



## NOTICE

**NOTICE** is hereby given that the Fortieth Annual General Meeting of the members of **VALSON INDUSTRIES LIMITED** will be held on **Saturday, 21<sup>st</sup> September, 2024 at 11.30 a.m** through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Annual Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024 and the Reports of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Kunal Mutreja (DIN: 07022857), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3. To ratify the remuneration of Cost Auditors for the financial year ending 31<sup>st</sup> March, 2025.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 1,00,000 (Rupees One Lakh Only) plus taxes as applicable and re-imbursalment of out of pocket expenses incurred during the course of Audit to M/s. ABK & Associates., Cost Accountants (Firm Registration No: 000036), who have been appointed by the Board of Directors of the Company as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2025, be and is hereby ratified.

**RESOLVED FURTHER THAT** Mr. Suresh Mutreja, Chairman and Managing Director or any other Director of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.”

#### **4. To re-appoint Mr. Suresh Mutreja as Chairman and Managing Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time and in terms of Regulation 17 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, [including any other statutory modification(s) or re-enactment(s) thereof], and such other approval(s), consent(s) or permission(s), as may be required, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Suresh Mutreja (DIN: 00052046) as Chairman and Managing Director of the Company for a term of 3 (three) years commencing from 1<sup>st</sup> July, 2024 up to 30<sup>th</sup> June, 2027 on the terms and conditions and remuneration as set out in the Explanatory Statement annexed to this Notice and with liberty to the Board of Directors (hereinafter referred to as “the Board”) which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter, modify or revise from time to time, the terms and conditions of the said re-appointment and/or remuneration, in such manner as may be agreed to between the Board and Mr. Suresh Mutreja.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Suresh Mutreja will be paid the salary and perquisites as stated in the Explanatory Statement as minimum remuneration in accordance with Part II of Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

#### **5. To re-appoint Mr. Varun Mutreja as Whole Time Director and Chief Financial Officer of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time and in terms of Regulation 17 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, [including any other statutory modification(s) or re-enactment(s) thereof], and such other approval(s), consent(s) or permission(s), as

may be required, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Varun Mutreja (DIN: 07022832) as Whole Time Director and Chief Financial Officer of the Company for a term of 3 (three) years commencing from 14<sup>th</sup> November, 2024 up to 13<sup>th</sup> November, 2027 on the terms and conditions and remuneration as set out in the Explanatory Statement annexed to this Notice and with liberty to the Board of Directors (hereinafter referred to as "the Board") which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter, modify or revise from time to time, the terms and conditions of the said re-appointment and/or remuneration, in such manner as may be agreed to between the Board and Mr. Varun Mutreja.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Varun Mutreja will be paid the salary and perquisites as stated in the Explanatory Statement as minimum remuneration in accordance with Part II of Schedule V of the the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

#### NOTES:

#### General Instructions for Accessing and participating in the 40<sup>th</sup> Annual General Meeting (AGM) through VC / OAVM Facility and Voting through Electronic means including Remote E- Voting.

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to item no. 3 to 5 of the notice of 40<sup>th</sup> Annual General Meeting is annexed hereto.
2. Pursuant to the General Circulars 9/2023 dated 25<sup>th</sup> September, 2023, other circulars issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI bearing reference SEBI/HO/DDHS/P/CIR/2023/0164 dated 6<sup>th</sup> October, 2023 (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
3. **ONLY A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE AGM THROUGH VC / OAVM.** In terms of provisions of Section 105 of the Companies Act, 2013, 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 such proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
4. The Company has appointed M/s. National Securities Depository Limited (NSDL) to provide Video Conferencing facility for the AGM and the attendant enablers for conducting of the AGM. The proceedings of the AGM will be web-casted live for all the shareholders who hold shares as on cut-off date i.e. Friday, September 13, 2024. The shareholders can visit <https://www.evoting.nsd.com/> and login through user id and password to watch the live proceedings of the AGM on Saturday, September 21, 2024 from 11.30 a.m. onwards. Further, the Company has also appointed NSDL as an authorized e-voting agency for facilitating members to vote on all the resolutions proposed in the Notice of AGM through electronic means. Members will have the option to cast their votes either 3 days prior to the date of AGM (Remote E-Voting) or during the AGM (E-Voting). The instructions to vote by remote e-voting and e-voting has been provided below.
5. The members can join the AGM 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in this Notice. The facility to join the AGM will be made available for 1,000 members on first come first serve basis. This will not include Large Shareholders (holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
6. 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 AGM.
7. 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, September 14, 2024 to Saturday, September 21, 2024 (both days inclusive).
8. The attendance of the Members attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.



9. The scanned copies of Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the members during the AGM.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the Members through electronic mode, basis on the request being sent to the email address of Ms. Neeti Alwani, Company Secretary and Compliance Officer at [cs@valsonindia.com](mailto:cs@valsonindia.com) or to Mr. Pritesh Shah, Vice President – Finance and Compliance Officer at [pritesh@valsonindia.com](mailto:pritesh@valsonindia.com).
11. Members desiring any relevant information about the financial statements and/or operations of the Company 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 Ms. Neeti Alwani, Company Secretary and Compliance Officer at [cs@valsonindia.com](mailto:cs@valsonindia.com) or to Mr. Pritesh Shah, Vice President – Finance and Compliance Officer at [pritesh@valsonindia.com](mailto:pritesh@valsonindia.com).
12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2023 – 24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://valsonindia.com/notice>. The Notice of the AGM along with the Annual Report 2023 – 24 can also be accessed from the website of the Stock Exchange i.e. BSE Limited at <https://www.bseindia.com/stock-share-price/valson-industries-ltd/valsonq/530459/financials-annual-reports/> or will be made available if a request is sent to Ms. Neeti Alwani, Company Secretary and Compliance Officer at [cs@valsonindia.com](mailto:cs@valsonindia.com) or to Mr. Pritesh Shah, Vice President – Finance and Compliance Officer at [pritesh@valsonindia.com](mailto:pritesh@valsonindia.com). The Notice of AGM is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
13. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective Depository Participant, and members holding shares in physical mode are requested to update their email addresses with the Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited so that they can receive Annual Reports and any other communication by the Company from time to time in electronic mode. Members may follow the process detailed below for updating bank account details and registration of email ID to obtain the annual reports and communication from time to time.

❖ **Physical Shareholders:**

For availing the following investor services, send a written request in the prescribed forms to the Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited either by email at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or by post to C – 101, Embassy 247, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083.

Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR – 1
Update of signature of securities holder	Form ISR – 2
For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH – 13
Declaration to opt out	Form ISR – 3
Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH – 14
Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR – 4

❖ **Demat Shareholders:**

Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.

This will enable them to receive communication by the Company from time to time in electronic form. Members of the Company, who have registered their e-mail address, are entitled to receive such communications in physical form upon request.

14. **SEBI has mandated the submission of PAN, KYC details, bank account details, specimen signature and nomination by holders of physical securities and linking PAN with Aadhaar vide its circulars dated 3<sup>rd</sup> November, 2021, 14<sup>th</sup> December, 2021 and 16<sup>th</sup> March, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).**

**Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s).**

15. In terms of Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 dated June 08, 2023 issued by the Securities and Exchange Board of India (SEBI) titled Online processing of investor service requests and complaints by RTAs, M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent has launched an Investor Self-Service Portal known as 'SWAYAM'. 'SWAYAM' is a secure, user-friendly web-based application, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal. This application can be accessed at <https://swayam.linkintime.co.in>. Following are the features of SWAYAM:
- o Effective Resolution of Service Request -Generate and Track Service Requests/Complaints through SWAYAM.
  - o Features - A user-friendly GUI.
  - o Track Corporate Actions like Dividend/Interest/Bonus/split.
  - o PAN-based investments - Provides access to PAN linked accounts, Company wise holdings and security valuations.
  - o Effortlessly Raise request for Unpaid Amounts.
  - o Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.
  - o Statements - View entire holdings and status of corporate benefits.
  - o Two-factor authentication (2FA) at Login - Enhances security for investors.
16. As per Regulation 40 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended, securities of listed companies can only be transferred in demat form. In view of this and to eliminate risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or its Registrar and Share Transfer Agent for the same.
17. Under the Act, dividends that are unclaimed / unpaid for a period of seven (7) years from the date of their transfer are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. An amount of Rs. 74,544 being unclaimed / unpaid dividend of the Company for the financial year ended 31<sup>st</sup> March, 2016 was transferred to IEPF. The last date for claiming unclaimed and unpaid dividends declared by the Company for the financial year ended 31<sup>st</sup> March, 2017 and thereafter is as under:

<b>Financial Year</b>	<b>Date of Declaration of Divided</b>	<b>Last Date of Claiming Unpaid Dividend</b>
Final Dividend 2016 – 2017	05.08.2017	09.09.2024
Final Dividend 2017 – 2018	29.09.2018	03.11.2025
Final Dividend 2018 – 2019	30.09.2019	04.11.2026

Members who have not encashed their dividend warrants so far in respect of the aforesaid periods, are requested to make their claims to M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company (RTA) or the Compliance Officer of the Company, at the Company's Registered Office, well in advance of the above due dates.

Pursuant to the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31<sup>st</sup> March, 2024 on the website of the Company ([www.valsonindia.com](http://www.valsonindia.com)) and also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

Further, pursuant to the provisions of Section 124 of the Act, read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF Authority as notified by the Ministry of Corporate Affairs.

In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published the details thereof in notices published in newspapers. Further, shares of those shareholders who have not claimed dividends for seven (7) consecutive years or more have been transferred to IEPF.

The shareholders whose dividend / shares is / will be transferred to the IEPF Authority may claim the shares or apply for refund of dividend by making an application to the IEPF Authority by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF Authority at <http://www.iepf.gov.in/IEPF/refund.html>.



18. Information about additional details of the Directors along with their brief profile who are seeking re-appointment as set out at Item Nos. 2, 4 and 5 of the Notice dated 29<sup>th</sup> May, 2024 as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as amended and the Secretarial Standards on General Meetings (SS – 2) issued by the Institute of Company Secretaries of India ('ICSI') is given below:

	<b>Seeks re-appointment at Item No. 2 of the Notice</b>	<b>Seeks re-appointment at Item No. 4 of the Notice</b>	<b>Seeks re-appointment at Item No. 5 of the Notice</b>
<b>Name of the Director</b>	<b>Mr. Kunal Mutreja</b>	<b>Mr. Suresh Mutreja</b>	<b>Mr. Varun Mutreja</b>
Director Identification Number (DIN)	07022857	00052046	07022832
Date of Birth	11 <sup>th</sup> March, 1981	15 <sup>th</sup> July, 1957	16 <sup>th</sup> September, 1984
Nationality	Indian	Indian	Indian
Date of first appointment on Board	27 <sup>th</sup> May, 2017	26 <sup>th</sup> June, 1983	14 <sup>th</sup> November, 2014
Qualification	B. Com	B. Com	MBA in Finance
Shareholding in Valson Industries Limited	9,00,999 equity shares	16,79,500 equity shares	3,62,200 equity shares
In case of Non-Executive Director the shareholding including shareholding as Beneficial Owner.	N.A.	N.A.	N.A.
Expertise in specific functional areas	Managing Textile business since last 17 years. Expertise in production.	Industrialist in textile business since last 47 years; Expertise in production and marketing;	Export, Finance and Marketing
Terms and Conditions of re-appointment	Re-appointment after retiring by rotation; On re-appointment, he will assume office on same terms as previously approved by members in 38 <sup>th</sup> AGM held on 3 <sup>rd</sup> September, 2022	Re-appointment as Chairman and Managing Director for a term of 3 years w.e.f. 1 <sup>st</sup> July, 2024 up to 30 <sup>th</sup> June, 2027 (Refer Item No. 4 of the Notice and Explanatory Statement)	Re-appointment as Whole Time Director and Chief Financial Officer for a term of 3 years w.e.f. 14 <sup>th</sup> November, 2024 up to 13 <sup>th</sup> November, 2027 (Refer Item No. 5 of the Notice and Explanatory Statement)
Remuneration last drawn (including sitting fees, commission if any)	Rs. 29.45 Lakhs per annum	Rs 53.54 Lakhs per annum	Rs. 29.45 Lakhs per annum
Remuneration proposed to be paid	N.A. – Seeking re-appointment after retiring by rotation; hence no change in terms	Refer Item No. 4 of the Notice and Explanatory Statement	Refer Item No. 5 of the Notice and Explanatory Statement
Relationships with other Director / Key Managerial Personnel	Son of Mr. Suresh Mutreja and Brother of Mr. Varun Mutreja and Mr. Ankit Mutreja.	Father of Mr. Kunal Mutreja, Mr. Varun Mutreja and Mr. Ankit Mutreja.	Son of Mr. Suresh Mutreja and Brother of Mr. Kunal Mutreja and Mr. Ankit Mutreja
Number of meetings of the board attended during the financial year (2023-24)	5	5	5
Directorships in other Public Limited Companies along with listed entities from which the person has resigned in the past three years.	Nil	Nil	Nil
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders / Investors Grievances Committee).	Nil	Nil	Nil
In case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	N.A.	N.A.	N.A.

19. As the 40<sup>th</sup> AGM is being held through VC, Route Map is not annexed to the notice.



**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:**

The remote e-voting period begins on **Wednesday, September 18, 2024 at 9:00 A.M.** and ends on **Friday, September 20, 2024 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **September 13, 2024**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **September 13, 2024**.

**How do I vote electronically using NSDL e-Voting system?**





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system:**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email address in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; margin-top: 10px;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;">   </div> </div>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with Central Depository Services (India) Limited ('CDSL')	<ol style="list-style-type: none"> <li>Users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users can login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login of Easi / Easiest, the user will be also able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also be able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*



4. Your User ID details are given below :

**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical**

**Your User ID is:**

- a. For Members who hold shares in demat account with NSDL.  
8 Character DP ID followed by 8 Digit Client ID  
For example, if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*.
- b. For Members who hold shares in demat account with CDSL.  
16 Digit Beneficiary ID  
For example, if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*.
- c. For Members holding shares in Physical Form.  
EVEN Number followed by Folio Number registered with the Company  
For example, if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email address is not registered, please follow steps mentioned below in **process for those shareholders whose email addresses are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system:**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is active.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.





## **Valson Yarns - Creation Never Ends Here**

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4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcshahandco@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager – NSDL or Mr. Amit Vishal, Deputy Vice President – NSDL at evoting@nsdl.com or contact at NSDL, Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the e-AGM may register themselves as a speaker by sending a request from their registered email address mentioning their name, DPID and CLID / Folio number, mobile number at cs@valsonindia.com or pritesh@valsonindia.com. Those shareholders who have registered themselves as a speaker latest by 11:30 a.m. on 19<sup>th</sup> September, 2024 will only be allowed to express their views or ask questions during the e-AGM.



**Other Notes:**

1. A person whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, Friday, 13<sup>th</sup> September, 2024 shall only be entitled to remote e-Voting and attend the e-AGM. The voting rights shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A Member joining the AGM who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-Voting at the AGM. A Member who have cast their vote by remote e-Voting prior to the AGM, may also join the AGM but shall not be entitled to cast their vote again.
2. Any person, who acquires share(s) of the Company and becomes member of the Company after dispatch of the notice of AGM and holding share(s) as on the cut-off date, Friday, 13<sup>th</sup> September, 2024, may obtain the User ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
3. The Board of Directors has appointed M/s. P. C. Shah & Co., Practicing Company Secretaries as a scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
4. The Scrutinizer shall, after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and then unblock the votes cast through remote e-Voting and shall make a consolidated Scrutinizer's Report. The results of the e-Voting will be declared by the Chairman, or a person authorised by him in writing within 48 hours from the conclusion of the AGM.
5. The results shall be declared not later than 48 hours from conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the resolutions. The results declared along with the Scrutinizer's Report will be placed on the website of the Company at [www.valsonindia.com](http://www.valsonindia.com) and the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within 48 hours from the conclusion of the AGM and the same shall also be simultaneously communicated to BSE Limited and will be available on their website at [www.bseindia.com](http://www.bseindia.com), where the equity shares of the Company are listed and shall be displayed at the registered office of the Company.

The resolutions shall be deemed to be passed on the date of AGM i.e. **September 21, 2024** subject to receipt of sufficient votes.

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

**Suresh Mutreja  
Chairman & Managing Director  
DIN: 00052046**

**Place: Mumbai  
Date: May 29, 2024**



**ANNEXURE TO THE NOTICE  
EXPLANATORY STATEMENT**

**PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 3: Ratify the remuneration of Cost Auditors for the financial year ending 31<sup>st</sup> March, 2025:**

The Board of Directors of the Company, on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. ABK & Associates., Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2025.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor requires to be ratified by the Members of the Company. Accordingly, ratification of the members is sought as referred to in the resolution at Item No. 3 of the notice for payment of remuneration amounting to Rs. 1,00,000/- (Rupees One Lakh Only) for cost audit plus taxes as applicable and re-imburement of out-of-pocket expenses payable to the cost auditor for the financial year ending 31<sup>st</sup> March, 2025.

The Board recommends passing of the Ordinary Resolution as set out in Item No. 4 of this Notice for ratification by the Members.

None of the Directors or key managerial personnel or their relatives are concerned or interested, directly or indirectly, financially or otherwise, in the ordinary resolution.

**Item No. 4: Re-appointment of Mr. Suresh Mutreja as Chairman and Managing Director:**

The term of Mr. Suresh Mutreja as Managing Director of the Company expired on 30<sup>th</sup> June, 2024. Thereafter, the Board of Directors on the recommendation by the Nomination and Remuneration Committee ('NRC') at its meeting held on 29<sup>th</sup> May, 2024, had re-appointed him for a term of 3 years from 1<sup>st</sup> July, 2024 up to 30<sup>th</sup> June, 2027 (both days inclusive) on the terms and conditions as specified in this Notice.

Profile & Justification for re-appointment:

Mr. Suresh Mutreja is associated with the Company since its incorporation and is involved in the business affairs of the Company. It is due to his dedication towards work, focused approach and valuable guidance that today the Company is amongst reputed manufacturing of dyed yarns in India. He has always been a leading member of core Senior Management team. He has the business acumen and in-depth knowledge about the industry and overall market scenario. He provides overall guidance and plays key role in Policy making and managing the affairs of the Company.

**The terms of the re-appointment and payment of remuneration to Mr. Suresh Mutreja, Chairman and Managing Director including disclosures required as per Schedule V to the Companies Act, 2013 ('the Act') for paying minimum remuneration are as follows:**

<b>Name of Director</b>	<b>Designation</b>	<b>Responsibility</b>
Mr. Suresh Mutreja	Chairman and Managing Director	Overall management, administration, production and marketing of the Company

**A. REMUNERATION:**

Mr. Suresh Mutreja, Chairman and Managing Director will be paid a remuneration of Rs. 4,00,000/- per month. He shall be eligible for yearly increments as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors subject to maximum ceiling of Rs. 5,00,000 per month provided that the total remuneration by way of salary, perquisites and other allowances including increments shall not exceed the following:

- a. Ceiling provided in Part II, Para A of Schedule V to the Act based on the effective capital for the respective financial year or
- b. Such amount such that the total remuneration paid to all Executive Directors does not exceed 10% of net profit of the respective financial year calculated in terms of Section 198 of the Companies Act, 2013, whichever is higher.

**B. PERQUISITES:**

**NON MONETARY CEILING PERQUISITES:**

- ❖ The Company's contribution to the Provident Fund and Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the provisions of Income Tax Act.
- ❖ Gratuity: One half of a month's salary for each completed year of service in accordance with the Rules of the Company
- ❖ Leave Encashment: Leave salary as per the rules of the Company; Encashment of Leave shall be at the end of the tenure.

**C. MINIMUM REMUNERATION:**

The above remuneration and perquisites has been fixed on the basis of inadequate profits as per the Audited Annual Financial Statements as on 31<sup>st</sup> March, 2024 and has been fixed as provided in Part II, Para A of Section II of Schedule V to the said Act based on the Effective Capital for the respective financial year. Accordingly, the remuneration of Rs. 4,00,000 per month or such higher remuneration as recommended by Nomination and Remuneration Committee and approved by the Board of Directors shall be paid to him irrespective of whether the Company has loss or inadequate profits. The disclosures required to be made as per the Part II, Section II, Para B (iv) of Schedule V of the Act, are annexed as '**Annexure A**' to this Explanatory Statement.

**D. OTHER CONDITIONS:**

- i. For all other terms and conditions not specifically mentioned above, the rules and order of the Company shall apply.
- ii. Mr. Suresh Mutreja satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Further, Mr. Suresh Mutreja has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to directions issued by SEBI dated 14<sup>th</sup> June, 2018.
- iii. Mr. Suresh Mutreja shall hold office as such, subject to the provisions of Section 164 and 167 of the Companies Act, 2013.
- iv. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to Mr. Suresh Mutreja unless specifically provided otherwise.

Having regard to the qualifications, skills, experience and knowledge, the Board is of the view that the re-appointment of Mr. Suresh Mutreja as the Chairman and Managing Director will be beneficial to the functioning and future growth opportunities of the Company and the remuneration payable to him is commensurate with his abilities and experience.

The Letter of Appointment containing terms and conditions of appointment of Mr. Suresh Mutreja shall be open for inspection by the Members of the Company, without payment of any fees, at the registered office of the Company on all working days except Sundays and Public Holidays, during business hours until the date of AGM. The same along with the above disclosures may be treated as a written memorandum setting out the terms of re-appointment of Mr. Suresh Mutreja under Section 190 of the Companies Act, 2013.

The disclosure of Mr. Suresh Mutreja as per requirements of Regulation 36(3) of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard ('SS-2') on General Meetings issued by the Institute of Company Secretaries of India are made at note no. 18 of the Notice.

In terms of Section 196 and 197 read with Schedule V of the Act read with Regulation 17 (6) (e) of SEBI Listing Regulations, appointment of Chairman and Managing Director requires approval of the members by special resolution. Further, as per Regulation 17 (1C) of the SEBI Listing Regulations, the approval of the members must be obtained within 3 months of the re-appointment. The Board recommends resolution at item no. 4 of the accompanying Notice for approval of the members.

Further, as per the first proviso to Section 196 (3) of the Act, appointment of Managing Director above the age of 70 years requires approval of the members by special resolution. Mr. Suresh Mutreja will be attaining the age of 70 years in the year 2027. The justification for his appointment has been provided above. The consent of the members by special resolution for his re-appointment at item no. 4 includes the consent in terms of Section 196 (3) of the Act.

Mr. Suresh Mutreja, Mr. Kunal Mutreja, Mr. Varun Mutreja and Mr. Ankit Mutreja together with their relatives are concerned or interested in the resolution set out at item no. 4 of the accompanying notice. None of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, directly or indirectly, financially or otherwise, in the said resolution.

**Item No. 4: Re-appointment of Mr. Varun Mutreja as Whole Time Director and Chief Financial Officer:**

The term of Mr. Varun Mutreja as Whole Time Director and Chief Financial Officer (CFO) of the Company will expire on 13<sup>th</sup> November, 2024. The Board of Directors on the recommendation by the Nomination and Remuneration Committee ('NRC') at its meeting held on 29<sup>th</sup> May, 2024, had re-appointed him for a term of 3 years from 14<sup>th</sup> November, 2024 up to 13<sup>th</sup> November, 2027 (both days inclusive) on the terms and conditions as specified in this Notice.

**Profile:**

Mr. Varun S. Mutreja is associated with the Company since last 20 years and he is looking after Overall Finance, Banking and Accounts of the Company. It is due to his dedication towards work, focused approach and valuable guidance that today the Company has achieved the export upto 18 crore; since last two years. He has always been a leading member of core Senior Management team.



He has the business acumen and in-depth knowledge about the industry and overall finance of the Company. He provides overall guidance and plays key role in Policy making and managing the affairs of the Company.

**The terms of the re-appointment and payment of remuneration to Mr. Varun Mutreja, Whole Time Director & Chief Financial Officer including disclosures required as per Schedule V to the Companies Act, 2013 ('the Act') for paying minimum remuneration are as follows:**

<b>Name of Director</b>	<b>Designation</b>	<b>Responsibility</b>
Mr. Varun Mutreja	Whole Time Director & Chief Financial Officer	Overall Finance, Banking, Accounts of the Company

**A. REMUNERATION:**

Mr. Varun Mutreja, Whole Time Director & Chief Financial Officer will be paid a remuneration of Rs. 3,00,000/- per month. He shall be eligible for yearly increments as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors subject to maximum ceiling of Rs. 5,00,000 per month provided that the total remuneration by way of salary, perquisites and other allowances including increments shall not exceed the following:

- c. Ceiling provided in Part II, Para A of Schedule V to the Act based on the effective capital for the respective financial year or
- d. Such amount such that the total remuneration paid to all Executive Directors does not exceed 10% of net profit of the respective financial year calculated in terms of Section 198 of the Companies Act, 2013, whichever is higher.

**B. PERQUISITES:**

**NON MONETARY CEILING PERQUISITES:**

- ❖ The Company's contribution to the Provident Fund and Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the provisions of Income Tax Act.
- ❖ Gratuity: One half of a month's salary for each completed year of service in accordance with the Rules of the Company
- ❖ Leave Encashment: Leave salary as per the rules of the Company; Encashment of Leave shall be at the end of the tenure.

**C. MINIMUM REMUNERATION:**

The above remuneration and perquisites has been fixed on the basis of inadequate profits as per the Audited Annual Financial Statements as on 31<sup>st</sup> March, 2024 and has been fixed as provided in Part II, Para A of Section II of Schedule V to the said Act based on the Effective Capital for the respective financial year. Accordingly, the remuneration of Rs. 3,00,000 per month or such higher remuneration as recommended by Nomination and Remuneration Committee and approved by the Board of Directors shall be paid to him irrespective of whether the Company has loss or inadequate profits. The disclosures required to be made as per the Part II, Section II, Para B (iv) of Schedule V of the Act, are annexed as '**Annexure A**' to this Explanatory Statement.

**D. OTHER CONDITIONS:**

- v. For all other terms and conditions not specifically mentioned above, the rules and order of the Company shall apply.
- vi. Mr. Varun Mutreja satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Further, Mr. Varun Mutreja has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to directions issued by SEBI dated 14<sup>th</sup> June, 2018.
- vii. Mr. Varun Mutreja shall hold office as such, subject to the provisions of Section 164 and 167 of the Companies Act, 2013.
- viii. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to Mr. Varun Mutreja unless specifically provided otherwise.

Having regard to the qualifications, skills, experience and knowledge, the Board is of the view that the re-appointment of Mr. Varun Mutreja as the Whole Time Director and Chief Financial Officer will be beneficial to the functioning and future growth opportunities of the Company and the remuneration payable to him is commensurate with his abilities and experience.

The Letter of Appointment containing terms and conditions of appointment of Mr. Varun Mutreja shall be open for inspection by the Members of the Company, without payment of any fees, at the registered office of the Company on all working days except Sundays and Public Holidays, during business hours until the date of AGM. The same along with the above disclosures may be treated as a written memorandum setting out the terms of re-appointment of Mr. Varun Mutreja under Section 190 of the Companies Act, 2013.



The disclosure of Mr. Varun Mutreja as per requirements of Regulation 36(3) of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard ('SS-2') on General Meetings issued by the Institute of Company Secretaries of India are made at note no. 17 of the Notice.

In terms of Section 196 and 197 read with Schedule V of the Act read with Regulation 17 (6) (e) of SEBI Listing Regulations, appointment of Whole Time Director & Chief Financial Officer requires approval of the members by special resolution. Further, as per Regulation 17 (1C) of the SEBI Listing Regulations, the approval of the members must be obtained within 3 months of the re-appointment. The Board recommends resolution at item no. 5 of the accompanying Notice for approval of the members.

Further, it is hereby clarified that the present term of Mr. Varun Mutreja will expire on 13<sup>th</sup> November, 2024. As per first proviso to sub-section 2 of Section 196 of the Act, no re-appointment shall be made earlier than one year before the expiry of the term. Accordingly, the re-appointment of Mr. Varun Mutreja is made in accordance with the said sub-section 2 of Section 196 of the Act.

Mr. Suresh Mutreja, Mr. Kunal Mutreja, Mr. Varun Mutreja and Mr. Ankit Mutreja together with their relatives are concerned or interested in the resolution set out at item no. 4 of the accompanying notice. None of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, directly or indirectly, financially or otherwise, in the said resolution.

#### Annexure 'A'

As per the Part II, Section II, Para B (iv) of Schedule V of the Act, the Company hereby furnishes the following information:

#### 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 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.	<b>Financial performance based on given indications.</b>	<b>31-03-2024 (Rs. in Lakhs)</b>	<b>31-03-2023 (Rs. in Lakhs)</b>
	Total Income	12512.07	13,096.22
	Net Profit before Tax	45.72	35.81
	Net Profit After Tax	98.20	1.80
5.	Foreign investments or collaborators, if any	Not Applicable	

#### II. INFORMATION ABOUT THE APPOINTEE'S:

Sr. No.	Particulars	Information
1.	Background Details	Mr. Suresh Mutreja and Mr. Varun Mutreja are the promoters of the Company. Mr. Suresh Mutreja is associated since incorporation and Mr. Varun Mutreja is associated since last 20 years; having vast experience in the Textile industry.
2.	Past Remuneration	Mr. Suresh Mutreja: Rs. 4.00 Lakhs per month plus electricity charges and PF Employer's contribution (annual remuneration Rs. 53.54 lakhs). Mr. Varun Mutreja: Rs. 2.25 Lakhs per month plus PF Employer's contribution (annual remuneration Rs. 29.45 Lakhs)
3.	Recognition or Awards	Nil
4.	Job Profile and His Suitability	Brief Profile of Mr. Suresh Mutreja and Mr. Varun Mutreja are given above. They have vast experience in various fields in textile industry as explained in their respective profile.



<b>Sr. No.</b>	<b>Particulars</b>	<b>Information</b>
5.	Remuneration proposed	Mr. Suresh Mutreja: Not exceeding Rs. 4,00,000 per month. Shall be eligible to yearly increments subject to maximum ceiling of Rs. 5,00,000 per month as explained above.  Mr. Varun Mutreja: Not exceeding Rs. 3,00,000 per month. Shall be eligible to yearly increments subject to maximum ceiling of Rs. 5,00,000 per month as explained above.
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 or other director, if any	Mr. Suresh Mutreja is the father of Mr. Kunal Mutreja, Whole Time Director & CEO, Mr. Varun Mutreja, Whole Time Director and CFO and Mr. Ankit Mutreja, Whole Time Director.  Mr. Varun Mutreja is the son of Mr. Suresh Mutreja and brother of Mr. Kunal Mutreja, Whole Time Director & CEO and Mr. Ankit Mutreja, Whole Time Director.  Mr. Suresh Mutreja, Mr. Kunal Mutreja, Mr. Varun Mutreja and Mr. Ankit Mutreja are promoters of the Company.  Mr. Suresh Mutreja holds 16,79,500 equity shares of the Company which is 21.92% of the equity share capital of the Company.  Mr. Varun Mutreja holds 3,62,200 equity shares of the Company which is 4.73% of the equity share capital of the Company.

**III. OTHER INFORMATION:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Information</b>
1.	Reasons of loss or inadequate profits	The profits were inadequate as per Section 197 of the Companies Act, 2013, due to fluctuation in crude prices as a result of which there is volatility in yarn price; further falling rupee against US dollar, increase in price of coal, shortage of container and sharp rise in freight cost leads to inadequate profits. The trade war in the world has also affected the price realization for dyed yarn.
2.	Steps taken or proposed to be taken for improvement	The Company has installed new machines at Silli and Vapi Units. The Company has introduced new product i.e. Nylon which has lead to increase in top line volume of 10 to 15%. The Company has try to control on man-power cost, power cost, administrative cost and other miscellaneous cost and also worked out the best product mix and improves the utilization of installed capacity which results into the saving.
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 in export turnover in future.

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

**Suresh Mutreja  
Chairman & Managing Director  
DIN: 00052046**

**Place: Mumbai  
Date: May 29, 2024**