

# **VCCL LIMITED**



**TWENTY NINTH ANNUAL REPORT  
2014-2015**



## BOARD OF DIRECTORS

RAVINDRA KUMAR CHADHA	<i>Non-Executive Director</i>
GOPI KRISHNA MALVIYA	<i>Independent Director</i>
HARI MOHAN KAPOOR	<i>Independent Director</i>
SUDEEPTI SRIVASTAVA	<i>Independent Director</i>

## COMPANY SECRETARY & COMPLIANCE OFFICER

RAJIV KUMAR AGRAWAL

## AUDITORS

ONKAR TANDON & CO.  
*Chartered Accountants,*  
Kanpur- 208 001. (U.P.)

## REGISTERED OFFICE

C-3, Panki Industrial Estate, Site-I,  
Kanpur- 208 022. (U.P.)

## ADMINISTRATIVE & COMMERCIAL OFFICE

714, Raheja Chambers,  
Nariman Point,  
Mumbai – 400 021.

## WORKS

Salon,  
District – Amethi.  
PIN – 229 127 (U.P.)

## REGISTRAR AND SHARE TRANSFER AGENT

ALANKIT ASSIGNMENTS LIMITED  
Alankit House, RTA Division,  
2E/21, Jhandewalan Extension,  
New Delhi – 110 055.

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**Notice**

NOTICE is hereby given that Twenty Ninth Annual General Meeting of the Members of VCCL Limited will be held on Tuesday, the 29<sup>th</sup> September, 2015 at 11:00 A.M. at C-10, Panki Industrial Estate, Site-II, Kanpur-208 022 (UP) to transact the following business:-

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2015, reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravindra Kumar Chadha (DIN 01032405), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditor and to fix their remuneration and, 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 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) and re-enactment thereof for the time being in force) and, the appointment of M/s Onkar Tandon & Co., Chartered Accountants, (Firm Registration No. 000953C) of Kanpur be and is hereby ratified, as Statutory Auditor of the Company, for the financial year 2015-16 at a remuneration as may be fixed by the Board of Directors and/or any Committee thereof.”

**SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass, with or without modification(s), the resolution for appointment of Mrs. Sudeepti Shrivastava (DIN 06979356) as an Independent Director of the Company as an **Ordinary Resolution:**

**“RESOLVED THAT** Mrs. Sudeepti Shrivastava (DIN 06979356), who was appointed as an Additional Director (Independent) by the Board on and w.e.f. 27<sup>th</sup> September, 2014 under the provisions of section 161(1) of the Companies Act, 2013 and whose terms of office expire at the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of director and pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, be and is hereby ratified to be appointed as an Independent Director of the Company w.e.f. 27.09.2014 who shall not be liable to retire by rotation and to hold office for a term upto 26.09.2019 on the terms & conditions as set out in the letter of appointment dated 27.09.2014.

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

5. To consider and, if thought fit, to pass with or without modification, the following resolution for approval of any transactions with LML Ltd., covered under the category of Related Party Transactions, as a **Special Resolution:-**

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchange (including any amendment, modification or re-enactment thereof), consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for sale, purchase and /or supply any goods or materials including but not limited to component, parts, assembly, CKD, SKD, CBU of two-wheelers, three-wheelers and/ or provide to and/ or obtain technical services from LML Ltd., its Promoter Company, on the terms and conditions relating to above between LML Ltd. and the Company, as may be mutually agreed to from time to time depending upon, inter-alia, market conditions and or any other conditions/situation for an amount upto Rs. 250 crore (excluding all taxes, duties and levies) as the Company may think fit in its absolute discretion and as briefly mentioned in the Explanatory Statement to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps a may be necessary, proper or expedient to give effect to this resolution."

6. To give on lease certain plant, machinery or equipments to LML Ltd. (related party) and 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 Section 188 of Companies Act, 2013 and the rules made there under and in terms of applicable provisions of Listing Agreement executed with the Stock Exchange (including any modification(s) or re-enactment thereof for the time being in force), the consent of members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to give on lease certain plant, machinery and equipments owned by the Company to LML Ltd. for a period of 11 months from 13th December, 2015 on a monthly rent upto Rs. 2,50,000/- p.m. as may be mutually agreed and approved by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution including but not limited to execution of Lease Deed, documents and or agreement(s)."

7. To consider and, if thought fit, to pass with or without modification, the following resolution for authorization of Board of Directors to borrow monies as may be necessary as a **Special Resolution**:-

**"RESOLVED THAT** in supersession to earlier resolution no. 9 passed at Annual General Meeting of the Company held on Saturday, 16<sup>th</sup> September, 1989 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 (previously being section 293(1)(d) of the Companies Act, 1956) and the rules made there under, as amended from time to time, consent of the members be and is hereby accorded to Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to borrow, from time to time, such sum or sums of money as they may deem necessary for the purpose of the business of the Company in excess of the aggregate of the paid up provided share capital and its free reserves, provided that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's bankers in the ordinary course of business) will not exceed Rs. 100 Crores (Rupees One Hundred Crores) excluding interest thereon at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption and all other costs, charges and expenses.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps a may be necessary, proper or expedient to give effect to this resolution."

8. To consider and, if thought fit, to pass with or without modification, the following resolution for authorization of Board of Directors to create mortgages/ charges as may be necessary as a **Special Resolution**:-

**"RESOLVED THAT** in supersession of Resolution No. 2 passed at the Extra ordinary General Meeting held on Tuesday, 24<sup>th</sup> September, 1985 and pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (previously being section 293(1)(a) of the Companies Act, 1956) and the Rules made there under, as amended from time to time, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with the power to take over the management and concern of the Company in certain events, to or in favour of all or any of the financial institutions / banks / insurance companies / other investing entities / agencies / trustees for holders of debentures/ bonds/ other instruments which may be issued to and subscribed by all or any of the financial institutions/ banks/ insurance companies/other investing entities / agencies or any other person(s)/bodies corporate by way of private placement or otherwise to secure Rupee/foreign currency loans, debentures, bonds or any other instruments (hereinafter collectively referred to as "Loans") provided that the total amount of Loans payable by the Company to the aforesaid parties or any of them under the Agreements/Arrangements entered into/ to be entered into by the Company in respect of the said Loans, shall not at any time exceed the limit of Rs. 100 crores (Rupees One Hundred crores), excluding interest thereon at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption and all other costs, charges and expenses.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps a may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors  
For VCCL Limited

**RK AGRAWAL**

(Company Secretary)

Place : Kanpur

Dated : 22.05.2015

Membership No.: ACS 28791

**NOTE(S):**

1. **A member entitled to attend and vote at the annual general meeting (herein after referred as “the meeting”) is entitled to appoint a proxy to attend and vote instead of himself and that proxy need not be a member of the company.** The instrument appointing the proxy should, however, be deposited at the registered office of the company, duly completed and signed not less than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.  
A person can act as a proxy on behalf of members not exceeding fifty 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 proxy and such person shall not act as a proxy for any other person or shareholder.
2. The business set out in the Notice will be transacted through Electronic voting system and the Company is providing facility for voting through electronic means. Instructions and other related information for e-voting is provided herein below. Further the Company will also send communication relating to remote e-voting which inter alia would contain details about user ID and password along with copy of this Notice to the members separately.
3. Information under Clause 49 of the Listing Agreement regarding appointment of Directors (for item No. 4) and Statement u/s 102(1) of the Companies Act, 2013 (for Item No. 4 to 8) is appended herein below.
4. Information under Clause 49 of the Listing Agreement regarding re-appointment of Mr. Ravindra Kumar Chadha are as under:-  
Mr. Ravindra Kumar Chadha (DIN: 01032405), age 63 years, is a Commerce Graduate. He has substantial experience of about 40 years in Accounts and Finance.  
The Company has received from Mr. Ravindra Kumar Chadha his
  - (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014,
  - (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
 He does not hold any shares of the Company and is a member of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Sub Committee of Directors of your Company.  
He is also Director in (i) Acme Investments Ltd. (ii) Aradhara Holdings Ltd. (iii) Learning Child Educational Aids (P) Ltd. with no shareholding and in (iv) LML Holdings Ltd. with 2.99% shareholding.  
None of the Directors, Key Managerial Personnel (KMP) and any relative of the Directors of the Company and their relatives except Mr Ravindra Kumar Chadha (DIN: 01032405) himself are, in any way concerned or interested in passing of the said resolution.  
The Board of Directors recommends the resolution, as set out for approval of the shareholders.
5. Pursuant to the section 91 of the Companies Act, 2013 (herein after referred as “the Act”) the Register of Members and the Share Transfer Books will remain closed from Tuesday, the 22<sup>nd</sup> September, 2015 to Tuesday, the 29<sup>th</sup> September, 2015 (both days inclusive).
6. All documents referred to in accompanying Notice and Statement pursuant to section 102 shall be open for inspection at the registered office of the Company during the office hours on all working days between 10:00 A.M. to 3:00 P.M. upto the date of conclusion of AGM.
7. Members can inspect the register of director and key managerial personnel and their shareholding, required to be maintained under section 170 of the Companies Act 2013 during the course of the meeting at the venue.
8. Members wishing to seek further information or clarification on the Annual Accounts or operations of the Company at the Meeting are requested to send their queries in writing at least a week in advance of the date of the Meeting addressed to the Company Secretary at C-10, Panki Industrial Estate, Site II, Kanpur – 208 022 (U.P.)
9. Only individual members/shareholders, holding shares in physical form who wish to nominate a person under section 72 of the Act, may furnish us required details in the prescribed Form SH-13, which is available on demand. In respect of shares held in electronic/ demat form, the members may please contact their respective Depositories Participants (DPs).
10. Members/ Proxies should bring their copies of Annual Reports and Attendance Slips duly filled in, for attending the meeting, Corporate Members are requested to send in advance, duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend the AGM pursuant to section 113 of the Act.
11. In terms of section 101 & 136 of the Act, read together with the rules made there under, the Listed Companies may send the notice of AGM and the Annual Report including all Financial Statements, Board Report etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their e-mail IDs with their respective DPs or with the Share Transfer Agent of the Company. The e-mail addresses indicated in your respective DPs accounts, which will be periodically downloaded from CDSL, will be deemed to be your registered e-mail

address for serving notices/documents including those covered under Section 136 of the Companies Act, 2013 read with rule 11 of the Companies (Accounts) Rules, 2014. The Notice of AGM and the copies of audited financial statements, Directors' Report, Auditors' Report etc. will also be displayed on the website [www.vcclindia.com](http://www.vcclindia.com) of the Company. All the members are requested to ensure to keep their e-mail addresses updated with the DPs or by writing to the Registrar and Share Transfer Agent of the Company at e-mail address [info@alankit.com](mailto:info@alankit.com) quoting their folio number(s) or their DP/CLIENT IDs.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA of the Company i.e. M/s Alankit Assignments Ltd., for consolidation in one folio.
14. Information and other instructions relating to e-voting are as under:

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (hereinafter referred as "the Rules"), as amended and Clause 35B of the Listing agreement the Company has made necessary arrangements with Karvy Computershare Pvt. Ltd. to provide facility of e-voting to the members. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- (ii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (iii) The Board of Directors of the Company has appointed Mr. Ambreesh Srivastava, Practicing Company Secretary (FCS No. 26884, CP No. 9676) having address at 104A/ 244C, Ram Bagh, Kanpur – 208 012, as the Scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iv) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the **cut-off date i.e. 19th September, 2015**.
- (v) 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 i.e. 19<sup>th</sup> September, 2015 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (vi) Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the Cut-off date i.e. 19<sup>th</sup> September, 2015, may obtain the User ID and password in the manner as mentioned below:
  - (a) If e-mail address or mobile number of the member is registered against Folio No. or DP ID/ Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot password" and enter Folio No. or DP ID/ Client ID and PAN to generate a password.
  - (b) Member may call Karvy's Toll free No. 1-800-3454-001 or 040-67161500.
  - (c) Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com).
- (vii) The remote e-voting facility will be available during the following period

**Commencement of remote e-voting: 25<sup>th</sup> September, 2015**

**End of remote e-voting : Upto 05:00 p.m. on 28<sup>th</sup> September, 2015.**

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

- (viii) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizers's report shall be placed on the website of the Company [www.vcclindia.com](http://www.vcclindia.com) and on the website of the Karvy [www.evoting.karvy.com](http://www.evoting.karvy.com). The results shall simultaneously be communicated to the Stock Exchanges.
- (ix) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 29<sup>th</sup> September, 2015.

**A. FOR MEMBERS WHO RECEIVE NOTICES THROUGH E-MAIL:**

- i. Use the URL for E-Voting: <https://evoting.karvy.com>
- ii. Enter the login credentials i.e., user ID and password as mentioned in your e-mail or provided below/ at the bottom of attendance slip and click on "LOGIN". The E-Voting Event Number + Folio No. or DP ID/ Client ID will be your User ID.

- iii. You will reach the Password change menu. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@, #, \$, etc.). ***It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.***
- iv. You need to login again with the new credentials.
- v. On successful login, select EVENT i.e., VCCL Limited for Annual General Meeting.
- vi. On the voting page, the number of shares (which represents number of votes) as on the cut-off date will appear. If desire to cast all the votes assenting/ dissenting to the resolution, then enter all shares and click "FOR/ AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed the total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- vii. Shareholders holding multiple folios/ demat account shall choose the voting process separately for each folios/ demat account.
- viii. Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. **Once you confirm, you will not be allowed to modify or cancel your vote subsequently.** During the voting period, shareholders can login any number of times till they have voted on the resolution.
- ix. Corporate/ Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG) of the Board resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer at e-mail id: ***vccl.scrutinizer@lml.co.in.*** They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "VCCL\_Event No."

**B. FOR MEMBERS WHO RECEIVE THE NOTICES IN PHYSICAL FORM:**

- Members who are in receipt of notices in physical form, may opt for e-voting, for which the INITIAL USER ID and PASSWORD are provided below/ at the bottom of Notice
  - Please follow all steps from Sl. No. (i) to (ix) above to vote through e-voting platform.
- x. 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 <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. at Tel. No. 1800 - 3454 - 001 (toll free).
  - xi. If you are already registered with Karvy for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
  - xii. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

The voting rights of shareholders shall be in proportion to their no. of shares as on cut-off date i.e. 19<sup>th</sup> September, 2015.

**STATEMENT IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE OF ANNUAL GENERAL MEETING PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**Item No. 4**

Mrs. Sudeepti Srivastava (DIN: 06979356) was appointed as an Additional Director (Independent) of the Company by the Board on and w.e.f. 27<sup>th</sup> September, 2014 under the provisions of the Companies Act, 2013 and whose terms of office will expire at the Annual General Meeting.

The Company has received a notice in writing from member along with a deposit of requisite amount under Section 160 of the Act proposing the candidature.

The Company has received (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as in sub-section (6) of Section 149 of the Companies Act, 2013 from the Director.

She does not hold any Equity Shares of the Company and will not be paid any sitting fee.

In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013, the Rules made thereunder and the Listing Agreement and are independent of the Management.

None of the Directors, Key Managerial Personnel and their relatives except herself, in any way, concerned or interested in passing of the said resolution as set out in item no. 4.

The Board of directors recommends the resolution, as set out for approval of the shareholders as Special Resolution.



**INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENTS REGARDING RE-APPOINTMENT OF DIRECTORS**

Name	Mrs Sudeepti Srivastava
Date of Birth	22.12.1984
Date of Appointment on Board	27.09.2014
Qualification & Experience	Company Secretary in Public Company having about 5 years of experience in respective field.
Directorship held in other public Companies (excluding foreign and private Companies)	Nil
Membership/Chairmanship of Committee of other public Companies (Includes only Audit Committee and Stakeholder Relationship Committee)	Nil
Number of Shares Held	Nil
Relationship between Directors	N.A.

**Item No. 5**

As LML Limited holds 32% of the Equity Share Capital and is promoter of the Company, it is related party within the meaning of section 2(76) of the Companies Act 2013 and also under Clause 49 of the Listing Agreement. As per Section 188 of the Companies Act 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and with clause 49 of the Listing Agreement and other applicable provisions. Shareholders' approval by way of Special Resolution is required for related party transactions.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

1	Name of the related party	LML Limited
2	Nature of Relationship	Promoter Company
3	Name of the Director or KMPs who is related, if any	Nil
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Your Company intends to sell, purchase and or supply any goods or materials including but not limited to component, parts, assembly, CKD, SKD, CBU of two-wheelers, three-wheelers and / or provide to and / or obtain technical services from LML Ltd., its promoter company. The terms and conditions relating to the above between the Company and LML Ltd. would be mutually agreed to from time to time depending upon, inter-alia, market conditions and or any other conditions/situation for an amount upto Rs. 250 crores (excluding all taxes, duties and levies).
5	Any other information relevant or important for the members to take a decision on the proposed resolution	One of the employee of LML Ltd. is Director of the Company

None of the Directors, Key Managerial Personnel (KMP) and any relative of the Directors of the Company is in any way, concerned or interested in passing of the said resolution as set out in resolution at item no. 5.

**Item No. 6**

The Company has given on lease certain plant, machinery and equipments w.e.f 14<sup>th</sup> January, 2015 for 11 months, owned by the Company to LML Ltd. which is a related party.

Pursuant to the provisions of Section 188 and rules made thereunder (including any modification(s) or re-enactment thereof for the time being in force) of the Companies Act, 2013, it has become mandatory to take prior approval of shareholders by Special Resolution to enter into transaction with related party.. Shareholders' approval is sought to renew the lease with LML Ltd. w.e.f. 13<sup>th</sup> December, 2015 onwards on such terms and conditions as may be mutually agreed by both the parties.

None of the Directors, Key Managerial Personnel (KMP) and any relative of the Directors and their relatives of the Company is in any way, concerned or interested in passing of the said resolution as set out in resolution at item no. 6.

## VCCL LIMITED

Name of the Related Party	LML Limited
Name of the Director or KMP who is related, if any.	NIL
Nature of Relationship	Promoter Company
Nature, Material Terms, Monetary Value and particulars of the contract or arrangement	Lease of certain plant, machinery and equipments to LML Ltd. w.e.f 13 <sup>th</sup> December, 2015 for 11 months from M/s LML Limited on monthly rent of upto Rs. 2,50,000/- as may be mutually agreed and approved by the Board of Directors of the Company
Any other information relevant or important for the members to take a decision on the proposed resolution	One of the employee of LML Ltd. is a Director of the Company

### Item No. 7 & 8

The Shareholders of the Company by way of Ordinary Resolutions passed at Annual General Meeting (AGM) held on Saturday, 16<sup>th</sup> September, 1989 had authorized the Board of Directors for borrowing any sum of monies not exceeding the limit of Rs. 25 Crores (excluding temporary loans obtained from the Company's bankers in the ordinary course of business).

The provisions of Section 180(1)(c) of the Companies Act 2013, provide that the Board of Directors of a Company shall exercise the powers to borrow money, where the money to be borrowed together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business only with the consent of the company by a special resolution.

It is, therefore, proposed to seek the approval of the shareholders to the borrowing limits not exceeding Rs. 100 Crore (apart from temporary loans obtained from company's bankers in the ordinary course of business) excluding interest thereon at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption and all other costs, charges and expenses, for both domestic and foreign currency borrowings by way of a Special Resolution for Resolution No. 7.

Similarly the approval of shareholders was also obtained by way of ordinary resolution at Extra-Ordinary General Meeting (EGM) held on 24<sup>th</sup> September, 1985 to create mortgage or charge in connection with loans and advances including debentures etc. The mortgage and/or charge by the Company on its moveable and/or immoveable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the Lender(s), and or entity(ies) may be regarded as disposal of the Company's undertaking(s) within the meaning of section 180(1)(a) of the Companies Act 2013 which provides for approval of shareholders by a Special Resolution. Hence, approval of the shareholders is solicited vide Resolution No. 8.

The Board of Directors of your Company recommends the Special Resolutions as set out in Item No. 7 & 8 in the accompanied notice for approval of the Shareholders.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

By Order of the Board of Directors  
**For VCCL Limited**

**RK AGRAWAL**

Company Secretary

(Membership No: ACS - 28791)

Place : Kanpur

Dated : 22.05.2015