

VIP Clothing Limited



Registered Office : C-6, Road No.22, M.I.D.C., Andheri (East), Mumbai – 400 093

Website : www.vipclothing.in Email ID : investor.relations@viporg.com

Tel : 91-2825 7624, 2825 7627 Fax : 91-22-2837 1023

CIN : L18101MH1991PLC059804

NOTICE OF POSTAL BALLOT

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

To,
The Member(s) of VIP Clothing Limited.

Notice is hereby given pursuant to section 110 of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and other applicable provisions of the said Act (**“Act”**) and applicable provisions of Companies (Management & Administration) Rules, 2014 (**“Rules”**), as amended from time to time, read with the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021 and General Circular No. 03/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (**“MCA”**) (hereinafter collectively referred as **“MCA Circulars”**) and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (**“SEBI LODR, 2015”**) and Secretarial Standard on General Meetings (**“SS-2”**) issued by the Institute of Company Secretaries of India and other applicable provisions, to consider and if thought fit, to pass the following resolutions noted herein as a special business(es) for approval of members of the VIP Clothing Limited (**“Company”**) by passing resolutions by way of postal ballot only by voting through electronic means (**“Postal Ballot”**). The members are requested to give their assent or dissent through the electronic voting system facility as provided by the Company.

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice.

The Board of Directors of the Company has appointed M/s. KJB & Co LLP, Practicing Company Secretaries, Mumbai as the scrutinizer (**“Scrutinizer”**) to conduct the Postal Ballot process in a fair and transparent manner and Link Intime India Private Limited (**“LIPL”**) as agency in respect of e-voting for the Postal Ballot.

The explanatory statement pertaining to the resolutions setting out the material facts concerning the item and the reasons thereof is annexed hereto. The postal ballot notice is also available on the website of the Company at www.vipclothing.in.

You are requested to carefully read the instructions given under Notes of this Notice. The remote e-voting period shall commence from 9.00 a.m. (IST) on Tuesday, May 31, 2022 and ends at 5.00 p.m. (IST) on Wednesday, June 29, 2022. The Scrutinizer will submit his report to the Chairman/ or any other Director/Authorised persons of the Company after the completion of the scrutiny of votes under Postal Ballot process. The results of Postal Ballot shall be declared on Thursday, June 30, 2022

by Company Secretary as authorised by the Board of Directors of the Company and shall be displayed on the Notice Board at the registered office of the Company besides being communicated to the stock exchanges on which the Equity Shares of the Company are listed. The results will also be displayed on the website of the Company i.e. www.vipclothing.in for the information of the Members. The resolutions, if passed by requisite majority, will be deemed to have been passed on the last date of e-voting i.e. Wednesday, June 29, 2022.

SPECIAL BUSINESS:

1. ALTERATION OF OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider and if thought fit, to give assent/dissent to the passing of the following resolution as a Special resolution:

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, the Clause III (A) of Memorandum of Association of the Company dealing with the Main Objects to be pursued by the Company be amended by way of alteration of existing sub-clause (1) as below:

“1. To carry on the business of manufacturers, processors, knitters, dyers, colourers, bleachers, printers, spinners, doublers, weavers, ginners, sellers, buyers, importers, exporters, distributors, traders and/or otherwise dealers in textiles, garments, hosiery, fabrics, yarns, decorative items (ceramics, glassware, basketry, metalware etc.) handicraft / ornaments items , textile items (plant, mineral, synthetic based), home furnishing items (bedding, carpets, rugs, curtains, cushions, diwan covers etc.) and other house cleaning items (microfiber cloths, broom, dustpan, flat mop, rubber gloves, squeegee etc.) of all kinds of whatsoever which includes cotton, woolen, silk, art silk, rayon, jute, nylon, polyester, acrylic, viscose, polypropylene, terylene, canvas and all other kind of materials of fashions whether natural or man-made, ready garments, undergarments, dressmakers, outfitters, designers including men’s women’s and children clothing and wearing apparels of every kind, nature and description.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized, in the best interest of the Company without obtaining further approval of members, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other Authority arising from or incidental to the said amendment.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to make the necessary filings with the registrar of companies, other applicable filings with regulatory authorities and other necessary documents, and to do all such other acts, deeds, matter and things as may be considered fit to give effect to the above-mentioned resolution”.

2. RE-APPOINTMENT OF MR. SUNIL PATHARE (DIN: 00192182) AS CHAIRMAN AND MANAGING DIRECTOR FOR THE PERIOD OF THREE (3) YEARS, COMMENCING FROM APRIL 1, 2022.

To consider and if thought fit, to give assent/dissent to the passing of the following resolution as a Special resolution:

“RESOLVED THAT pursuant to the provisions of section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) read with schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in accordance with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time

being in force) (“SEBI LODR, 2015”), relevant provisions of Articles of Association of the Company and such other approvals, permissions and sanctions as may be required, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the consent of the members be and is hereby accorded for the re-appointment of Mr. Sunil Pathare (DIN: 00192182) as Chairman and Managing Director (“CMD”) of the Company entrusted with substantial powers of the management for a further period of 3 years commencing from April 1, 2022 upto March 31, 2025 and the consent of the members of the Company be and is hereby accorded for payment of maximum remuneration to Mr. Sunil Pathare not exceeding the ceiling limit of 10% of net profit in any financial year in accordance with section 198 of Companies Act, 2013 to be paid to Mr. Sunil Pathare for a period of 3 (Three) years commencing from April 1, 2022 to March 31, 2025, on such terms and conditions including the remuneration to be paid to him as minimum remuneration in the event of loss or inadequacy of profits in any financial year during the aforesaid period as stated below with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and / or remuneration, in such manner as may be agreed to, between the Board of Directors and Mr. Sunil Pathare, within and in accordance with the Act or such other applicable provisions of any statutory modification(s) or re-enactment(s) thereof.

I. SALARY:

- A. In case, the Company has adequate net profit (calculated as per section 198 of the Act) in any financial year:
- a) Basic Salary: In the scale of ₹ 4,00,000/- per month to ₹ 5,00,000/- per month as may be decided by Board of Directors subject to not exceeding the limit of 10% of net profit as specified above.
 - b) Commission: Payable based on the subject to availability of profit and at the rate of not more than 0.5% of the net profit for the year as determined under the overall ceiling laid down in Section 197 of the Companies Act, 2013, and Schedule V as may be applicable from time to time.

OR

- B. In case, the Company has no profit or its profits are inadequate: Salary in the scale of ₹ 8,50,000/- per month to ₹ 10,00,000/- per month inclusive of Perquisites as mentioned hereunder as Minimum Remuneration as per section II of part II of Schedule V of the Act.

II. PERQUISITES:

Mr. Sunil Pathare entitled to furnished accommodation or house rent allowances, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company’s-maintained car, telephone and such other perquisites in accordance with the Company’s rules, being restricted to 120% of the basic salary of that financial year.

Mr. Sunil Pathare shall be further eligible to the following perquisites also which shall not be included in the computation of the ceiling limit on remuneration:

- i. The Company’s contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent it is not taxable under the Income Tax Act;

- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT Mr. Sunil Pathare shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Ministry of Corporate Affairs / Central Government to any provisions under the provisions of section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 and/or to any provisions under SEBI LODR, 2015, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Sunil Pathare be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

RESOLVED FURTHER THAT the any one of the Director of the Company or Company Secretary be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered desirable or expedient to give effect to this resolution.”

3. RE-APPOINTMENT OF MR. KAPIL PATHARE (DIN: 01089517) AS A WHOLE-TIME DIRECTOR FOR THE PERIOD OF THREE (3) YEARS, COMMENCING FROM APRIL 1, 2022.

To consider and if thought fit, to give assent/dissent to the passing of the following resolution as a Special resolution:

“RESOLVED THAT pursuant to the provisions of section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in accordance with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (**“SEBI LODR, 2015”**), relevant provisions of Articles of Association of the Company and such other approvals, permissions and sanctions as may be required, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the consent of the members be and is hereby accorded for the re-appointment of Mr. Kapil Pathare (DIN: 01089517) as Whole-time Director of the Company for a further period of 3 years commencing from April 1, 2022 upto March 31, 2025 and the consent of the members of the Company be and is hereby accorded for payment of maximum remuneration to Mr. Kapil Pathare not exceeding the ceiling limit of 10% of net profit in any financial year in accordance with section 198 of Companies Act, 2013 to be paid to Mr. Kapil Pathare for a period of 3 (Three) years commencing from April 1, 2022 to March 31, 2025, on such terms and conditions including the remuneration to be paid to him as minimum remuneration in the event of loss or inadequacy of profits in any financial year during the aforesaid period as stated below with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and / or remuneration, in such manner as may be agreed to, between the Board of Directors and Mr. Kapil

Pathare, within and in accordance with the Act or such other applicable provisions of any statutory modification(s) or re-enactment(s) thereof.

I. SALARY:

- A. In case, the Company has adequate net profit (calculated as per section 198 of the Act) in any financial year:
- a) Basic Salary: In the scale of ₹ 3,40,000/- per month to ₹ 4,00,000/- per month as may be decided by Board of Directors subject to not exceeding the limit of 10% of net profit as specified above.
 - b) Commission: Payable based on the subject to availability of profit and at the rate of not more than 0.5% of the net profit for the year as determined under the overall ceiling laid down in Section 197 of the Companies Act, 2013, and Schedule V as may be applicable from time to time.

OR

- B. In case, the Company has no profit or its profits are inadequate: Salary in the scale of ₹ 7,50,000/- per month to ₹ 8,50,000/- per month inclusive of Perquisites as mentioned hereunder as Minimum Remuneration as per section II of part II of Schedule V of the Act.

II. PERQUISITES:

Mr. Kapil Pathare entitled to furnished accommodation or house rent allowances, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company's-maintained car, telephone and such other perquisites in accordance with the Company's rules, being restricted to 120% of the basic salary of that financial year.

Mr. Kapil Pathare shall be further eligible to the following perquisites also which shall not be included in the computation of the ceiling limit on remuneration:

- i. The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent it is not taxable under the Income Tax Act;
- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT Mr. Kapil Pathare shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Ministry of Corporate Affairs / Central Government to any provisions under the provisions of section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 and/or to any provisions under SEBI LODR, 2015, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said

appointment as agreed to between the Board and Mr. Kapil Pathare be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

RESOLVED FURTHER THAT the any one of the Director of the Company or Company Secretary be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered desirable or expedient to give effect to this resolution.”

**By order of the Board of Directors
For VIP Clothing Limited**

Sd/-

**Sunil J. Pathare
DIN: 00192182
Chairman and Managing Director**

Place: Mumbai

Date: May 30, 2022.

Regd. Office:

C-6, Road No. 22, MIDC,
Marol, Andheri (East), Mumbai – 400093.

Website: www.vipclothing.in

CIN: L18101MH1991PLC059804

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 stating all material facts and the reasons for the proposal is annexed hereto.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members/List of Beneficial Owners as received from Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) as on May 27, 2022 i.e. the cut-off date for dispatch of Postal Ballot Notice.
3. In compliance with MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.

The members whose e-mail address is not registered with the Company / Depositories, to receive the postal ballot notice may register on or before 5.00 p.m. (IST) on 17th June, 2022 by emailing the same on the following email id: rnt.helpdesk@linkintime.co.in.

Members may note that this Postal Ballot Notice will also be available on the Company's website, www.vipclothing.in, websites of the stock exchanges where the equity shares of the Company are listed i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of LI IPL at <https://instavote.linkintime.co.in>.

4. The documents referred to in this Postal ballot Notice and the Explanatory Statement are available for inspection electronically which may be provided by the Company to any members, who requested for the same.
5. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI LODR, 2015 and SS-2, in respect of a Directors seeking re-appointment are also annexed.
6. Voting through electronic mean (E-voting).
 - a. In compliance with the provisions of Regulation 44 of the SEBI LODR, 2015, Section 108 / 110 and other applicable provisions of the Act, Rules 20 and 22 of the Rules, MCA Circulars and SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-voting facility provided by listed entities, the Company is pleased to provide facility to its members, to cast their vote electronically for the resolutions proposed to be passed through Postal Ballot. The Company has engaged the services of LI IPL to provide e-voting facility to its members.
 - b. The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cut-off date i.e. Friday, May 27, 2022 (**"Cut-off Date"**). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a Member as on the Cut-off date should treat this Postal Ballot Notice for information purposes only.

- c. The remote e-voting period shall be commenced from 9.00 a.m. (IST) on Tuesday, May 31, 2022 and ends at 5.00 p.m. (IST) on Wednesday, June 29, 2022. The e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
- d. M/s. KJB & Co LLP, Practising Company Secretaries has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the Postal Ballot process in a fair and transparent manner.
- e. The details of the process and manner for remote e-voting are explained herein below:
- i. As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.
- ii. **Login method for Individual shareholders holding securities in demat mode is given below:**

| Type of Shareholders | Login method |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL: | <p>a) Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.</p> <p>b) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>c) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting</p> |

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| | <p>page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</p> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <p>a) Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>b) After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</p> <p>c) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>d) Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participant</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</p> |
| <p>Individual shareholders holding securities in physical</p> | <p>a) Open the internet browser and launch the URL: https://instavote.linkintime.co.in</p> <p>b) Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> |

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|--|--|
| <p>form/ Non-Individual Shareholders holding securities in demat mode is given below:</p> | <p>A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</p> <p>B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</p> <p>C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</p> <p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <p><i>*Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above.</i></p> <p><i>*Shareholders holding shares in NSDL form, shall provide ‘D’ above.</i></p> <p>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p>▶ Click “confirm” (Your password is now generated).</p> <p>Click on ‘Login’ under ‘SHARE HOLDER’ tab.</p> <p>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.</p> <p>After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.</p> <p>E-voting page will appear.</p> <p>Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).</p> <p>After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.</p> |
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iii. **Guidelines for Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **‘Custodian / Mutual Fund / Corporate Body’**. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **‘Custodian / Mutual Fund / Corporate Body’** login for the Scrutinizer to verify the same.

iv. **Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

v. **Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at voting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22- 23058542-43. |

vi. **Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on **‘Login’** under **‘SHARE HOLDER’** tab and further Click **‘forgot password?’**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

vii. **Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

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

The following explanatory statement set out all the material facts:

Item No. 1:

The Company is presently engaged in the business of manufacturing and marketing of innerwear industry. We are proud to be a research driven organization with TUV - ISO 9000 certification that reflect our emphasis on quality and excellence. We have vertically integrated operations from sourcing raw material (Cotton) to finished garments. Today the group has a dealer network of 550 and 110,000 retail outlets in India alone with scope for further growth, which the group is intent on exploiting. VIP Clothing Ltd. today boasts of six regional offices with a sales force of over 150 highly motivated individuals marketing our products throughout the major towns. The Company intends to expand business activities by including other hosiery and other general accessories items to undertake the said business activities in near future.

In order to enable the Company to undertake businesses as above, it is proposed to amend the sub-clause (1) of the Main Objects Clause of the Memorandum of Association of the Company. By virtue of Section 13 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014; approval of members by way of special resolution is a prerequisite to amend the objects clause of the Company and thus your approval is sought for the same.

The business activities discussed hereinabove can be conveniently and advantageously done for the benefit of the Company. The Directors recommend the Resolution in the best interest of the Company for your approval.

The Board of Directors also empower to make the changes in any clauses of the Object clause of the Memorandum of Association of the Company without obtaining further approval of the members to give effect to the aforesaid alteration in case Registrar of Companies may ask to do so during the filing of altered Memorandum of Association on Ministry of Corporate Affairs (MCA) portal.

A copy of the proposed set of Memorandum of Association of the Company would be available for inspection electronically for the members of the Company who made request for the same during the office hours on any working day, except Sundays, between 10.00 a.m. to 5.00 p.m. upto the date of declaration of Postal Ballot result by the Company.

The Board of Directors recommends the Resolutions at Item No. 1 of the accompanying Notice for the approval of the Members of the Company as Special Resolution.

None of the Directors, Key Managerial Person of the Company or their relatives is deemed to be concerned or interested in the aforesaid Resolution.

Item No. 2:

Mr. Sunil Pathare was re-appointed as the Chairman and Managing Director of the Company by way of special resolution passed by the members at the 28th Annual General Meeting of the Company held on September 26, 2018, for a period of 3 years effective from April 1, 2019 upto March 31, 2022.

Mr. Sunil Pathare has been re-appointed as the Chairman and Managing Director of the Company entrusted with substantial powers of the Management, for a period of 3 years with effect from April 1, 2022 upto March 31, 2025 by the Board of Directors on recommendation of the Nomination and

Remuneration Committee of the Company at their respective meetings held on February 9, 2022 and also approved and recommended the remuneration payable to him, for a period of 3 (three) years with effect from April 1, 2022 upto March 31, 2025.

The member's approval is sought for re-appointment of Mr. Sunil Pathare, as Chairman and Managing Director of the Company for a further term of 3 (three) years from April 1, 2022 upto March 31, 2025 and also the approval for payment of his remuneration for the same period.

The brief terms of re-appointment including remuneration of Mr. Sunil Pathare, as recommended by Nomination and Remuneration Committee and approved by the Board of Directors are provided in the resolution set out at item no. 2 of this Notice.

Mr. Sunil Pathare fulfills all the conditions given under section 196(3) and schedule V of the Act for being eligible for his re-appointment. He is not disqualified in terms of section 164 of the Act from being appointed as Director.

The draft written memorandum detailing terms of appointment and remuneration of Mr. Sunil Pathare is available for inspection electronically to the members who shall be made request for the same in writing with the Company.

Statement of information for the members pursuant to section II of part II of schedule V of Companies Act, 2013:

I. General Information:

| | | | | |
|----|--|--|----------------|----------------|
| 1. | Nature of Industry: | Textile Hosiery | | |
| 2. | Date or expected date of commencement of commercial production: | Existing Company already commenced from 1991 | | |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: | Existing Company, Not Applicable | | |
| 4. | Financial performance based on given indicators: | (₹ in lacs) | | |
| | | 2021-22 | 2020-21 | 2019-20 |
| | Income | 18,550.44 | 14,511.84 | 17,553.62 |
| | Expenses | 18,962.39 | 15,491.16 | 20,311.61 |
| | Profit / (loss) | (221.32) | (104.55) | (1,495.04) |
| | EPS (₹) | (0.27) | (0.13) | (1.81) |
| | Total | 28,475.48 | 27,014.47 | 27,230.81 |

| | | | | | |
|----|---|---|-------------|-------------|------------|
| | | Assets | | | |
| | | Share Price as on March 31 (in ₹). | 23.40 (NSE) | 14.05 (NSE) | 4.10 (NSE) |
| | | | 23.45 (BSE) | 13.95 (BSE) | 4.18 (BSE) |
| 5. | Export performance and net foreign exchange Collaborations: | The exports on FOB basis for FY 2021-22 were ₹ 1,420.86 Lakhs, for FY 2020-21 were ₹ 1,155.76 Lakhs and FY 2019-20 were ₹ 1,419.40 Lakhs. | | | |
| 6. | Foreign investments or collaborators, if any: | Not applicable as the Company has not entered into foreign collaboration. | | | |

II. Information about Mr. Sunil Pathare, Chairman and Managing Director:

| | | |
|----|----------------------------------|---|
| 1. | Background details: | Mr. Sunil J. Pathare (age 50), B.com, he has joined the Company at his early age at 21, when the Company was domestically present, he headed the international business for the Company, at present the Company is present in the more 15 countries. He was the National Vice President of Foreign Trade Development (India) Association from 2003 to 2005. |
| 2. | Past remuneration: | The Average Annual Remuneration paid to Mr. Sunil J. Pathare for the financial years 2019-20 to 2021-22 was ₹ 66.67 Lakh per annum (Excluding perquisites). |
| 3. | Recognition or awards: | He has been awarded for excellence in manufacturing by CMAI, “Entrepreneurship Excellence Award 2007” by SME Chamber of India, Indira Group of Institutes award for Marketing excellence in March, 2012, IFA – Most admired Innerwear Brand of the year, Inside Fashion Brand, Award to VIP for excellence in Retail, Golden Trophy by CMAI- for best men's innerwear in 2006-07 and best women's innerwear in 2007-08, and also excellence in Advertising at 38 all India award ABBY – 2005. |
| 4. | Job profile and his suitability: | Mr. Sunil J. Pathare is a visionary, dynamic and friendly entrepreneur, determined to take the Company and its brand across the globe, he has extensive experience in the field of Marketing, |

| | | |
|----|---|--|
| | | Production, Operation, Sales & Promotion, Finance and business startups in various markets. The execution capabilities and developing the team with capabilities to handle transactions of various natures has been one of the strengths of Mr. Sunil J. Pathare. He is best suited for the job profile. |
| 5. | Remuneration proposed: | The remuneration of Mr. Sunil J. Pathare is set out in the notice Item No. 2. |
| 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). | Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Mr. Sunil J. Pathare, the proposed remuneration is competitive with the remuneration paid by other Companies to such similar positions. |
| 7. | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel if any. | Other than the remuneration stated above to Mr. Sunil J. Pathare, he is elder brother of Mr. Kapil J. Pathare. |

III. Other Information:

| | | |
|----|--|---|
| 1. | Reason of loss or inadequate profits: | During the financial year 2021-22, Company incurred the loss of ₹ 221.32 Lakhs as against the loss of ₹ 104.55Lakhs in the financial year 2020-21. The operations of the Company were impacted due to increase in Cotton and Yarn prices. |
| 2. | Steps taken or proposed to be taken for improvement: | In order to sustain in the competitive market, the Company will adhere and focus on its advertisement and marketing plan and launch of new & innovate product to generate and increase in sales/revenue and also effective steps has been taken in the direction of increasing in the retailer base, so that Company's products can reach to more customer. The step has been taken by focusing on the operating efficiency, strengthening the core competencies and to retain the talent in the Company. |
| 3. | Expected increase in productivity and profits in measurable terms: | The above measures undertaken are expected to yield positive results in the years to come, while it is difficult to give precise figure, the above initiatives are expected to improve the financial performance of the |

| | | |
|--|--|----------|
| | | Company. |
|--|--|----------|

IV. Disclosures:

The remuneration details of Mr. Sunil J. Pathare, Chairman and Managing Director is as given in this explanatory statement.

The terms and conditions of Mr. Sunil J. Pathare's remuneration as set out above may also be treated as an abstract of the terms of the agreement between Mr. Sunil J. Pathare and the Company under Section 190 of the Companies Act, 2013.

Your Directors recommended the approval of the proposed resolution, as by way of Special Resolution for the members.

Mr. Sunil J. Pathare himself, Mr. Kapil J. Pathare being his relative is concerned or interested in the resolution at item no. 2 of the notice.

Item No. 3:

Mr. Kapil Pathare was re-appointed as the Whole-time Director of the Company by way of special resolution passed by the members at the 28th Annual General Meeting of the Company held on September 26, 2018, for a period of 3 years effective from April 1, 2019 upto March 31, 2022.

Mr. Kapil Pathare has been re-appointed as the Whole-time Director of the Company for a period of 3 years with effect from April 1, 2022 upto March 31, 2025 by the Board of Directors on recommendation of the Nomination and Remuneration Committee of the Company at their respective meetings held on February 9, 2022 and also approved and recommended the remuneration payable to him, for a period of 3 (three) years with effect from April 1, 2022 upto March 31, 2025.

The member's approval is sought for re-appointment of Mr. Kapil Pathare, as Whole-time Director of the Company for a further term of 3 (three) years from April 1, 2022 upto March 31, 2025 and also the approval for payment of his remuneration for the same period.

The brief terms of re-appointment including remuneration of Mr. Kapil Pathare, as recommended by Nomination and Remuneration Committee and approved by the Board of Directors are provided in the resolution set out at item no. 3 of this Notice.

Mr. Kapil Pathare fulfills all the conditions given under section 196(3) and schedule V of the Act for being eligible for his re-appointment. He is not disqualified in terms of section 164 of the Act from being appointed as Director.

The draft written memorandum detailing terms of appointment and remuneration of Mr. Kapil Pathare is available for inspection electronically to the members who shall be made request for the same in writing with the Company.

Statement of information for the members pursuant to section II of part II of schedule V of Companies Act, 2013:

I. General Information:

| | | |
|----|---------------------|-----------------|
| 1. | Nature of Industry: | Textile Hosiery |
|----|---------------------|-----------------|

| | | | | |
|----|--|--|----------------|----------------|
| 2. | Date or expected date of commencement of commercial production: | Existing Company already commenced from 1991 | | |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: | Existing Company, Not Applicable | | |
| 4. | Financial performance based on given indicators: | (₹ in lacs) | | |
| | | 2021-22 | 2020-21 | 2019-20 |
| | Income | 18,550.44 | 14,511.84 | 17,553.62 |
| | Expenses | 18,962.39 | 15,491.16 | 20,311.61 |
| | Profit / (loss) | (221.32) | (104.55) | (1,495.04) |
| | EPS (₹) | (0.27) | (0.13) | (1.81) |
| | Total Assets | 28,475.48 | 27,014.47 | 27,230.81 |
| | Share Price as on March 31 (<i>in ₹</i>). | 23.40 (NSE) | 14.05 (NSE) | 4.10 (NSE) |
| | | 23.45 (BSE) | 13.95 (BSE) | 4.18 (BSE) |
| 5. | Export performance and net foreign exchange Collaborations: | The exports on FOB basis for FY 2021-22 were ₹ 1420.86 Lakhs, for FY 2020-21 were ₹ 1,155.76 Lakhs and FY 2019-20 were ₹ 1,419.40 Lakhs. | | |
| 6. | Foreign investments or collaborators, if any: | Not applicable as the Company has not entered into foreign collaboration. | | |

II. Information about Mr. Kapil Pathare, Whole-time Director:

| | | |
|----|----------------------------------|--|
| 1. | Background details: | Mr. Kapil J. Pathare (age 42), B.com and MBA, he has joined the Company at his early age. He is looking after the whole production, quality control and administration functions of the Company. |
| 2. | Past remuneration: | The Average Annual Remuneration paid to Mr. Kapil Pathare for the financial years 2019-20 to 2021-22 was ₹ 55.06 Lakh per annum. |
| 3. | Recognition or awards: | He had published book “Cricket to Corporate” as an author, where he has stroke the Cricketing field strategy to the field of Board room. |
| 4. | Job profile and his suitability: | Mr. Kapil Pathare focuses on various aspects of Manufacturing with clear concept of quality control & services, with his enthusiasm and customer oriented global vision, he has made a great difference in Manufacturing and Marketing styles. He plans to make the Brand a world class name to reckon with. He is looking after overall production, quality control, administrative activities and development of new ranges of product for the Company. He is best suited for the job profile. |
| 5. | Remuneration proposed: | The remuneration of Mr. Kapil Pathare is set out in |

| | | |
|----|---|--|
| | | the notice Item No. 3. |
| 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). | Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Mr. Kapil J. Pathare, the proposed remuneration is competitive with the remuneration paid by other Companies to such similar positions. |
| 7. | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel if any. | Other than the remuneration stated above and related party transaction with Mr. Kapil J. Pathare has no other pecuniary relationship with Company, but he is the younger brother of Mr. Sunil J. Pathare, Chairman and Managing Director of the Company. |

III. Other Information:

| | | |
|----|--|---|
| 1. | Reason of loss or inadequate profits: | During the financial year 2021-22, Company incurred the loss of ₹221.32 Lakhs as against the loss of ₹ 104.55Lakhs in the financial year 2020-21. The operations of the Company were impacted due to increase in Cotton and Yarn prices. |
| 2. | Steps taken or proposed to be taken for improvement: | In order to sustain in the competitive market, the Company will adhere and focus on its advertisement and marketing plan and launch of new & innovate product to generate and increase in sales/revenue and also effective steps has been taken in the direction of increasing in the retailer base, so that Company's products can reach to more customer. The step has been taken by focusing on the operating efficiency, strengthening the core competencies and to retain the talent in the Company. |
| 3. | Expected increase in productivity and profits in measurable terms: | The above measures undertaken are expected to yield positive results in the years to come, while it is difficult to give precise figure, the above initiatives are expected to improve the financial performance of the Company. |

IV. Disclosures:

The remuneration details of Mr. Kapil J. Pathare, Whole-Time Director is as given in the explanatory statement.

The terms and conditions of Mr. Kapil J. Pathare's remuneration as set out above may also be treated as an abstract of the terms of the agreement between Mr. Kapil J. Pathare and the Company under Section 190 of the Companies Act, 2013.

Your Directors recommended the approval of the proposed resolution, as by way of Special Resolution for the members.

Mr. Kapil J. Pathare himself, Mr. Sunil J. Pathare being his relative is concerned or interested in the resolution at Item no. 3 of the notice.

**By order of the Board
For VIP Clothing Limited**

Sd/-

**Sunil J. Pathare
DIN:00192182
Chairman and Managing Director**

Place: Mumbai
Date: May 30, 2022.

Regd. Office:
C-6, Road No. 22, MIDC,
Marol, Andheri (East), Mumbai – 400093.
Website: www.vipclothing.in
CIN: L18101MH1991PLC059804

Profile and other details as required under Regulations 36(3) of SEBI LODR, 2015 and SS-2 of Mr. Sunil Pathare and Mr. Kapil Pathare who is proposed to be reappointed are given below:

| | | |
|---|--|--|
| Name | Mr. Sunil Pathare | Mr. Kapil Pathare |
| DIN | 00192182 | 01089517 |
| Birth Date | 17th July 1971 | 5th September 1979 |
| Age | 50 years | 42 years |
| Nationality | Indian | Indian |
| Qualification | B. Com. | B.Com, MBA |
| Brief resume including nature of expertise | Mr. Sunil Jaykumar Pathare, aged 50 years, is the Promoter and the Chairman and Managing Director of our Company. He holds a Bachelor's degree in Commerce from University of Mumbai obtained in July, 1991. He looks after the overall management of the day to day affairs of the Company. He has been awarded the "Entrepreneurship Excellence Award" by the Small and Medium Business Development Chamber of India in 2007. Mr. Sunil Pathare is having an extensive experience in the field of hosiery industry and well conversant with development of range of product with new design and style, production, operation, marketing, sales promotion and accounts and finance. | Mr. Kapil Jaykumar Pathare, aged 42 years, is the Promoter and the Whole time Director of our Company. He holds a Bachelor's degree in Commerce from University of Mumbai obtained in June, 1999 and a Masters in Business Administration (Entrepreneurship and Family Business) degree from Narsee Monjee Institute of Management Studies obtained in August, 2002. He looks after the overall production activities of the Company. Mr. Kapil J. Pathare having vast knowledge on manufacturing process, production and quality control in the hosiery industry. |
| Shareholding in VIP Clothing Limited | 1,67,42,008 Equity shares | 1,48,15,548 Equity shares |
| Relationship with other Director / KMP | Brother of Mr. Kapil Pathare, Whole-time Director | Brother of Mr. Sunil Pathare, Chairman and Managing Director |
| List of other Directorship | 6 (Private Companies) | 6 (Private Companies) |
| Date of First Appointment on the Board | 29th September 1992 | 15th September 2003 |
| Date of last appointment | 1st April 2019 | 1st April 2019 |
| Chairmanship/ Membership of the Committees of other listed Companies | Nil | Nil |
| No. of Board Meetings attended during the year 2021-22 | 4 | 4 |
| Remuneration paid in the year 2021-22 (Excluding perquisites) | ₹71.10 Lakh | ₹58.72 Lakh |
| Proposed Remuneration | As provided in the item no. 2 of this notice. | As provided in the item no. 3 of this notice. |

