



Vardhmān

Delivering Excellence. Since 1965.

VARDHMAN SPECIAL STEELS LIMITED

CHANDIGARH ROAD
LUDHIANA-141010, PUNJAB
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E: secretarial.lud@vardhman.com

Ref. VSSL: SCY: FEB: 2019-2020

Dated: 24-Feb-2020

The Deputy General Manager, Corporate Relationship Deptt, Bombay Stock Exchange Limited, 1 st Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street, Fort, MUMBAI-400001. Scrip Code: 534392	The National Stock Exchange of India Limited, "Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 Scrip Code: VSSL
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SUB: POSTAL BALLOT

Dear Sir,

Pursuant to Section 110 read with Rule 20 & 22 of Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, please find enclosed herewith a copy of Postal Ballot Notice and Form for seeking approval of Members, on the agenda items listed in the said notice.

Further, please note that the facility to exercise vote through postal ballot and electronic means will be available from Tuesday, 25th February, 2020 to Wednesday, 25th March, 2020. The results of the postal ballot would be announced latest by 05:00 p.m. on Friday, 27th March, 2020.

Kindly note and display the notice on your notice board for the information of the members of your exchange and general public.

Thanking you,

Yours faithfully,
FOR VARDHMAN SPECIAL STEELS LIMITED


(SONAM TANEJA)
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

PAN NO.: AADCV4812B CIN: L27100PB2010PLC033930
WWW.VARDHMANSTEEL.COM



Vardhman Special Steels Limited

CIN: L27100PB2010PLC033930

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.vardhmansteel.com/ 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 thereunder, 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:

Item No. 1 – To appoint Mr. Takashi Ishigami (DIN: 08577824) as a Non-Executive 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 Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Takashi Ishigami (DIN: 08577824), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 4th November, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

Item No. 2 – To re-appoint Mr. Sachit Jain as Vice-Chairman and Managing Director of the Company.

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 196, 197, 203 & Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, approval of Members be and is hereby accorded to re-appoint Mr. Sachit Jain as Vice-Chairman and Managing Director of the Company for a term of 5 (five) consecutive years starting from 1st April, 2020 to 31st March, 2025 on a remuneration as detailed below:

S.NO.	REMUNERATION	DETAILS
I.	Salary	Rs. 11,50,000 per month.
II.	Commission	Commission equals to: - 4% of the Net Profit of the Company if the Return on Capital Employed (RoCE) for that year is more than 10% but upto 12%. - 6% of the Net Profit of the Company if RoCE is more than 12%
III.	Perquisites	Perquisites in addition to salary and commission shall be restricted to an amount equal to one year's salary during each year as per details given below:-
a)	Housing	Free residential accommodation or House Rent Allowance equal to 40 per cent of the salary. Free furnishing is provided by the Company along with other amenities.
b)	Medical reimbursement	- Global Medical insurance coverage of the appointee for an amount of Rs. one crore. - Reimbursement of medical expenses incurred by the appointee (including medical insurance premium) on self and his family, subject to a ceiling of one month's salary in a year or five months' 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 maximum of Rs. 2,00,000 per annum.
d)	Other Allowance	Rs. 6,00,000 per month.
e)	Club Fees	Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
f)	Personal Accident Insurance	Premium not to exceed Rs. 5,000/- per annum.

g)	Provident Fund & other funds	Contribution to provident 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 in this respect.
h)	Gratuity	Gratuity payable not exceeding 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.
i)	Car & Communication Expenses	Free use of Company's car for official work as well as for personal purposes along with driver and telephone at Company's cost.
j)	Security Expenses	The expenses, as may be borne by the Company for providing security to Mr. Sachit Jain and his family shall not be considered as perquisites.

Explanation: "Family" means the spouse, the dependent children and dependent parents of the appointee.

"RoCE" means Operating Profit before Interest and Tax (Op EBIT) as a proportion of Total Capital Employed.

RESOLVED FURTHER THAT if in any financial year during the tenure of Mr. Sachit Jain as Vice-Chairman & Managing Director of the Company, the Company has no profits or its profits are inadequate, then the total remuneration payable to him shall not exceed the limits set under Section-II of Part-II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. B.K. Choudhary, Director, be and is hereby authorised to enter into an agreement with Mr. Sachit Jain in respect of his re-appointment as Vice-Chairman & Managing Director of the Company, for and on behalf of the Company."

Item No. 3 – To approve the remuneration payable to Mr. Sachit Jain, Vice-Chairman & Managing Director of the Company, for the financial year 2019-20.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification of the resolution passed by Members in their Annual General Meeting held on 27th September, 2018, in respect of remuneration payable to Mr. Sachit Jain, Vice-Chairman & Managing Director and 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, other terms and conditions of his appointment remaining the same, approval of Members be and is hereby accorded that the remuneration payable to Mr. Sachit Jain for the Financial Year 2019-20, shall not exceed the limits set under Section-II of Part-II of Schedule V of the Companies Act, 2013 in case the Company has no profits or its profits are inadequate for the Financial Year 2019-20."

**By order of the Board of Directors
For Vardhman Special Steels Limited**

Sd/-
(Sonam Taneja)
Company Secretary
M. No.: ACS 34338

Place : Ludhiana

Date : 07th February, 2020

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 resolutions 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, 14th February, 2020, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
3. The Company has appointed M/s Harsh Goyal & Associates, Practicing Company Secretaries (Certificate of Practice No. 2802) as Scrutinizer 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 other person duly authorised by him including Company Secretary in this regard, in a fair and transparent manner. The results of the Postal Ballot would be announced by the Chairman or any other person duly authorised by him including Company Secretary, latest by 05:00 p.m. on Friday, 27th March, 2020 at the Registered Office of the Company. The last date specified by the Company for receipt of duly completed postal ballot forms or e-voting i.e. Wednesday, 25th March, 2020 shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority. The results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. www.vardhmansteel.com/ www.vardhman.com within two (2) days of passing of the resolutions 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 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.vardhmansteel.com/ 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 Scrutinizer.

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 25th February, 2020**
End of voting : **At 05.00 p.m. on 25th March, 2020 (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, 14th February, 2020 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 Tuesday, 25th February, 2020 (09.00 a.m.) and ends on Wednesday, 25th March, 2020 (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 Friday, 14th February, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after end of voting period on Wednesday, 25th March, 2020. 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 the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Postal Ballot Form. 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.
Bank Details OR Date of Birth (DOB)	<p>Enter the 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> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Bank details field as mentioned in instruction (iv).</p>

- (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: 200218001 for <VARDHMAN SPECIAL STEELS 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) Shareholders can also cast their vote using CDSL's mobile app "m-voting" available for android based mobiles. The m-voting app can be downloaded from google play store. Apple and windows phone users can download the app from Apple Store and the window phones store respectively. 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.

(xx) 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 : Sonam Taneja
Designation : Company Secretary
Address : Registered Office, Vardhman Premises, Chandigarh Road, Ludhiana - 141 010
Tel : 0161- 2228943-48
Email id : secretarial.lud@vardhman.com

**By order of the Board of Directors
For Vardhman Special Steels Limited**

**Sd/-
(Sonam Taneja)
Company Secretary
M. No.: ACS 34338**

Place : Ludhiana

Date : 7th February, 2020

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

ITEM NO. 1:

Pursuant to allotment of equity shares to Aichi Steels Corporation (ASC), the Board of Directors in its meeting held on 4th November, 2019 had appointed Mr. Takashi Ishigami as an additional director on the Board of the Company with immediate effect, to hold office up to the date of the next annual general meeting of the Company. But, pursuant to Share Subscription and Investment Agreement (SSIA) entered between the Company and ASC on 10th August, 2019, the Company is required to obtain shareholders’ approval for appointing Mr. Takashi Ishigami as a Non-Executive Director within 180 days from the date of subscription of shares, i.e. upto 1st May, 2020.

The Company has received requisite notice in writing from a member proposing the appointment of Mr. Takashi Ishigami as a candidate for the office of Director of the Company. Accordingly, it is proposed to appoint Mr. Takashi Ishigami as a Director of the Company liable to retire by rotation.

The Board recommends the Ordinary Resolution as set out at Item No. 1 of the Notice for approval by the Members.

Memorandum of Interest:

Except Mr. Takashi Ishigami, being appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 1 of the Notice.

ITEM NO. 2:

The Board of Directors vide its resolution dated 2nd May, 2015 had re-appointed Mr. Sachit Jain as Managing Director of the Company for a term of five consecutive years starting from 1st April, 2015 to 31st March, 2020. Further, on recommendation of the Nomination & Remuneration Committee, the Board of Directors in its meeting held on 28th April, 2017 had elevated Mr. Sachit Jain to the designation of Vice-Chairman & Managing Director.

Now, the Board of Directors vide its resolution dated 7th February, 2020 had re-appointed Mr. Sachit Jain as Vice-Chairman & Managing Director of the Company for a period of five consecutive years starting from 1st April, 2020 to 31st March, 2025. The terms and conditions of the remuneration being paid to him are detailed in the resolution set out at Item No. 2.

Pursuant to provisions of Sections 196, 197 & Schedule V of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the appointment of Managing Director and remuneration payable to him requires approval of the Members. Also, pursuant to provisions of Schedule V, if in any financial year the Company has no profits or its profits are inadequate, then the total remuneration that can be paid to Managing Director shall not exceed the limits set under Section-II of Part-II of Schedule V of the Companies Act, 2013. However, approval of Members for the same is required.

Accordingly, the Board of Directors in its meeting held on 7th February, 2020 had approved the remuneration payable to Mr. Sachit Jain and recommended the same to the Members for their approval.

The Board recommends the Special Resolution as set out at Item No. 2 of the Notice for approval by the Members. Accordingly, your approval is solicited.

The statement pursuant to the provisions of Section-II of Part-II of Schedule V of the Companies Act, 2013 is enumerated in Annexure A of this Notice for information of Members.

MEMORANDUM OF INTEREST:

Except Mr. Sachit Jain, being appointee, Mrs. Suchita Jain and Mr. Rajinder Kumar Jain, being appointee's relative, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 2.

ITEM NO. 3:

The Board of Directors vide its resolution dated 2nd May, 2015 had re-appointed Mr. Sachit Jain as Managing Director of the Company for a term of five consecutive years starting from 1st April, 2015 to 31st March, 2020. The terms of his appointment were further revised by the members in their Eighth Annual General Meeting.

The Company has reported losses in the first nine months of the Current Financial Year and considering the current market scenario it is expected that the Company may not have adequate profits to pay Mr. Sachit Jain the remuneration as has been approved by the Members. Pursuant to section 197(3) of the Companies Act, 2013, if in any financial year, a company has no profits or its profits are inadequate, the Company shall not pay to its directors, including any managing or whole-time director or manager, by way of remuneration any sum exclusive of sitting fees except in accordance with the provisions of Schedule V. Accordingly, the Board of Directors in its meeting held on 7th February, 2020 had approved to pay remuneration to Mr. Sachit Jain subject to limits set under Section-II of Part-II of Schedule V of the Companies Act, 2013, for the financial year 2019-20.

The statement pursuant to the provisions of Section-II of Part-II of Schedule V of the Companies Act, 2013 is enumerated in Annexure A of this Notice for information of Members. His remuneration is subject to approval of Members of the Company by Special Resolution. Accordingly, your approval is solicited.

The Board recommends the Special Resolution as set out at Item No. 3 of the Notice for approval by the Members.

MEMORANDUM OF INTEREST:

Except Mr. Sachit Jain, being appointee, Mrs. Suchita Jain and Mr. Rajinder Kumar Jain, being appointee's relative, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 3.

Annexure A**Statement pursuant to provisions of Section-II of Part-II of Schedule V of the Companies Act, 2013:****I. GENERAL INFORMATION**

S. No.	Particulars	Remarks		
1.	Nature of industry	Steel Industry		
2.	Date of commencement of commercial production	The Company commenced business from the date of Certificate of Commencement of Business i.e. 15 th June, 2010.		
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 indicators	Year ended Amount (Rs. in Crore)		
		2018-19	2017-18	2016-17
	Revenues (Net of excise, when applicable)	1,120.76	858.96	673.81
	Net Profit before Tax	22.14	25.10	19.13
	Dividend %	N.A.	N.A.	N.A.
5.	Foreign investments or collaborators if any.	Aichi Steel Corporation, Japan holds 11.46% stake in the equity shares of the Company w.e.f. 04.11.2019.		

II. INFORMATION ABOUT THE APPOINTEE

S. No.	Particulars	Remarks
1.	Background details	Mr. Sachit Jain (53) is a B. Tech from IIT (Delhi), MBA from IIM (Ahmedabad) & has done Owner/ President Management Program from Harvard University. He has over 29 years of experience in the Textile and Steel Industry.

S. No.	Particulars	Remarks			
2.	Past remuneration	Amount (Rs. in Lakhs)			
		Particulars	2018-19	2017-18	2016-17
		Gross Salary	258.58	228.70	94.05
3.	Recognition or awards	Under his leadership, the Company has been honoured with various prizes from time to time, by Confederation of Indian Industry (CII), Chamber of Industrial & Commercial Undertakings (CICU), etc. in respect of improvement in production processes at the Unit of the Company.			
4.	Job profile and his suitability as Director	<p>Earlier, the steel business undertaking was part of Vardhman Textiles Limited. The steel business demerged into separate Company, Vardhman Special Steels Limited w.e.f 1st January, 2011. Mr. Sachit Jain being Executive Director of Vardhman Textiles Limited at that point of time was also looking after steel business of the Company along with textile business. Due to this long association with business and his ability to develop leadership across organisation, he was appointed as Managing Director of Vardhman Special Steels Limited. In the year 2017, he was elevated to the position of Vice-Chairman & Managing Director. As Vice-Chairman & Managing Director of Vardhman Special Steels Limited, he is in overall charge of running the affairs of the Company. He is a dynamic new generation industrialist.</p> <p>Under his supervision, the Company has undertaken Rolling Mill up-gradation project which has been successfully completed which led to increase in capacities along with improvement in quality and reduction in costs. Thereafter, the Bright Bar Shop expansion, installation of Secondary fume extraction system, upgradation of EAF transformer and up gradation of Electric Arc Furnace have been successfully carried out under his able leadership. The Company has started catering to newer and high profile customers and is taking initiatives for development of new export market for products. As a leader, he motivates the entire team for superior performance. In Aug'19, the Company has entered into strategic alliance with Aichi Steel Corporation, Japan which has been possible only due to his persistent efforts in this direction over the last 8 years.</p>			
5.	Remuneration proposed	The details of remuneration are set out in the Item No. 2&3 of the notice. The remuneration of Mr. Sachit Jain has been approved by Nomination & Remuneration Committee and the Board of Directors of the Company in their meetings held on 7 th February, 2020.			
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 w.r.t. the country of his origin)	The salary to be paid to Mr. Sachit Jain for the F.Y 2019-20, is in line with current industry standards.			
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Sachit Jain is a Promoter Director holding 48,53,570 shares consisting of 12.02% of the paid-up capital of the Company. Apart from receiving managerial remuneration, Mr. Sachit Jain, is not receiving any emoluments from the Company. Mr. Sachit Jain is son of Mr. R.K. Jain and husband of Mrs. Suchita Jain. No other managerial personnel has any relationship with Mr. Sachit Jain.			

III. OTHER INFORMATION

S.No.	Particulars	Remarks
1.	Reasons of loss or inadequate profits	The profits of the Company are not adequate as the Company is engaged in the manufacturing of special steel which is used by automobile sector. As there is overall slowdown in the automobile industry, the sales volume of the Company declined and the prices of finished goods remained under pressure. Thus, impacting the margins of the Company.

S.No.	Particulars	Remarks
2.	Steps taken or proposed to be taken for improvement	<p>The Company believes that it is well positioned to capture significant growth opportunities and profitability because of its following principal competitive strengths:</p> <ol style="list-style-type: none"> Strong Human Resource. Customer Oriented Business Principles. State-of-the-art technology and infrastructure. Brand Name recognition. Strong Management Team. Strong Marketing Team. Initiating various cost reduction programmes. Stabilization of new electric arc furnace which leads to improvement in quality and reduction in costs. Expert inputs from the Aichi Steel Corporation will definitely improve the existing processes, quality of existing products and assistance in expanding market.
3.	Expected increase in productivity and profits in measurable terms	With the upgradation of Steel Melt Shop, the Company can produce 2,00,000 MT of billets consistently. The strategic alliance with Aichi Steel Corporation Japan, will help the Company to improve its existing product quality, improve processes, development of new products and markets. This will enable the Company to be in the list of preferred vendors of OEMs like Toyota, Maruti and many more for their future developments. In the coming years, the annual turnover of the Company is expected to increase by more than 20% from the levels it has achieved in 2018-19.

Information Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Directors seeking appointment/ re-appointment.

Name of the Director	Mr. Sachit Jain	Mr. Takashi Ishigami
Date of Birth	08.07.1966	11.03.1958
Date of Appointment	14.05.2010	04.11.2019
Expertise in specific functional area	Business Executive having experience of more than 29 years in Textile and Steel Industry.	Rich experience of over 40 years in the mechanical operation division with Aichi Steel Corporation, Japan.
Qualification	B. Tech., MBA	Mechanical Engineer
Directorships in Other Listed Companies as on 31 st March, 2019	<ol style="list-style-type: none"> Vardhman Textiles Limited Vardhman Holdings Limited Vardhman Acrylics Limited 	Nil
Chairperson/Member of Committees of Other Listed Companies as on 31 st March, 2019	Stakeholders' Relationship Committee: <ol style="list-style-type: none"> Vardhman Textiles Limited Vardhman Holdings Limited 	Nil
No. of Shares held	48,53,570	Nil
Relationship with other Director(s)	Mr. Rajinder Kumar Jain is father and Mrs. Suchita Jain is wife of Mr. Sachit Jain.	Not related to any Director.



Vardhman Special Steels Limited

CIN: L27100PB2010PLC033930

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/ www.vardhmansteel.com

POSTAL BALLOT FORM

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

S. No. _____

1.	Name & Address of the Sole/First named Member / Beneficial Owner as registered with the Company	:	
2.	Name(s) of the Joint Member(s), if any, registered with the Company	:	
3.	Registered Folio No. / *DP ID No. and Client ID No. (* Applicable to investors holding shares in dematerialized form)	:	
4.	Number of equity shares held	:	

I/We, hereby exercise my/our vote in respect of the following resolutions to be passed through Postal Ballot as stated in the Postal Ballot Notice of the Company dated 7th February, 2020, by sending my/our assent (For) or dissent (Against) to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description of Resolutions	No. of Shares	I / We assent to the Resolution (For)	I / We dissent to the Resolution (Against)
1.	To appoint Mr. Takashi Ishigami (DIN: 08577824) as a Non-Executive Director of the Company.			
2.	To re-appoint Mr. Sachit Jain as Vice-Chairman and Managing Director of the Company.			
3.	To approve the remuneration payable to Mr. Sachit Jain, Vice-Chairman & Managing Director of the Company, for the financial year 2019-20.			

Place:

Date:

(Signature of the Member/ Beneficial Owner)

Electronic voting particulars

(Users who wish to opt for e-voting may use the following login credentials)

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 25th March, 2020. 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 14th February, 2020.
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 columns will render the form and vote contained therein invalid.