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING i.e. by 10.30 A.M. ON THURSDAY, 11th AUGUST, 2016.
4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
9. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company shall remain closed on all days from Saturday, 6th August, 2016 to Saturday, 13th August, 2016, both days inclusive.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.



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11. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mr. Pritesh H. Shah (pritesh@valsonindia.com)
12. Members holding shares in physical form are requested to notify/send the following to the Company's Registrar and Transfer Agents to facilitate better service:
 - i. Any change in their address
 - ii. Particulars of their bank accounts in case the same have not been sent earlier, for dividend payment through ECS mode and
 - iii. Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of the names for consolidation of such holdings into one account.
13. Members holding shares in electronic form are advised that address/bank details as furnished to the Company by the respective Depositories, viz. NSDL and CDSL will be printed on the dividend warrants. Members are requested to inform the concerned Depository Participants of any change in address, dividend mandate, etc.
14. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH - 13 for this purpose.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company's Registrar and Transfer Agents for receiving communication from the Company in electronic form.
16. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (which are still applicable, as the relevant sections under the Companies Act, 2013 are yet to be notified) and Rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended 31st March, 2008 and to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 14, 2015 (date of the last Annual General Meeting) on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

For Equity Shareholders:

Financial Year	Date of Declaration of Dividend	Last Date of Claiming un-paid Dividend
Final Dividend 2008 - 2009	29.08.2009	03.11.2016
Final Dividend 2009 - 2010	30.09.2010	06.11.2017
Final Dividend 2010 - 2011	30.09.2011	05.11.2018
Final Dividend 2012 - 2013	13.08.2013	17.09.2020
Final Dividend 2013 - 2014	13.09.2014	17.10.2021
Final Dividend 2014 - 2015	14.08.2015	18.09.2022

Members who have not so far received / encashed dividend for the aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited.



17. Information required under Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 relating to Documents & Information to Shareholders with respect to the Director being appointed and Directors retiring by rotation and being eligible, seeking re-appointment are as under:

Name	Mr. Suresh N. Mutreja	Mr. Varun S. Mutreja
Director Identification Number(DIN)	00052046	07022832
Date of Birth	15/07/1957	16/09/1984
Nationality	Indian	Indian
Date of Appointment on Board	26/06/1983	14/11/2014
Qualifications	B.com	MBA in Finance
Shareholding in Valson Industries Limited	15,87,000 Shares	3,62,200 Shares
Expertise in specific functional areas	Industrialist	Export, Finance and Marketing
Directorships in other Public Limited Companies	Nil	Nil
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders/Investors Grievances Committee)	Nil	Nil

PROCESS FOR MEMBERS OPTING FOR E-VOTING

For Members whose e-mail addresses are registered with the Company/Depositories:

Voting through electronic means:

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide shareholders facility to exercise their right to vote on resolutions proposed to be considered at the 32nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the shareholders using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through ballot papers shall also be made available at the venue of the AGM and the shareholders attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot papers at the venue.
3. The shareholders who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Wednesday, 10th August, 2016 (9:00 am) and ends on Wednesday, 12th August, 2016 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date of Saturday, 6th August, 2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the shareholder casts his vote on a resolution, the shareholder shall not be allowed to change it subsequently.



5. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Valson Industries Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to noticetome@gmail.com with a copy marked to evoting@nsdl.co.in.
 - B. In case a shareholder receives physical copy of the Notice of AGM (for shareholders whose Email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy):
 - (i) Initial password is provided as below/ at the bottom of the Attendance Slip of the AGM:

EVEN (Remote e-voting Event Number)USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for shareholders available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.
7. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password PIN for casting your vote.
8. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s) related to e-voting process.
9. Any person, who acquires shares of the Company and become shareholder of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Saturday, 6th August, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsd.com or contact NSDL at the following toll free no.: 1800-222-990.
10. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.



11. 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 AGM through ballot paper.
12. Mr. Punit Shah, Practicing Company Secretary (Membership No. 20536) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
13. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
14. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and 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 shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
15. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**By order of the Board
For Valson Industries Limited**

**Mr. Suresh N. Mutreja
Chairman & Managing Director**

**Place: Mumbai
Dated: 28th May, 2016**

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 5 of the accompanying Notice dated 28th May 2016.

ITEM NO. 5 - RE-APPOINTMENT OF MR. SURESH N. MUTREJA AS MANAGING DIRECTOR

The present term of appointment of Mr. Suresh N. Mutreja as Managing Director is expiring on 30th June 2016. The Nomination and Remuneration Committee has recommended the re-appointment of Mr. Suresh N. Mutreja as Managing Director of the Company.

The Board of Directors has decided to re-appoint Mr. Suresh N. Mutreja as Managing Director w.e.f. 1st July, 2016 for a period of 3 years. The terms and conditions of his re-appointment are given below:

Name of Director	Designation	Responsibility
Mr. Suresh N. Mutreja	Managing Director	Overall Management, administration and marketing of the Company

As per the Part II Section II (B) (iv) of Schedule V, the company is required to furnish the following information in the Explanatory Statement



I. GENERAL INFORMATION:

Sr. No.	Particulars	Information	
1.	Nature of Industry	Textile Industry	
2.	Date or expected date of commencement of Commercial Production	The company is manufacturing of Texturised and Twisted yarns since 1983	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4.	Financial performance based on given indications. Sales (Net of Excise) Net Profit before Tax Net Profit After Tax	31-3-2016 (Rs. in lacs)	31-3-2015 (Rs. in lacs)
		9,162.69	10,627.19
		535.00	290.12
		391.66	215.28
5.	Foreign investments or collaborators, if any	Not Applicable	

II. INFORMATION ABOUT THE APPOINTEE:

Sr. No.	Particulars	Information
1.	Background Details	Mr. Suresh N. Mutreja is the promoter of the Company; he is associated since incorporation; having a family background in Textile industries
2.	Past Remuneration / Perquisites	Rs. 32.08 Lacs per annum
3.	Recognition or Awards	Nil
4.	Job Profile and His Suitability	Experience of more than 3 decades in Textile Industry, Administration & Marketing
5.	Remuneration / perquisites proposed	Rs. 3,00,000/- per month
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is reasonable considering future growth of the Company
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Suresh N. Mutreja is holding 15,87,000 equity shares of the company which is 20.72 % of the equity share capital of the company. He is husband of Mrs. Asha S. Mutreja and Father of Mr. Varun S. Mutreja



III. OTHER INFORMATION :

Sr. No.	Particulars	Information
1.	Reasons of loss or inadequate profits	The company has earned profits, but the profits are in-adequate as per section 197 of the Companies Act, 2013, to cover up the remuneration / perquisites payable to Mr. Suresh N. Mutreja. There is no specific reason for inadequate profits. Further, the current profit will cover up the remuneration payable to him. His Remuneration has been fixed under schedule V is as minimum remuneration and with in the limit specify therein.
2.	Steps taken or proposed to be taken for improvement	The company is making every effort to reduce cost and increase the overall efficiency, which will result increase in overall profitability of the Company.
3.	Expected increase in productivity and profits in measurable terms	The company is expecting growth in the turnover and profit due to expansion of production capacities and expecting to do good Export turnover in future.

The remuneration and perquisites payable to Mr. Suresh N. Mutreja is as follows:

The Company proposes to pay following remuneration and perquisites w.e.f. 1st July, 2016.

A. REMUNARATION

Name of Director	Designation	Remuneration & Perquisites
Mr. Suresh N. Mutreja	Managing Director	Rs. 3,00,000/- per month

B. INCREMENTS

The Board of Directors shall decide the increments payable to each Directors at the end of March, every year within the overall ceiling laid down in the Schedule V so that the total remuneration by way of salary, perquisites and other allowances including increments shall not exceed the ceiling provided in Part II of Schedule V to the said Act based on the effective capital for the respective financial year or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

C. PERQUISITES

Non monetary ceiling perquisites

The following perquisites shall be payable to Mr. Suresh N. Mutreja and which shall not be included in the computation of the ceiling of remuneration as per Schedule V of the Companies Act, 2013.

i. Provident Fund:

The Company's contribution to Provident Fund, is as per the rules of the Company. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income Tax Act, 1961.



ii. Gratuity:

Gratuity not exceeding one-half months' salary for each completed year of service.

iii. Leave Encashment:

Leave salary as per the rules of the Company and Encashment of Leave shall be at the end of the tenure.

D. MINIMUM REMUNERATION

The above remuneration and perquisites has been fixed on the basis of inadequate profits as per the audited balance sheet as on 31st March, 2016 and has been fixed as provided in Part II of Schedule V to the said Act based on the effective capital for the respective financial year or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof and shall be considered as minimum remuneration.

During the tenure of his appointments, if the Company earns profits in excess of the limits prescribed under Schedule V or if the profits are adequate in any financial year, as per the provisions of Section 196, 197, 203 and any other applicable provisions of the, Companies Act, 2013 then the remuneration of Mr. Suresh N. Mutreja shall be paid as per the profits earned by the Company in that particular financial year.

E. OTHER CONDITIONS:

- i. For all other terms and conditions not specifically spelt out above, the rules and order of the Company shall apply.
- ii. The Managing Director holds office as such, subject to the provisions of Section 164 and 167 of the Companies Act, 2013.
- iii. The re-appointment of Managing Director has been approved by the Nomination and Remuneration Committee of the Company.

The resolutions are being recommended for the approval of the members.

None of the Directors except Mr. Suresh N. Mutreja is concerned or interested to the extent remuneration is payable to him. Mr. Varun S. Mutreja and Mrs. Asha S. Mutreja are concerned or interested as relative of him.

The Board commends the Special Resolutions set out at Item No. 5 of the Notice for approval by the shareholders.

**By order of the Board
For Valson Industries Limited**

**Mr. Suresh N. Mutreja
Chairman & Managing Director**

**Place: Mumbai
Date: 28th May, 2016**