

NOTICE

NOTICE is hereby given that the Thirty-Fifth Annual General Meeting of the members of **VALSON INDUSTRIES LIMITED** will be held on Monday, September 30, 2019 at 11.00 a.m. at the Registered Office of the Company situated 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, 2019 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. Re-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 Bastawala And Associates, Chartered Accountants, Mumbai having ICAI Firm Registration No. 121789W, 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 and certificate issued by the Peer Review Board of ICAI, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial year 2019-20, 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 Goods and Service Tax and re-imbursment 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. Chandan Gupta (DIN: 00082609) as an Independent Director for a second consecutive term of 5 years and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), Mr. Chandan Gupta (DIN: 00082609) whose term as an Independent Director of the Company expires on 31st March, 2019, and who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible to be re-appointed as an Independent Director of the Company, be and is hereby re-appointed for a second consecutive term of 5 years with effect from 01st April, 2019 up to 31st March, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

6. To re-appoint Mr. Surendrakumar Suri (DIN: 00427799) as an Independent Director for a second consecutive term of 5 years and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), Mr. Surendrakumar Suri (DIN: 00427799) whose term as an Independent Director of the Company expires on 31st March, 2019, and who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible to be re-appointed as an Independent Director of the Company, be and is hereby re-appointed for a second consecutive term of 5 years with effect from 01st April, 2019 up to 31st March, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”



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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time and such other necessary approval(s), consent(s) or permission(s), as may be required, approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Suresh N. Mutreja (DIN: 00052046) as a Chairman and Managing Director of the Company for a further period of 5 (Five) years effective 01st July, 2019 on the terms and conditions and remuneration as set out in the Letter of Appointment, to be executed by the Company with Mr. Suresh N. Mutreja, placed before the Meeting as also set out in the Explanatory Statement attached to this Notice and to alter and vary from time to time, the terms and conditions of the said appointment, subject to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions under the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof for the time being in force.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Suresh N. Mutreja will be paid the salary and perquisites as minimum remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 by making such compliances as provided in the said schedule.

RESOLVED FURTHER THAT Mr. Chandan Gupta or Mr. Pradip Shah, Directors of the Company be and is hereby authorized to sign and execute such agreements, papers, letters and documents as may be necessary and required and to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution.”

8. To re-appoint Mr. Varun S. Mutreja (DIN: 07022832) as a Whole-Time Director designated as Chief Financial Officer (CFO) and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time and such other necessary approval(s), consent(s) or permission(s), as may be required, approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Varun S. Mutreja (DIN: 07022832) as a Whole-Time Director designated as Chief Financial Officer (CFO) of the Company for a further period of 5 (Five) years effective 14th November, 2019 on the terms and conditions and remuneration as set out in the Letter of Appointment, to be executed by the Company with Mr. Varun S. Mutreja, placed before the Meeting as also set out in the Explanatory Statement attached to this Notice and to alter and vary from time to time, the terms and conditions of the said appointment, subject to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions under the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof for the time being in force.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Varun S. Mutreja will be paid the salary and perquisites as minimum remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 by making such compliances as provided in the said schedule.

RESOLVED FURTHER THAT Mr. Chandan Gupta or Mr. Pradip Shah, Directors of the Company be and is hereby authorized to sign and execute such agreements, papers, letters and documents as may be necessary and required and to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution.”

9. To appoint M/s. ABK & Associates., Cost Accountants as a Cost Auditors of the Company and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. ABK & Associates, Cost Accountants (Regd. No. 000036), the Cost Auditors be appointed by the Board of Directors of the company, to conduct the audit of the cost records of the company for the financial year ended 31st March, 2020, be paid remuneration of Rs. 80,000/- as also the payment of service tax as applicable and re-imbursalment of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.

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

NOTES:

1. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Annual General Meeting (the AGM or Meeting) is annexed hereto.
2. **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. The instrument appointing a proxy, in order to be effective, should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting i.e. by 11.00 a.m. on Saturday, September 28, 2019. As per Secretarial Standard 2 on General Meeting, the proxy should carry a valid photo-id card to the venue to tender vote.

3. 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.
4. 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.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
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 Meeting.
7. Relevant documents referred to in the accompanying Notice 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.
8. 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 Tuesday, September 24, 2019 to Monday, September 30, 2019, both days inclusive for determining the names of members eligible for final dividend on equity shares, if declared in the Meeting.
9. 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.
10. 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 Company Secretary and Compliance Officer, Mr. Anand Dubey (cs@valsonindia.com).
11. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Share Transfer Agent, Link Intime India Private Limited.
12. 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.
13. 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. Members of the Company, who have registered their e-mail ID, are entitled to receive such communications in physical form upon request.
14. Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended 31st March, 2011 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 29th September, 2018 (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 Unpaid Dividend
Final Dividend 2012 – 2013	13.08.2013	17.09.2020
Final Dividend 2013 – 2014	13.09.2014	18.10.2021
Final Dividend 2014 – 2015	14.08.2015	18.09.2022
Final Dividend 2015 – 2016	13.08.2016	17.09.2023
Final Dividend 2016 – 2017	05.08.2017	09.09.2024
Final Dividend 2017 – 2018	29.09.2018	03.11.2025



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.

15. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s), unless the Members have registered their request for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
16. Information required under Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 on General Meeting relating to Documents & Information to Shareholders with respect to the Director being appointed and Director retiring by rotation and being eligible, seeking re-appointment are as under:

Name	Mr. Suresh N. Mutreja	Mr. Varun S. Mutreja	Mr. Chandan Gupta	Mr. Surendra kumar Suri
Director Identification Number (DIN)	00052046	07022832	00082609	00427799
Date of Birth	15/07/1957	16/09/1984	07/06/1955	24/08/1943
Nationality	Indian	Indian	Indian	Indian
Date of Appointment on Board	26/06/1983	14/11/2014	31/10/2003	31/01/2005
Qualifications	B.com	MBA in Finance	B.Com, LLB, FCA, ACS	B.A.
Shareholding in Valson Industries Limited	16,79,500 Shares	3,62,200 Shares	Nil	Nil
Expertise in specific functional areas	Industrialist	Export, Finance and Marketing	Practicing Chartered Accountant since 40 years.	HR and Labour Law practice since last 45 years.
Directorships and the Memberships of Committees of the Board	Nil	Nil	Nil	1

17. Route Map showing directions to reach to the venue of the 35th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards 2 on General Meetings.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

For Members whose e-mail addresses is 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, Secretarial Standard 2 on General Meeting and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide shareholders facility to exercise their right to vote on resolutions proposed to be considered at the 35th 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 Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting System.
4. 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.
5. The remote e-voting period commences on Friday, September 27, 2019 (9:00 am) and ends on Sunday, September 29, 2019 (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 Monday, September 23, 2019 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.



6. The process and manner for remote e-voting are as under:
 1. Open the attached PDF file “**e-Voting.pdf**” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.
 2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
 3. Click on “Shareholder - Login”.
 4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
 5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
 6. Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles.
 7. Select “EVEN” of **Valson Industries Limited**. Members can cast their vote online from **September 27, 2019 (9:00 am) till September 29, 2019 (5:00 pm)**.

Note: e-Voting shall not be allowed beyond said time.
 8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
 9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
 10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also 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 noticetome@gmail.com with a copy marked to evoting@nsdl.co.in.

Further, NSDL is pleased to inform you that NSDL has now integrated its e-Services website (<https://eservices.nsdl.com/>) with the aforesaid e-Voting system of NSDL, which enables you as a registered User of IDEAS facility to also access e-Voting system of NSDL for casting your votes by using your existing login credentials viz.; User ID and password of IDEAS facility. Thus, you would not be required to log-in to e-Voting system separately for casting votes in respect of the resolutions of companies.

Please note the following:

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.

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.

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 for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

Mr. Punit P. Shah, Practicing Company Secretary (Membership No. A20536) has been appointed as 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.

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

Other information:

- Login to 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 “Forgot User Details/Password?” or “Physical User Reset Password?” option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.



Valson Yarns - Creation Never Ends Here

- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; **www.icicidirect.com** for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website **www.icicidirect.com**. Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.

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
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- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

7. 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.nsdl.com or call on toll free no.: 1800-222-990.

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.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

8. The Results declared along with 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**

**Place: Mumbai
Date: May 30, 2019**

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

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

Item No. 5 & 6 – Re-Appointment of Mr. Chandan Gupta and Mr. Surendrakumar Suri as Independent Directors.

Mr. Chandan Gupta and Mr. Surendrakumar Suri were appointed as Independent Directors (Non-Executive) on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ('Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, to hold office up to 31st March, 2019.

The expertise, vast experience, qualifications, performance evaluation and deliberations by Mr. Chandan Gupta and Mr. Surendrakumar Suri in the Board / Committee meetings have helped the Company in taking appropriate decisions from time to time.

Considering the above, the Nomination and Remuneration Committee recommended and the Board of Directors of the Company at their meetings held on 13th February, 2019, approved re-appointment of Mr. Chandan Gupta and Mr. Surendrakumar Suri as Non-executive Independent Director for the second consecutive term of 5 (five) years w.e.f. 01st April, 2019.

Mr. Chandan Gupta and Mr. Surendrakumar Suri, Independent Directors of the Company, has given declarations to the Board that they meet the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time.

In the opinion of the Board, Mr. Chandan Gupta and Mr. Surendrakumar Suri fulfills the conditions specified in the Act, the rules framed thereunder and SEBI (LODR) Regulations, 2015 for re-appointment as an Independent Director and they are independent of the management.

The required details as per the Secretarial Standards ('SS-2') and Regulation 36(3) of the SEBI (LODR) Regulations 2015, is already provided at Note No. 16 of this Notice.

The Letter of Appointment containing terms and conditions of re-appointment of the said Independent Directors shall be open for inspection on all working days at the Registered Office of the Company, except Sundays and Public Holidays, between 11.00 a.m. and 1.00 p.m. till the date of AGM.

Except Mr. Chandan Gupta and Mr. Surendrakumar Suri and their relatives, none of the Directors / Key Managerial Personnel of the Company are in any way, concerned or interested, directly or indirectly, financially or otherwise, in the Special Resolution set out at Item No. 5 and 6 of the Notice, except to the extent of shareholding in the Company, if any.

The Board of Directors recommends the Special Resolution set out at Item No. 5 and 6 for your approval.

Item No. 7 – Re-Appointment of Mr. Suresh N. Mutreja as a Chairman and Managing Director.

In the 32nd Annual General Meeting of the Company held on 13th August, 2016, Mr. Suresh N. Mutreja was re-appointed as a Chairman and Managing Director of the Company for a further period of 3 (Three) years commencing from 1st July, 2016 till 30th June, 2019.

Mr. Suresh N. 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.

Considering the contribution of Mr. Suresh N. Mutreja in the overall growth and progress of the Company and also considering that his valuable guidance will be required for the Company to take a big leap, in the years to come, the Board of Directors in its meeting held on May 30, 2019, based on the recommendation of Nomination and Remuneration Committee and subject to approval of members, have approved re-appointment of Mr. Suresh N. Mutreja, as a Chairman and Managing Director of the Company for further period of 5 years effective from 1st July, 2019 till 30th June, 2024, on the terms and conditions mentioned in 'Annexure A' which forms part of the Notice. The remuneration payable to Mr. Suresh N. Mutreja shall be minimum remuneration as per Schedule V, Section II, Part II of the Companies Act, 2013.

The re-appointment of Mr. Suresh N. Mutreja as a Chairman and Managing Director of the Company shall require the approval of the members by way of passing of Ordinary Resolution.

The Letter of Appointment containing terms and conditions of re-appointment of Mr. Suresh N. Mutreja shall be open for inspection on all working days at the Registered Office of the Company, except Sundays and Public Holidays, between 11.00 a.m. and 1.00 p.m. till the date of AGM.

The details of Mr. Suresh N. Mutreja as per requirements of Secretarial Standard ('SS-2') and Regulation 36(3) of the SEBI (LODR) Regulations 2015 are already provided at Note No. 16 of this Notice.

The same may be treated as a written memorandum setting out the terms of re-appointment of Mr. Suresh N. Mutreja under Section 190 of the Companies Act, 2013.

Mr. Suresh N. Mutreja, Mr. Varun S. Mutreja, Mrs. Asha S. Mutreja and Mr. Kunal S. Mutreja are concerned or interested in the resolution set out at Item No. 7 of the Notice. None of the other Directors, Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested, directly or indirectly, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board of Directors recommends the resolution as set out at Item No. 7 of the Notice relating to the re-appointment of Mr. Suresh N. Mutreja as a Chairman and Managing Director and payment of remuneration to him, for the approval of the members of the Company by way of Ordinary Resolution in terms of the requirements of Section 196, 197 and 198 of the Company Act, 2013 and the Rules made thereunder.

Item No. 8 – Re-Appointment of Mr. Varun S. Mutreja as a Whole-Time Director designated as Chief Financial Officer (CFO).

In the 31st Annual General Meeting of the Company held on 14th August, 2015, Mr. Varun S. Mutreja was appointed as a Whole-Time Director designated as Chief Financial Officer (CFO) of the Company for a further period of 5 (Five) years commencing from 14th November, 2014 to 13th November, 2019.

Mr. Varun S. Mutreja is associated with the Company since last 15 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 9.5 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.

Considering the contribution of Mr. Varun S. Mutreja in the overall growth and progress of the Company and also considering that his valuable guidance will be required for the Company to take a big leap, in the years to come, the Board of Directors in its meeting held on May 30, 2019, based on the recommendation of Nomination and Remuneration Committee and subject to approval of members, have approved re-appointment of Mr. Varun S. Mutreja, as a Whole-Time Director designated as Chief Financial Officer (CFO) of the Company for further period of 5 years effective from 14th November, 2019 till 13th November, 2024, on the terms and conditions mentioned in 'Annexure A' which forms part of the Notice. The remuneration payable to Mr. Varun S. Mutreja shall be minimum remuneration as per Schedule V, Section II, Part II of the Companies Act, 2013.

The re-appointment of Mr. Varun S. Mutreja as a Whole-Time Director designated as Chief Financial Officer (CFO) of the Company shall require the approval of the members by way of passing of Ordinary Resolution.



The Letter of Appointment containing terms and conditions of re-appointment of Mr. Varun S. Mutreja shall be open for inspection on all working days at the Registered Office of the Company, except Sundays and Public Holidays, between 11.00 a.m. and 1.00 p.m. till the date of AGM.

The details of Mr. Varun S. Mutreja as per requirements of Secretarial Standard ('SS-2') and Regulation 36(3) of the SEBI (LODR) Regulations 2015 are already provided at Note No. 16 of this Notice.

The same may be treated as a written memorandum setting out the terms of re-appointment of Mr. Varun S. Mutreja under Section 190 of the Companies Act, 2013.

Mr. Varun S. Mutreja, Mr. Suresh N. Mutreja, Mrs. Asha S. Mutreja and Mr. Kunal S. Mutreja are concerned or interested in the resolution set out at Item No. 8 of the 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 resolution set out at Item No. 8 of the Notice.

The Board of Directors recommends the resolution as set out at Item No. 8 of the Notice relating to the re-appointment of Mr. Varun S. Mutreja as a Whole-Time Director designated as Chief Financial Officer (CFO) and payment of remuneration to him, for the approval of the members of the Company by way of Ordinary Resolution in terms of the requirements of Section 196, 197 and 198 of the Companies Act, 2013 and the Rules made thereunder.

Item No. 9 – Appointment of M/s. ABK & Associates as Cost Auditor

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. ABK & Associates, Cost Accountant (Regd. No. 000036), as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 as set out in the resolution, excluding applicable taxes and out of pocket expenses, which shall be paid on actual basis.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2020.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 9 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 9 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: May 30, 2019**

“Annexure A”

The terms and conditions of the re-appointment of Mr. Suresh N. Mutreja, Chairman and Managing Director and Mr. Varun S. Mutreja, Whole-Time Director designated as Chief Financial Officer (CFO) are as follows:

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
Mr. Varun S. Mutreja	Whole-Time Director and Chief Financial Officer	Overall Finance, Banking, Accounts 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.	31-3-2019 (Rs. in Lakhs)	31-3-2018 (Rs. in Lakhs)
	Sales (Net of Excise)	10,482.31	9,828.27
	Net Profit before Tax	244.92	357.57
	Net Profit After Tax	219.24	237.11
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 and Mr. Varun S. Mutreja are the promoters of the Company. Mr. Suresh N. Mutreja is associated since incorporation and Mr. Varun S. Mutreja is associated since last 15 years; having vast experience in the Textile industry.
2.	Past Remuneration	Mr. Suresh N. Mutreja: Rs. 4 Lakhs per month Mr. Varun S. Mutreja: Rs. 2 Lakhs per month
3.	Recognition or Awards	Nil
4.	Job Profile and His Suitability	Mr. Suresh N. Mutreja: Experience of more than 3 decades in Textile Industry, Accounts Finance & Administration. Mr. Varun S. Mutreja: Experience of more than 10 years in Textile Industry marketing Export & Domestic.
5.	Remuneration proposed	Mr. Suresh N. Mutreja: Rs. 4 Lakhs per month Mr. Varun S. Mutreja: Rs. 2.25 Lakhs 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 and Mr. Varun S. Mutreja are father and son and are promoters of the Company. The other Managerial Personnel on the Board are Mr. Kunal S. Mutreja and Mrs. Asha S. Mutreja are relatives and are promoters of the Company. Mr. Suresh N. Mutreja is holding 16,79,500 equity shares of the Company which is 21.92% of the Equity Share Capital of the Company. Mr. Varun S. Mutreja is holding 3,62,200 equity shares of the Company which is 4.73% of the Equity Share Capital of the Company.



III. OTHER INFORMATION:

Sr. No.	Particulars	Information
1.	Reasons of loss or inadequate profits	The company has earned profits, but the profits are inadequate as per Section 197 of the Companies Act, 2013, to enable the Company to pay the remuneration to Mr. Suresh N. Mutreja and Mr. Varun S. Mutreja. The profits are inadequate due to fluctuation in yarn price, exchange rate, draught in the most part of the Country which affects the demand. 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 carried out consolidation and shifted its all plants and machinery to Silli unit from the small units situated at D&NH which results into the saving on man power cost, power cost, administrative cost and miscellaneous cost.
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 and Mr. Varun S. Mutreja are as follows:

The Company proposes to pay following remuneration and perquisites to Mr. Suresh N. Mutreja w.e.f. 1st July, 2019 and to Mr. Varun S. Mutreja w.e.f. 14th November, 2019.

A. REMUNERATION

Name of Director	Designation	Remuneration
Mr. Suresh N. Mutreja	Managing Director	Rs. 4,00,000/- per month and shall be eligible for increments as may be decided by the Board of Directors from time to time annually, if permissible as per the provisions of the Act.
Mr. Varun S. Mutreja	Whole-Time Director and Chief Financial Officer	Rs. 2,25,000/- per month and shall be eligible for increments as may be decided by the Board of Directors from time to time annually, if permissible as per the provisions of the Act.

B. INCREMENTS

The Board of Directors shall decide the increments payable to Mr. Suresh N. Mutreja and Mr. Varun S. Mutreja 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 Company's contribution to the Provident Fund and Superannuation 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 and Encashment of Leave shall be at the end of the tenure.

General Exemption: Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, Gratuity payable and Leave encashment at the end of the tenure shall not be included in the computation of the ceiling on Remuneration under Schedule V of the Companies Act, 2013.

D. MINIMUM REMUNERATION

The above remuneration and perquisites has been fixed on the basis of inadequate profits as per the Audited Financial Statements as on 31st March, 2019 and has been fixed as provided in Part II of Section 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 their 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 and Mr. Varun S. 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 Chairman & Managing Director and Whole-Time Director & Chief Financial Officer holds office as such, subject to the provisions of Section 164 and 167 of the Companies Act, 2013.
- iii. The re-appointment of Chairman & Managing Director and Whole-Time Director & Chief Financial Officer has been approved by the Nomination and Remuneration Committee of the Company.



VALSON INDUSTRIES LIMITED

L17110MH1983PLC030117

Registered Office: 28, Bldg.No.6, Mittal Industrial Estate, Sir M. V. Road, Andheri (East), Mumbai – 400 059

ATTENDANCE SLIP

(To be presented at the Entrance)

Thirty Fifth Annual General Meeting of the Company held on Monday, September 30, 2019 at 11.00 a.m. at the Registered Office of the Company situated at 28, Bldg. No.6, Mittal Industrial Estate, Sir M. V. Road, Andheri (East), Mumbai – 400 059.

Folio No.: DP ID No.: Client ID No.:

Name of the Member: Signature:

Name of the Proxy holder: Signature:

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.



VALSON INDUSTRIES LIMITED

FORM NO. MGT – 11

PROXY FORM

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

CIN:	L17110MH1983PLC030117
Name of the Company:	VALSON INDUSTRIES LIMITED
Registered Office:	28, Bldg No. 6, Mittal Industrial Estate, Sir M. V. Road, Andheri (East), Mumbai – 400 059
Email ID:	cs@valsonindia.com
Folio No / Client ID / DP ID:	

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

1.	Name		
	Address		
	Email Id	Or failing him	
	Signature		
2.	Name		
	Address		
	Email Id	Or failing him	
	Signature		
3.	Name		
	Address		
	Email Id	Or failing him	
	Signature		

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on the Monday, September 30, 2019 at 11.00 a.m. at the Registered Office of the Company situated at 28, Bldg No. 6, Mittal Industrial Estate, Sir M. V. Road, Andheri (East), Mumbai – 400 059 and at any adjournment thereof in respect of such resolutions as indicated below:

Sr. No.	Resolutions	For	Against
1.	Adoption of Financial Statements for the year ended 31 st March, 2019		
2.	Declaration of dividend on equity shares		
3.	Re-Appointment of Mr. Varun S. Mutreja, who retires by rotation		
4.	Re-Appointment M/s. Bastawala & Associates., Chartered Accountants as Statutory Auditors and to fix their remuneration		
5.	Re-appointment of Mr. Chandan Gupta as an Independent Director of the Company for a second consecutive term of 5 years		
6.	Re-appointment of Mr. Surendrakumar Suri as an Independent Director of the Company for a second consecutive term of 5 years		
7.	Re-appointment of Mr. Suresh N. Mutreja as a Chairman and Managing Director of the Company		
8.	Re-appointment of Mr. Varun S. Mutreja as a Whole-Time Director designated as Chief Financial Officer (CFO) of the Company		
9.	Appointment of M/s. ABK & Associates, Cost Accountants as a Cost Auditors of the Company		

Signed this _____ day of _____ 2019.

Signature of shareholder : _____

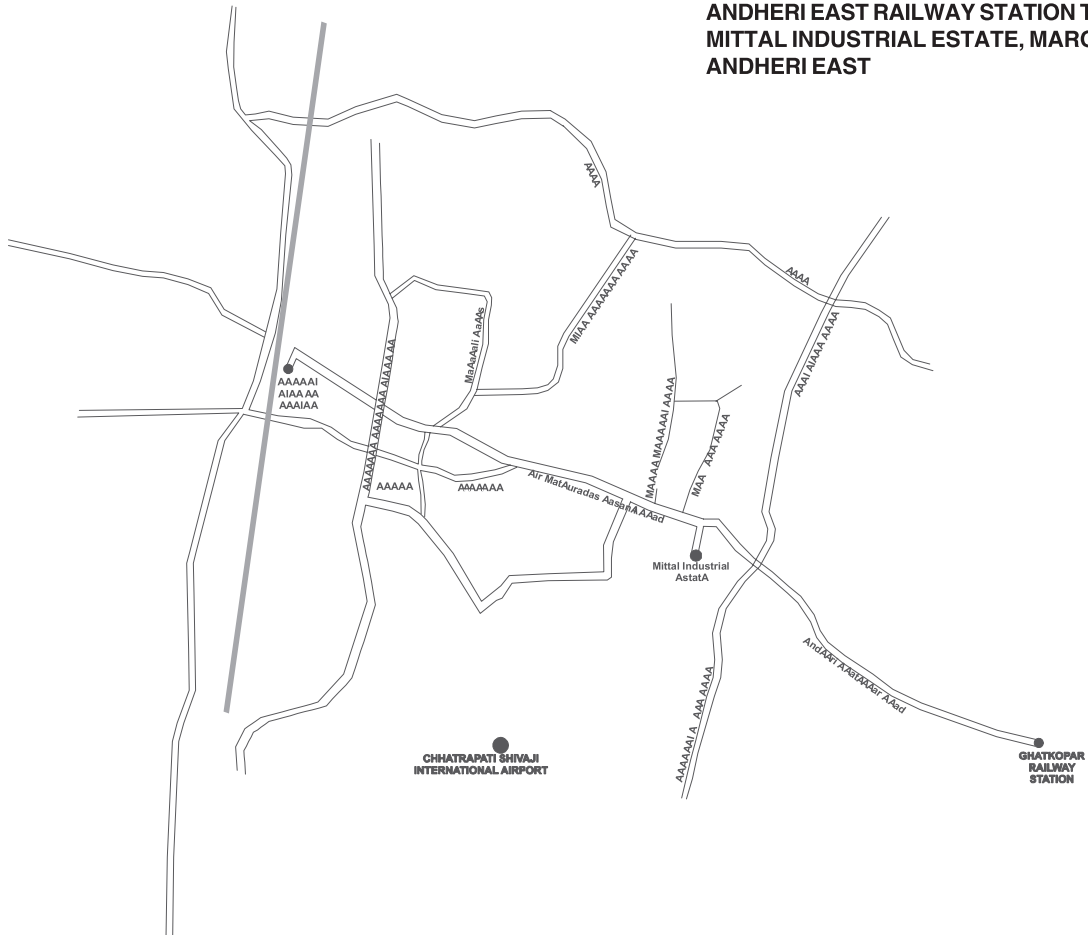
Signature of Proxy Holder (s): _____

Affix
revenue
stamp

NOTE: The Proxy Form in order to be effective should be completed and deposited at the Registered Office of the Company not less than 48 before the commencement of the Meeting.

BOOK - POST

**ANDHERI EAST RAILWAY STATION TO
MITTAL INDUSTRIAL ESTATE, MAROL,
ANDHERI EAST**



VALSON INDUSTRIES LIMITED

28, Bldg. No. 6, Mittal Industrial Estate, Sir M. V. Road, Andheri (East), Mumbai 400 059