



Vardhman

Delivering Excellence Since 1965.

VARDHMAN TEXTILES LIMITED

CIN L17111PB1973PLC003345

Registered Office: Chandigarh Road, Ludhiana, Punjab, India 141010

Tel. No.: 91-161-2228943 **Fax No.:** 91-161-2601048

Email: secretarial.lud@vardhman.com **Website:** www.vardhman.com

POSTAL BALLOT FORM

(Please read the instructions printed overleaf before completing this form)

Sl. No.: _____

1. Name and Address of the
Sole/First named Member /
Beneficial Owner as registered

2. Name(s) of the Joint Holder(s),
if any, registered with the
Company

3. Registered Folio No./DP ID No./
Client ID No* (*Applicable to
investors holding shares in
dematerialized form)

4. Number of Shares held

5. I/We, hereby exercise my/our vote in respect of the following resolutions to be passed through Postal Ballot for the business stated in the Notice dated 15th November, 2016 of the Company by sending my/our assent (For) or dissent (Against) to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Sl. No.	Description	Number of Shares	I/We assent to the Resolution (For)	I/We dissent to the Resolution (Against)
1.	Ordinary Resolution for appointment of Mrs. Suchita Jain as Joint Managing Director of the Company.			
2.	Ordinary Resolution for revision in remuneration being paid to Mr. Neeraj Jain, Joint Managing Director of the Company.			
3.	Ordinary Resolution for revision in remuneration being paid to Mr. Sachit Jain, Joint Managing Director of the Company.			
4.	Special Resolution to issue Non- Convertible Debentures (NCDs)/ Bonds.			

Place: _____

Date: _____ (Signature of the Member / Beneficial Owner)

EVSN (E-Voting Sequence Number)	User ID / Folio No./ DP ID/ Client ID	Sequence No.

INSTRUCTIONS:

1. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send to the Scrutinizer in the enclosed self-addressed and postage pre-paid Envelope. No postage is required, however envelopes containing Postal Ballots, if sent through courier or registered post at the expense of or deposited at the address given herein by the registered member will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than 5.00 p.m. on 31st January, 2017. All forms received after this date will be treated as if reply from the shareholders has not been received.
2. The voting rights of the members shall be in proportion to their shares in the total paid-up equity share capital of the company as on 23rd December, 2016.
3. The self addressed pre paid envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
4. The Form should be completed and signed by the sole/first named shareholder. In the absence of the first named shareholder in a joint holding, the form may be completed and signed by next named shareholder. (However, where the form is sent separately by the first named shareholder and joint holder(s), the vote of first named shareholder would be valid).
5. There will be only one postal ballot form for every folio irrespective of the number of joint shareholder(s).
6. In case of shares held by Companies, Trusts etc the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority, with signatures of Authorized Signatories.
7. Members are requested not to send any other matter along with Postal Ballot Form in the enclosed Postage Prepaid envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
8. Incomplete, unsigned or incorrectly filled Postal Ballot Forms are subject to rejection by the Scrutinizer.
9. The votes should be cast either in favour of or against by putting the (√) mark in the column provided for assent or dissent. Postal Ballot Forms bearing tick mark in both the column will render the form and vote contained therein invalid.



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Email: secretarial.lud@vardhman.com Website: www.vardhman.com

NOTICE OF POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act"), read together with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "**Management Rules**"), including any statutory modification or re-enactment thereof for the time being in force and any other applicable provisions of the Act and the rules made there under, that the resolutions set out below are proposed to be passed by way of Postal Ballot/e-Voting. An Explanatory Statement pertaining to the said resolutions setting out the material facts and the reasons thereof is annexed to the Notice, along with a Postal Ballot form (the "**Postal Ballot Form**") for your consideration.

RESOLUTIONS:

1. Appointment of Mrs. Suchita Jain as Joint Managing Director of the Company:

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, 203, Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the approval of the members be and is hereby accorded to appoint Mrs. Suchita Jain as the Joint Managing Director of the Company for a period of 5 years i.e. from 24th August, 2016 to 23rd August, 2021 on the terms and conditions of remuneration as detailed in the explanatory statement of the notice.

RESOLVED FURTHER THAT any revision in the remuneration payable to Mrs. Suchita Jain shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the Board of Directors for its approval, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary and/or modify the terms and conditions of the said appointment including remuneration payable in such manner as may be agreed between the Board of Directors and Mrs. Suchita Jain within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof.

RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mrs. Suchita Jain, the remuneration mentioned in the explanatory statement shall be paid to Mrs. Suchita Jain as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to Nomination and Remuneration Committee to give effect to the aforesaid resolution."

2. Revision in remuneration being paid to Mr. Neeraj Jain, Joint Managing Director of the Company:

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, 203, Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and in partial modification of earlier resolution passed by members in their meeting held on 5th September, 2016 in respect of re-appointment of Mr. Neeraj Jain as the Joint Managing Director of the Company for a term of three consecutive years starting from 1st April, 2016 to 31st March, 2019, the approval of members be and is hereby accorded to amend the terms and conditions of remuneration as detailed in the explanatory statement of the notice with effect from 1st November, 2016.

RESOLVED FURTHER THAT any revision in the remuneration payable to Mr. Neeraj Jain shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the Board of Directors for its approval, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary and/or modify the terms and conditions of the said appointment including remuneration payable in such manner as may be agreed between the Board of Directors and Mr. Neeraj Jain within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof.

RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Neeraj Jain, the remuneration mentioned in the explanatory statement shall be paid to Mr. Neeraj Jain as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to Nomination and Remuneration Committee to give effect to the aforesaid resolution."

3. Revision in remuneration being paid to Mr. Sachit Jain, Joint Managing Director of the Company:

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, 203, Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and in partial modification of earlier resolution passed by members in their meeting held on 5th September, 2016 in respect of re-appointment of Mr. Sachit Jain as the Joint Managing Director of the Company for a term of three consecutive years starting from 1st April, 2016 to 31st March, 2019, the approval of members be and is hereby accorded to amend the terms and conditions of remuneration as detailed in the explanatory statement of the notice with effect from 1st November, 2016.

RESOLVED FURTHER THAT any revision in the remuneration payable to Mr. Sachit Jain shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the Board of Directors for its approval, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary and/or modify the terms and conditions of the said appointment including remuneration payable in such manner as may be agreed between the Board of Directors and Mr. Sachit Jain within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof.

RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Sachit Jain, the remuneration mentioned in the explanatory statement shall be paid to Mr. Sachit Jain as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to Nomination and Remuneration Committee to give effect to the aforesaid resolution."

4. To issue Non-Convertible Debentures (NCDs)/ Bonds:

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 42 and 71 of the Companies Act, 2013 ('the Act'), Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities from time to time, the consent of the Members be and is hereby accorded to the Board of Directors/Committee of Directors to offer, issue and allot, in one or more tranches, Secured or Unsecured Redeemable Non-convertible Debentures/Bonds on private placement basis or raise External Commercial Borrowings (ECB) for an amount not exceeding Rs. 500 crores (Rupees Five Hundred Crore only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board/Committee of Directors to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person/persons as the Board/Committee of Directors may decide so, however that the aggregate amount of funds to be raised by issue of Non-convertible Debentures/Bonds or ECB shall not exceed Rs. 500 crores (Rupees Five Hundred Crore only).

RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

**By order of the Board of Directors,
For Vardhman Textiles Limited**

**Karan Kamal Walia
Company Secretary
M. No.: FCS 7935
Place: Ludhiana
Date: 15th November, 2016**

Notes :

1. The Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (the "Act") setting out material facts pertaining to the resolution is annexed hereto along with the postal ballot form for your consideration.
2. The Postal Ballot Notice is being sent to all the shareholders, whose names appear on the Register of Members/list of Beneficial Owners on Friday, 23rd December, 2016, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
3. The Company has appointed M/s. B.K. Gupta & Associates, Practicing Company Secretaries (Certificate of Practice No. 5708) as Scrutiniser for conducting the Postal Ballot process in a fair and transparent manner. After completion of their scrutiny of the Postal Ballot Forms, they will submit their report to the Chairman/ or any Director duly authorised in this regard, in a fair and transparent manner. The results of the Postal Ballot would be announced by the Chairman or Company Secretary, duly authorized on Thursday, 2nd February, 2017 at 3.00 p.m. at the registered office of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. www.vardhman.com within two (2) days of passing of the resolution and shall also be communicated to the stock exchanges, where the Equity Shares of the Company are listed. The results shall also be posted on the website of CDSL.
4. The Postal Ballot notice is being sent through electronic mode to only to those members whose email addresses are registered with the Company/ Depository Participant (s). For members who have not registered their email addresses, physical copies of the Postal Ballot Notice are being sent through permitted mode. Shareholders who have received Postal Ballot Notice by e-mail shall send their assent/ dissent through email. Members receiving email but who wish to vote through Physical Postal Ballot Form can download the same from the website of the Company www.vardhman.com. To seek duplicate Postal Ballot Form, please contact our Registrar and Share Transfer Agent, M/s Alankit Assignments Limited and request you to fill in the details and send the same to the Scrutiniser.
5. Facility to exercise vote by postal ballot including voting through electronic means will be available during the following period:
Commencement of voting: From 09.00 a.m. on 2nd January, 2017

End of voting: At 05.00 p.m. on 31st January, 2017 (both days inclusive)

6. Voting through Postal ballot:

- i. Shareholders desiring to exercise vote by Postal Ballot Form are requested to carefully read the instructions printed on the reverse of the Postal Ballot Form and return the Postal Ballot Form duly completed, in all respects and signed in the enclosed self-addressed postage pre-paid envelope/business reply envelope to the Scrutinizer. The postage cost will be borne by the Company. However, envelopes containing Postal Ballot Forms, if sent in person, by courier or registered/speed post at the expense of the shareholders will also be accepted.
- ii. The Postal Ballot Form should be completed and signed by the member.
- iii. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 23rd December, 2016 being the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- iv. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decisions on the validity of a Postal Ballot Form shall be final and binding.
- v. Votes will be considered invalid on the following grounds:
 - if the member's signature does not tally.
 - if the member has marked all his shares both in favour and also against the resolution.
 - if the Postal Ballot Form is unsigned.
 - if the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favor or against or if the signature could not be checked or on one or more of the above grounds.
 - if the information filled in the Postal Ballot Form is incomplete.
 - if any other form or photocopy of the Postal Ballot Form is used.
 - any direction given by competent authority in writing to the Company to freeze the voting rights of the member.

7. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015, the Company is pleased to provide members a facility to exercise their right to vote on the Postal Ballot by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:

- (i) The e-voting period commences on 2nd January, 2017 (09.00 a.m.) and ends on 31st January, 2017 (05.00 p.m.). During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd December, 2016 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after end of voting period on 31st January, 2017 . Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.

(iv) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Attendance slip provided with the Annual report.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Date of Birth (DOB) OR Dividend Bank Details	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN: 161222004 for <VARDHMAN TEXTILES LIMITED> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholder can also cast their vote using CDSL's mobile app "m-voting" available for android based mobile. The m-voting can also be downloaded from google play store. Apple and windows phone users can download the application from App store and windows phone store respectively as on/after 30th June, 2016. Please follow the instructions as prompted by mobile app while voting on your mobile.

(xix) Note for Non Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(i) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

8. Name, Designation, Address, E-mail ID and Phone Number of person responsible to address grievances connected with E-voting

Name : Karan Kamal Walia
Designation : Company Secretary
Address : Vardhman Textiles Limited, Chandigarh Road, Ludhiana - 141 010
Phone No. : 0161- 2228943-48
Email Id : secretarial.lud@vardhman.com

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

ITEM NO. 1:

The Board of Directors vide resolution dated 31st March, 2010 had appointed Mrs. Suchita Jain as Executive Director of the Company for a period of five years i.e. from 1st April, 2010 to 31st March, 2015. The term of appointment of Mrs. Suchita Jain expired on 31st March, 2015. Thereafter, she continued as Director of the Company.

Keeping in view her active involvement and contribution in the business and in other corporate functions of the Company, the Board of Directors of the Company in its meeting held on 24th August, 2016 had proposed to appoint Mrs. Suchita Jain as Joint Managing Director of the Company for a period of 5 years i.e. from 24th August, 2016 to 23rd August, 2021 at a remuneration detailed below:-

Sl. No.	Remuneration	Details
1.	Basic Salary	Basic Salary will be in the scale of Rs. 2,60,000- 15,000- 3,20,000 per month.
2.	Commission	Commission equal to 1% of the Net Profit of the Company subject to maximum of 100% of the Annual Basic Salary.
3.	Special Allowance	Special allowance @ Rs. 3,41,000 per month.
4.	Perquisites	The perquisites shall be allowed in addition to basic salary, special allowance and commission. However, such perquisites shall be restricted to an amount equal to one year's basic salary during each year as per details given below:-
a.	Housing	House Rent Allowance equal to 40% of basic salary.
b.	Medical Reimbursement	Reimbursement of medical expenses incurred by the appointee (including medi-claim insurance premium) on self and his family, subject to ceiling of one month's basic salary in a year or five month's basic salary over a period of five years.
c.	Leave Travel Concession	The expenses incurred on leave travel by the appointee on self and his family shall be reimbursed once in a year in accordance with the rules specified by the Company subject to a maximum of Rs. 1,00,000 per annum.
d.	Personal Accident Insurance	Premium not to exceed Rs. 5,000 per annum.
f.	Provident Fund & other funds.	Contribution to provident fund, superannuation fund or annuity fund and this will 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 Income-Tax Act, 1961. The said contribution will also be subject to the rules framed by the Company in this respect.
g.	Gratuity	Gratuity payable shall not exceed half a month's salary for each completed year of service and this shall not be included in the computation of ceiling on perquisites. This will, however, be subject to the ceiling prescribed by the Central Government from time to time.
f.	Car	Free use of Company's car for official work as well as for personal purposes along with Driver

* In case of re-appointment, the appointee will be eligible for carry forward of unutilized amount of medical expenses entitlement of the current term to the next term subject to a maximum ceiling of three month's basic salary. The same provisions shall be applicable in case of any carry forward of medical expenses entitlement from the previous term as well.

Further, the Board of Directors at its meeting held on 15th November, 2016 had approved amendment in terms and conditions of appointment of Mrs. Suchita Jain subject to sections 196, 197, 203, Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. The amended terms and conditions of appointment including remuneration as detailed below with effect from 1st November, 2016:-

1. **Salary:** Monthly salary within the range of Rs. 2,60,000 to 4,50,000 as may be decided by the Board of Directors or Nomination and Remuneration Committee from time to time.
2. **Perquisites:** Perquisites including allowances in such form and to such extent as may be decided by the Board of Directors or the Nomination and Remuneration Committee subject to a ceiling of annual salary. The perquisites may include, but are not limited to, house rent allowance, use of company's car with driver (for official and personal use), telephone expenses (for official and personal use), medical reimbursement, clubs fee, leave travel concession, gratuity, contribution to Provident Fund and Superannuation Fund and all other benefits as are applicable to senior employees of the Company (including but not limited to leave entitlement, encashment of leave, entitlement to housing and other loans in accordance with schemes of the Company).
3. **Performance linked incentives:** As may be decided by the Board of Directors or Nomination and Remuneration Committee subject to the ceiling of double the annual salary. The performance linked incentives to be calculated based on profits calculated at the end of financial year.
4. **Minimum Remuneration:** In the event of any loss, absence or inadequacy of profits of the Company in any financial year during the term of office of Mrs. Suchita Jain, the remuneration as above shall be paid to her as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

In accordance with the resolution, within the aforesaid limits, the amount of salary, perquisites and performance linked incentives payable to Mrs. Suchita Jain (including the types and amount of each type of perquisite) will be decided by the Board of Directors or Nomination and Remuneration Committee from time to time as it may deem fit in its absolute discretion. Further, Mrs. Suchita Jain shall be entitled to benefits as provided to senior employees, in accordance with schemes made by the Company from time to time. The valuation of perquisites will be as per the Income tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

Your directors recommend passing of the resolution proposed above.

Memorandum of Interest:

Except Mrs. Suchita Jain, appointee, Mr. S.P. Oswal and Mr. Sachit Jain, being appointee's relatives, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution. This disclosure may also be regarded as a sufficient disclosure under Corporate Governance clause of the Uniform Listing Agreements with the stock exchanges.

ITEM NO. 2:

The members of the Company had vide their resolution passed at the 43rd Annual General Meeting (AGM) of the Company held on 5th September, 2016 re-appointed Mr. Neeraj Jain as Joint Managing Director of the Company for a period of 3 years starting from 1st April, 2016 to 31st March, 2019.

In order to reward his active involvement and contribution to the business, the Board of Directors at its meeting held on 15th November, 2016 had approved amendment in terms and conditions of appointment of Mr. Neeraj Jain subject to sections 196, 197, 203, Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. The amended terms and conditions of re-appointment including remuneration is detailed below:-

5. **Salary:** Monthly salary within the range of Rs. 2,50,000 to Rs. 4,50,000/- as may be decided by the Board of Directors or Nomination and Remuneration Committee from time to time.
6. **Perquisites:** Perquisites including allowances in such form and to such extent as may be decided by the Board of Directors or the Nomination and Remuneration Committee subject to a ceiling of annual salary. The perquisites may include, but are not limited to, house rent allowance, use of company's car with driver (for official and personal use), telephone expenses (for official and personal use), medical reimbursement, club fees, leave travel concession, gratuity, contribution to Provident Fund and Superannuation Fund and all other benefits as are applicable to senior employees of the Company (including but not limited to leave entitlement, encashment of leave, entitlement to housing and other loans in accordance with schemes of the Company).
7. **Performance linked incentives:** As may be decided by the Board of Directors or Nomination and Remuneration Committee subject to the ceiling of double the annual salary. The performance linked incentives to be calculated based on profits calculated at the end of financial year.
8. **Minimum Remuneration:** In the event of any loss, absence or inadequacy of profits of the Company in any financial year

during the term of office of Mr. Neeraj Jain, the remuneration as above shall be paid to him as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

In accordance with the resolution, within the aforesaid limits, the amount of salary, perquisites and performance linked incentives payable to Mr. Neeraj Jain (including the types and amount of each type of perquisite) will be decided by the Board of Directors or Nomination and Remuneration Committee from time to time as it may deem fit in its absolute discretion. Further, Mr. Neeraj Jain shall be entitled to benefits as provided to senior employees, in accordance with schemes made by the Company from time to time. The valuation of perquisites will be as per the Income tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

Your directors recommend passing of the resolution proposed above.

Memorandum of Interest:

Except Mr. Neeraj Jain, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution. This disclosure may also be regarded as a sufficient disclosure under Corporate Governance clause of the Uniform Listing Agreements with the stock exchanges.

ITEM NO. 3:

The members of the Company had vide their resolution passed at the 43rd Annual General Meeting (AGM) of the Company held on 5th September, 2016 re-appointed Mr. Sachit Jain as Joint Managing Director of the Company for a period of 3 years starting from 1st April, 2016 to 31st March, 2019.

In order to reward his active involvement and contribution to the business, the Board of Directors at its meeting held on 15th November, 2016 had approved amendment in terms and conditions of appointment of Mr. Sachit Jain subject to sections 196, 197, 203, Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. The amended terms and conditions of re-appointment including remuneration is detailed below:-

1. **Salary:** Monthly salary within the range of Rs. 3,00,000 to Rs. 4,50,000/- as may be decided by the Board of Directors or Nomination and Remuneration Committee from time to time.
2. **Perquisites:** Perquisites including allowances in such form and to such extent as may be decided by the Board of Directors or the Nomination and Remuneration Committee subject to a ceiling of annual salary. The perquisites may include, but are not limited to, house rent allowance, use of company's car with driver (for official and personal use), telephone expenses (for official and personal use), medical reimbursement, clubs fee, leave travel concession, gratuity, contribution to Provident Fund and Superannuation Fund and all other benefits as are applicable to senior employees of the Company (including but not limited to leave entitlement, encashment of leave, entitlement to housing and other loans in accordance with schemes of the Company).
3. **Performance linked incentives:** As may be decided by the Board of Directors or Nomination and Remuneration Committee subject to the ceiling of double the annual salary. The performance linked incentives to be calculated based on profits calculated at the end of financial year.
4. **Minimum Remuneration:** In the event of any loss, absence or inadequacy of profits of the Company in any financial year during the term of office of Mr. Sachit Jain, the remuneration as above shall be paid to him as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

In accordance with the resolution, within the aforesaid limits, the amount of salary, perquisites and performance linked incentives payable to Mr. Sachit Jain (including the types and amount of each type of perquisite) will be decided by the Board of Directors or Nomination and Remuneration Committee from time to time as it may deem fit in its absolute discretion. Further, Mr. Sachit Jain shall be entitled to benefits as provided to senior employees, in accordance with schemes made by the Company from time to time. The valuation of perquisites will be as per the Income tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

Your directors recommend passing of the resolution proposed above.

Memorandum of Interest:

Except Mr. Sachit Jain, Mrs. Suchita Jain, being his relative, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution. This disclosure may also be regarded as a sufficient disclosure under Corporate Governance clause of the Uniform Listing Agreements with the stock exchanges.

ITEM NO. 4:

In order to fund its upcoming expansions, modernizations and for working capital requirements as well as for general corporate purposes, the Board of Directors of the Company in its meeting held on 15th November, 2016 has, subject to the approval of Members, proposed to issue Redeemable Non-convertible Debentures/Bonds in one or more tranches to various person(s) on private placement basis or raise External Commercial Borrowings (ECB) at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Directors. The amount to be

raised by way of issue of Redeemable Non-convertible Debentures/Bonds on a private placement basis or ECB however shall not exceed Rs. 500 crores (Rupees Five Hundred Crore only) in aggregate. It may be noted that Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Companies Act, 2013, allows a company to pass a previous special resolution once in a year for all the offer or invitation for Redeemable Non-convertible Debentures/Bonds to be made through a private placement basis in one or more tranches. The consent of the Members is therefore sought in connection with the aforesaid issue of debentures/bonds or raising ECB from time to time and they are requested to authorize the Board (including any Committee of the Board) to issue Non Redeemable Non-convertible Debentures/Bonds on private placement basis or raise ECB upto Rs. 500 crore (Rupees Five Hundred Crore only) as stipulated above, in one or more tranches.

Your Directors recommend passing of the special resolution proposed above.

MEMORANDUM OF INTEREST:

None of the Directors/ Key Managerial Personnel (KMP) of the Company/ their relatives are concerned or interested, financial or otherwise, in the resolution.

By Order of the Board of Directors

For Vardhman Textiles Limited

Ms. Karan Kamal Walia
Company Secretary
M. No. : FCS 7935
Place: Ludhiana
Date: 15th November, 2016