

V. B. Aggarwal

B.Com (Hons), FICWA, ACS
COMPANY SECRETARY
C.P. No. 1583
PAN: AACFA1845P

7223, DLF Phase IV
GURGAON-122009
Phone : 9810530637
0124-3298398

Date.....

**REPORT OF SCRUTINIZER
(On e-voting)**

Dated: 24.09.2014

To,
The Chairman of the 27th Annual General Meeting
M/s. VLS FINANCE LIMITED,
2nd Floor, 13, Sant Nagar,
East of Kailash,
New Delhi-110065

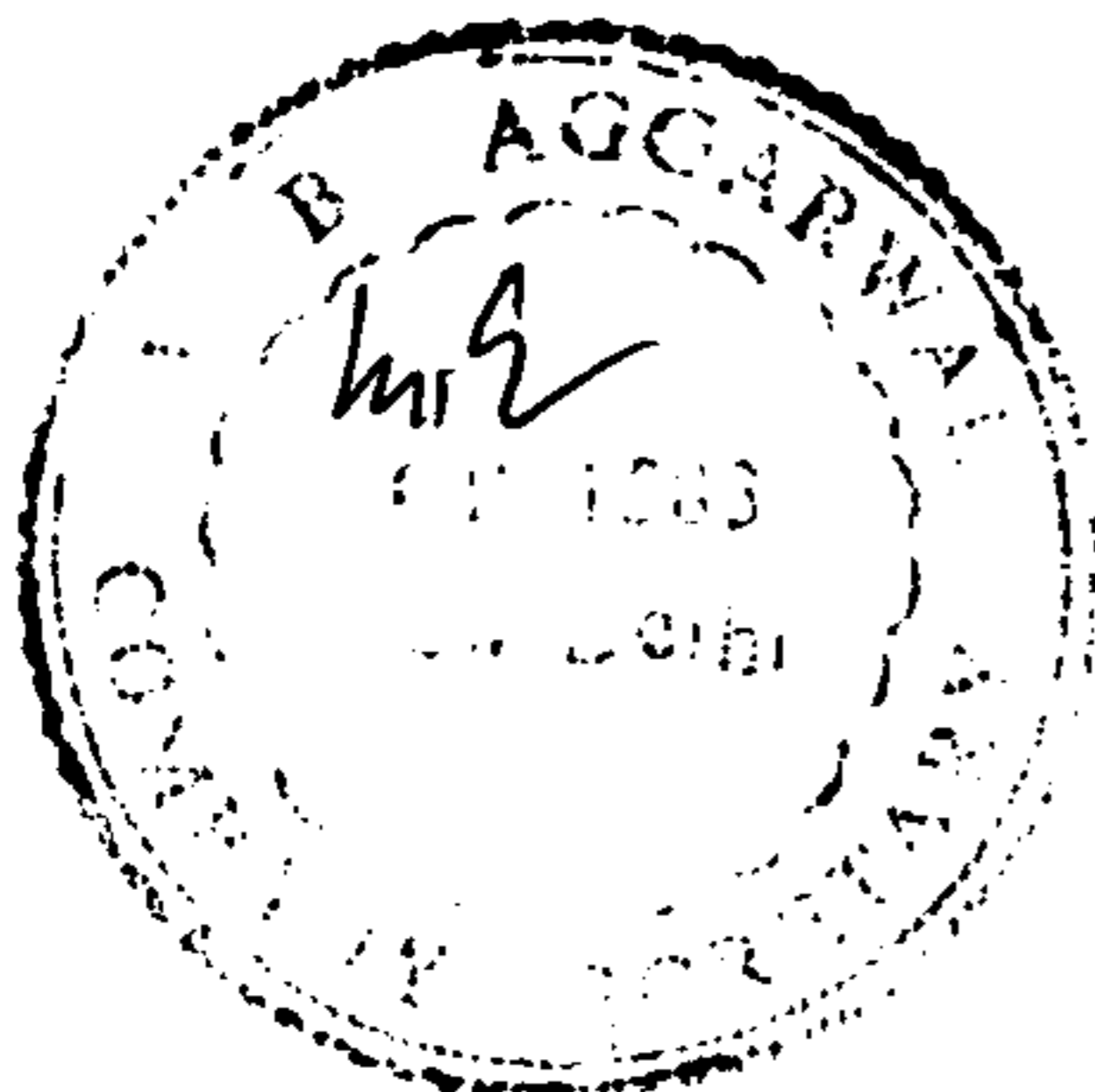
Dear Sir.

Sub: Scrutinizer's Report on e-voting conducted pursuant to the provisions of Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20(3) of the Companies (Management and Administration) Rules, 2014.

I. V. B. Aggarwal, Practicing Company Secretary, has been appointed as the Scrutinizer by the Board of Directors of the Company vide Board resolution dated August 11, 2014 for conducting the scrutiny of the e-votes casted in connection with the Annual General Meeting of M/s. VLS Finance Limited to be held on Thursday, 25th day of September, 2014 at 3:30 P.M. at the Auditorium, Sri Sathya Sai International Centre, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003, in a fair and transparent manner and ascertaining the requisite majority on E-Voting carried out as per Clause 35B of the Listing Agreement and pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014.

I submit the report as under:

As required under Sections 101 and 108 of the Act, Notice dated August 11, 2014 along with the Explanatory Statements under Section 102 of the Companies Act, 2013 were sent to the Members, whose names appeared in the Register of Members as on August 22, 2014 who were entitled to vote on the following 14 (Fourteen) proposed Resolutions:

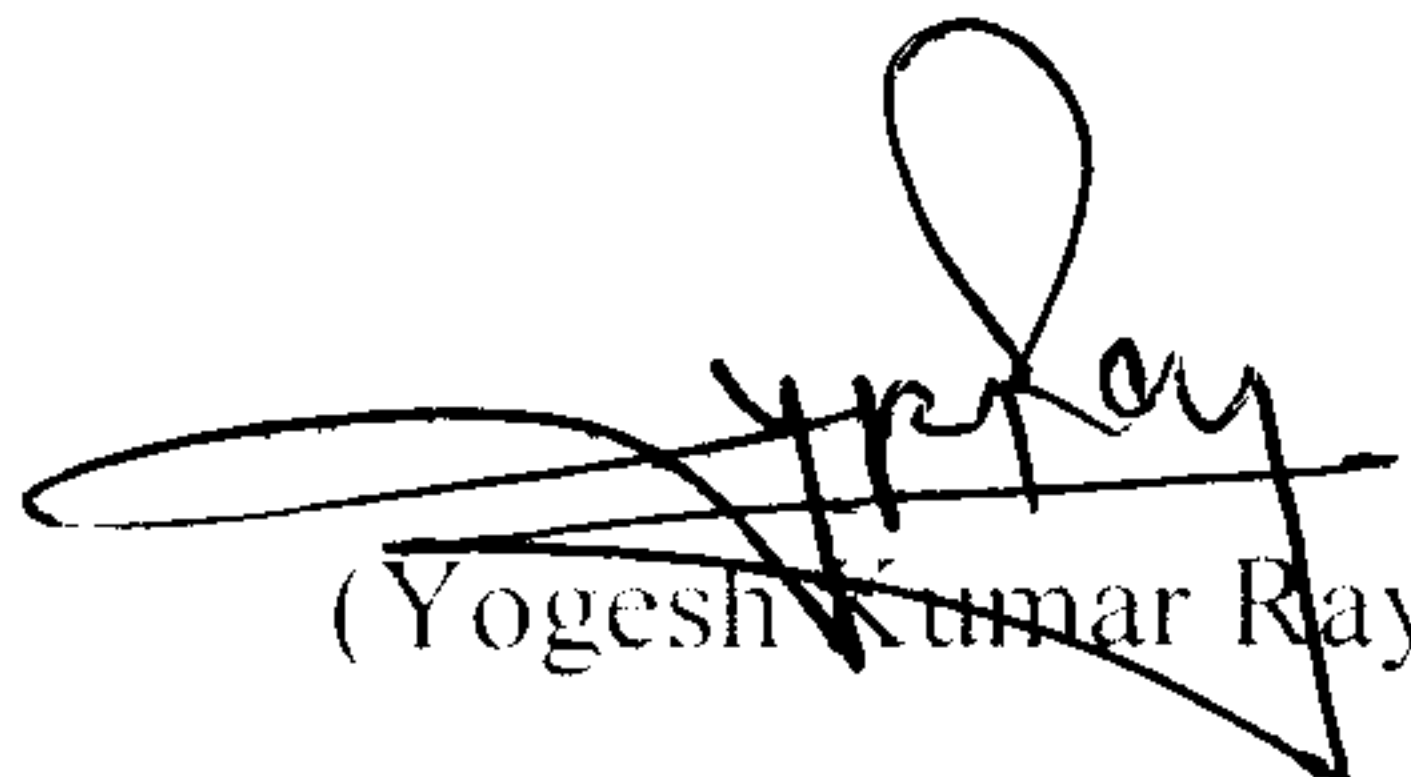


Resolution number	Type of Resolution	Description
1	Ordinary Resolution	Adoption of Audited annual Financial Statements for the F. Y. 2013-2014.
2	Ordinary Resolution	To appoint a Director in place of Shri Somesh Mehrotra (DIN: 00109902) who retires by rotation and being eligible, offers himself for re-appointment.
3	Ordinary Resolution	To appoint the Auditors and to fix their remuneration.
4	Special Resolution	To approve the borrowing limits upto Rs.500 crores.
5	Special Resolution through Postal Ballot	To approve mortgage/creation of charge on assets of Company to secure its borrowing upto Rs.500 crores.
6	Ordinary Resolution	To approve revision in the remuneration and terms of appointment of Shri S.K. Agarwal - Managing Director (DIN: 00106763).
7	Ordinary Resolution	To approve revision in the remuneration and terms of appointment of Shri K.K. Soni - Director-Finance & CFO (DIN: 00106037).
8	Ordinary Resolution	To approve appointment of Shri B. M. Oza (DIN 00138488) as Independent Director.
9	Ordinary Resolution	To approve appointment of Dr. S. Ramesh (DIN 00126120) as Independent Director.
10	Ordinary Resolution	To approve appointment of Shri Ajit Kumar (DIN 00106597) as Independent Director.
11	Ordinary Resolution	To approve appointment of Shri M. G. Diwan (DIN 00001097) as Independent Director.
12	Ordinary Resolution	To approve appointment of Shri Gian Vijeshwar (DIN 00009686) as Independent Director.
13	Ordinary Resolution	To approve appointment of Shri B. B. Tandon (DIN 00740511) as Independent Director.
14	Ordinary Resolution	To approve appointment of Shri A. K. Puri (DIN 00106469) as Independent Director.

2. The Company has availed the e voting facility offered by National Securities Depositories Limited (NSDL) for conducting e-voting by the Shareholders of the Company.
3. The e-voting period remained opened from 9.00 A.M on Friday, September 19,2014 to 6.00 PM on Sunday, September 21,2014.



4. The votes were unblocked on September 22, 2014 around 1.30 pm in the presence of Two witnesses, namely Shri Yogesh Kumar Ray S/o Late Shri R. N. Ray, R/o B/1/5, New Ashok Nagar, Delhi-110096 and Shri Prakash Upadhyay S/o Late Shri N. D. Upadhyay, R/o. RZ-26 B. J Block, Gali No.2, West Sagarpur, New Delhi-110046 who are not in the employment of the Company and they have witnessed below in confirmation of the e-votes being unblocked:


(Yogesh Kumar Ray)


(Prakash Upadhyay)

- Thereafter, the details containing, inter-alia, list of Equity Shareholders of the Company, who voted "For" and "Against", were downloaded from the E-voting Website of National Securities Depositories Limited (<https://www.evoting.nsdl.com>).
6. I have scrutinized and reviewed the voting through electronic means and votes tendered therein and maintained a register in which necessary entries have been made in accordance with the *above* Rules.
7. I submit herewith this report the result of e-voting as mentioned in the **Annexure I**, which is enclosed to this report, in respect of the said Ordinary and Special Resolutions except for item no. 5 which has been reported separately in the **Annexure-II**.
8. You may accordingly declare the result of the voting by electronic mode.

Thanking you,

Yours faithfully,



V. B. Aggarwal
CP. No. 1583



Place: New Delhi

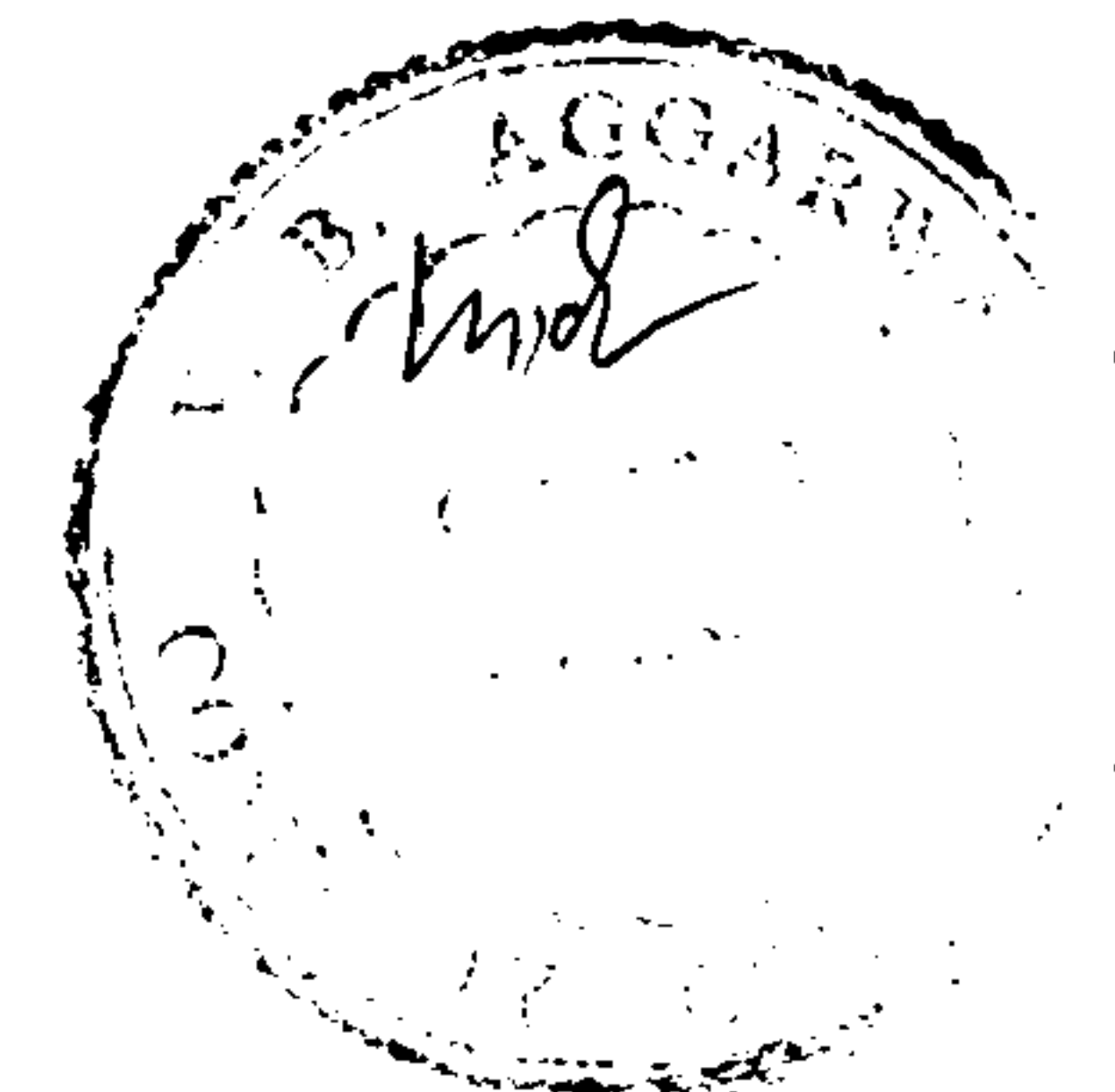
Dated : September 24, 2014

REPORT OF SCRUTINIZER

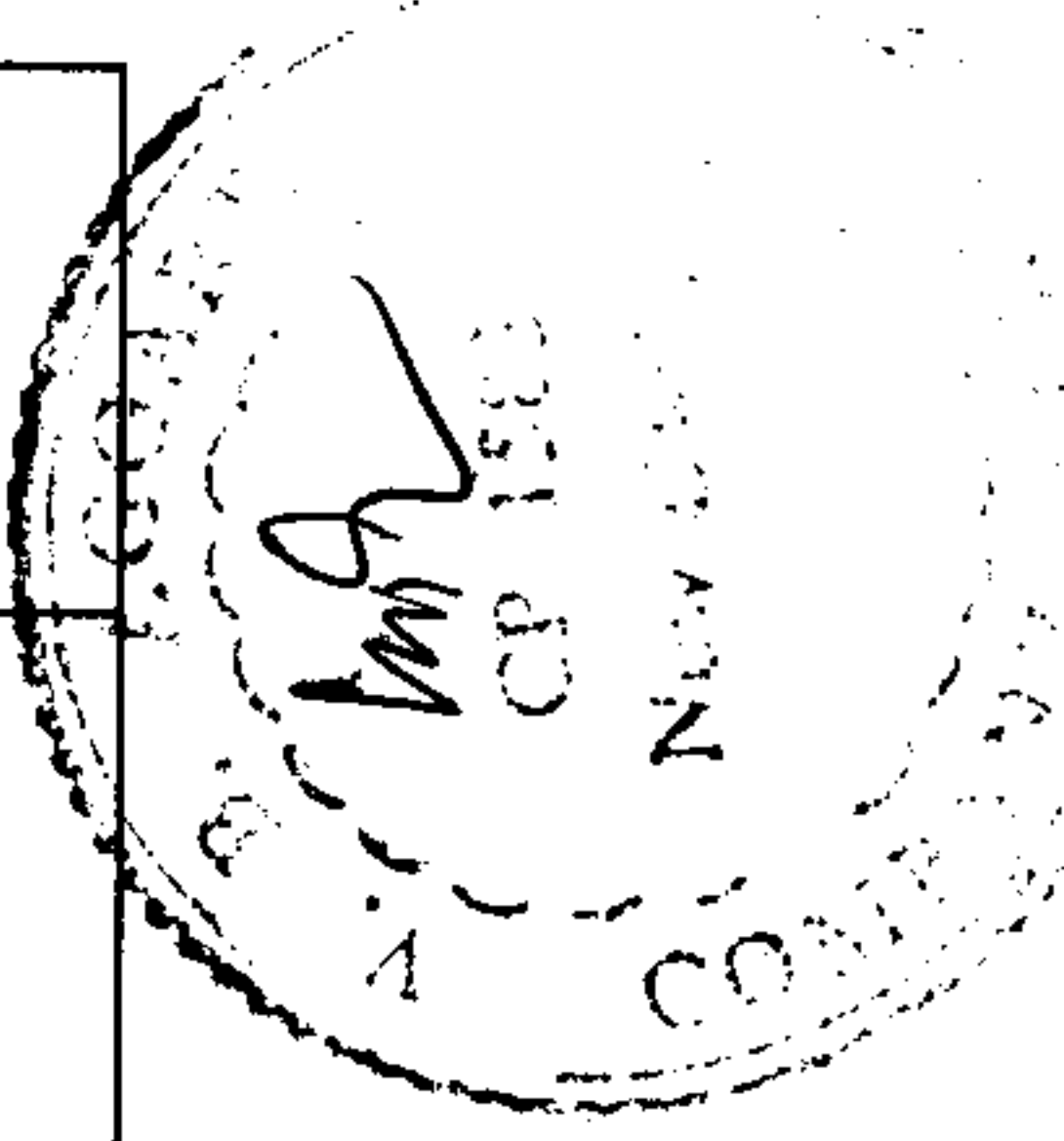
ANNEXURE- I

E- Voting Results of M/s. VLS Finance Ltd.

Resolution Numbers (Item Nos.)	Number of members voted through E- voting	No. of shares casted through E- voting	% to total Paid- Up Equity Shares	Voted in favour of the Resolution		Voted against the Resolution	
				Number of votes cast by them	% of total number of valid votes cast	Number of votes cast by them	% of total number of valid votes cast
Item :01 Ordinary Resolution							
Adoption of Audited Annual Financial Statements for the F. Y. 2013-2014.	12	6383	0.017	6383	100	0	0
Item :02 Ordinary Resolution							
To appoint a Director in place of Shri Somesh Mehrotra (DIN: 00109902) who retires by rotation and being eligible, offers himself for re-appointment.	12	4183	0.011	0.000	100	0	0
Item :03 Ordinary Resolution							
To appoint the Auditors and to fix their remuneration.	12	4183	0.011	4183	100	0	0
Item :04 Special Resolution							
To approve the borrowing limits upto Rs.500 crores.	13	6983	0.018	6383	91.41	600	8.59



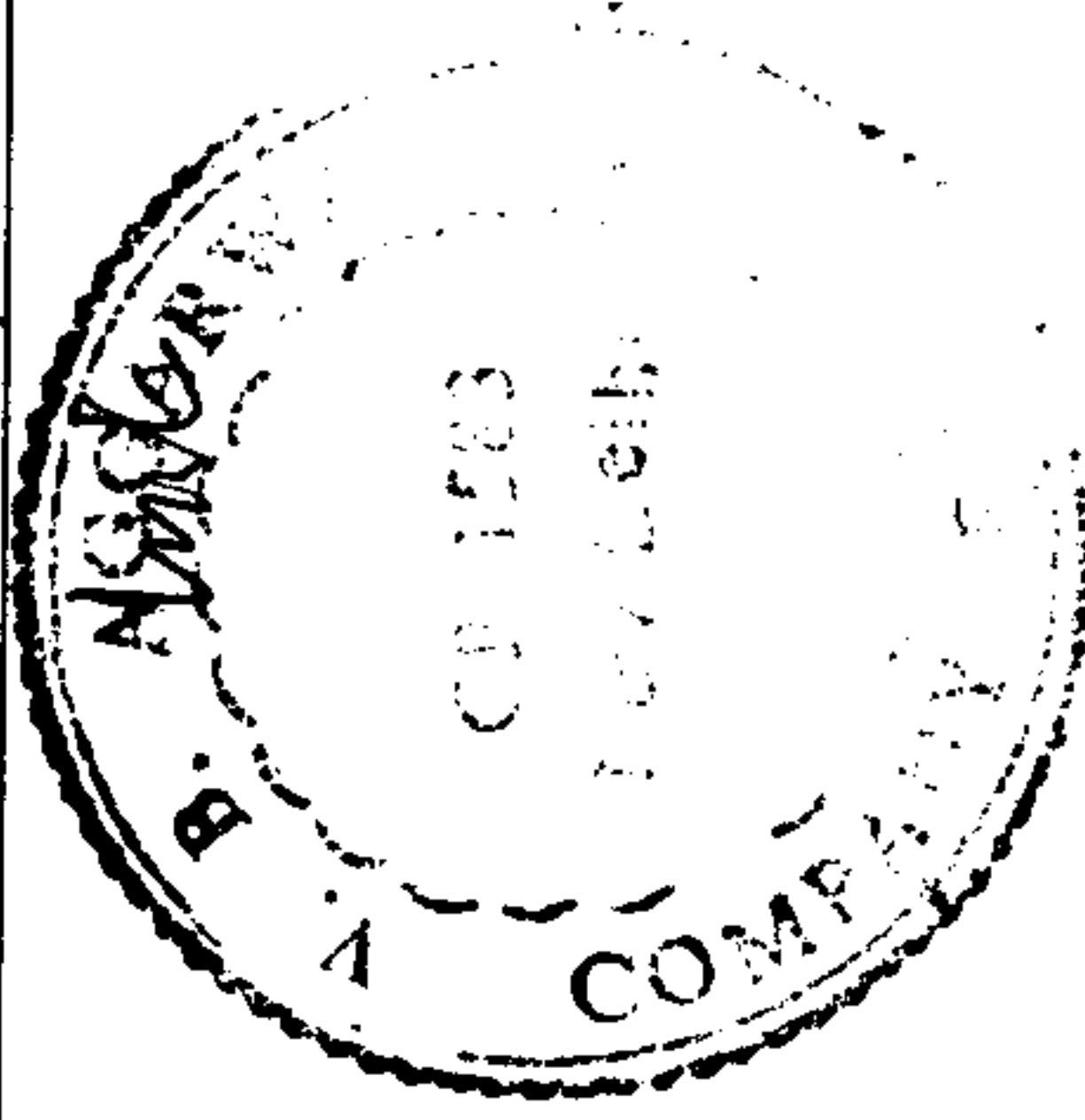
Resolution Numbers (Item Nos.)	Number of members voted through E- voting	No. of shares casted through E- voting	% to total Paid- Up Equity Shares	Voted in favour of the Resolution		Voted against the Resolution	
				Number of votes cast by them	% of total number of valid votes cast	Number of votes cast by them	% of total number of valid votes cast
Item :06 Ordinary Resolution To approve revision in the remuneration and terms of appointment of Shri S.K. Agarwal - Managing Director (DIN: 00106763)	12	4183	0.011	3583	85.66	600	14.34
Item :07 Ordinary Resolution To approve revision in the remuneration and terms of appointment of Shri K.K. Soni - Director-Finance & CFO (DIN: 00106037)	12	4183	0.011	3583	85.66	600	14.34
Item :08 Ordinary Resolution To approve appointment of Shri B. M. Oza (DIN 00138488) as Independent Director.	12	4183	0.011	4083	97.61	100	2.39
Item :09 Ordinary Resolution To approve appointment of Dr. S. Ramesh (DIN 00126120) as Independent Director.,	12	4183	0.011	4183	100.00	0	0



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Item :10 Ordinary Resolution To approve appointment of Shri Ajit Kumar (DIN 00106597) as Independent Director.	11	3583	0.009	3583	100	0	0
Item :11 Ordinary Resolution To approve appointment of Shri M. G Diwan (DIN 00001097) as Independent Director	12	4183	0.011	4083	97.61	100	2.39
Item :12 Ordinary Resolution To approve appointment of Shri Gian Vjeshwar (DIN 00009686) as Independent Director.	12	4183	0.011	4183	100.00	0	0.00
Item :13 Ordinary Resolution To approve appointment of Shri B. B. Tandon (DIN 00740511) as Independent Director.	12	4183	0.011	4083	97.61	100	2.39



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Item :14 Ordinary Resolution To approve appointment of Shri A. K. Puri (DIN 00106469) as Independent Director.	12	4183	0.011	3683	88.05	500	11.95



REPORT OF SCRUTINIZER

ANNEXURE- II

E- Voting Results of M/s. VLS Finance Ltd.

Resolution Numbers (Item Nos.)	Number of members voted through E- voting	No. of shares casted through E- voting	% to total Paid- Up Equity Shares	Voted in favour of the Resolution		Voted against the Resolution	
				Number of votes cast by them	% of total number of valid votes cast	Number of votes cast by them	% of total number of valid votes cast
Item :05 Special Resolution through Postal Ballot							
To approve mortgage creation of charge on assets of Company to secure its borrowing upto Rs.500 crores	13	6983	0.018	6283	89.98	700	10.02

A handwritten signature, possibly 'M.R.', is written over a circular stamp. The stamp is mostly illegible but appears to be an official seal or stamp.