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VLCC

VLCC HEALTH CARE LTD
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VLCC HEALTH CARE LIMITED

Registered Office
M-14, Greater Kailash II, Commercial complex,
New Delhi-110148

NOTICE

NOTICE is hereby given that an Extra-Ordinary General Meeting (2nd EGM for FY 2023-24) of members of VLCC Health Care Limited will be held on Wednesday, 27th March, 2024 at 2:30 pm (IST) through Video Conferencing/Other Audio Visual means (VC/OAVM) at 2nd Floor, Magnum City Centre, Sector-63A, Golf Course Extension Road, Gurugram, Haryana-122011, Haryana, to transact the following business:

SPECIAL BUSINESS

1. **Appointment of Mr. Vikas Gupta (DIN:08578977) as Director**

To consider and, if thought fit, to pass with or without modification(s), the following **as Ordinary Resolution**

"**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 (Act) and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, the Nomination and Remuneration Policy and Articles of Association of the Company, Mr. Vikas Gupta (DIN:08578977) be and is hereby appointed as Director, not liable to retire by rotation."

2. **Appointment of Mr. Vikas Gupta (DIN:08578977) as Managing Director and Group Chief Executive Officer**

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

"**RESOLVED THAT** pursuant to the provisions of the Articles of Association of the Company, Section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013

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(including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors of the company, consent of the members by way of special resolution be and is hereby accorded for appointment of Mr. Vikas Gupta (DIN: 08578977) as Managing Director and Group Chief Executive Officer of the Company whose term of office shall not be liable to determination by retirement of Director by rotation, at a remuneration and terms as detailed here in below:

1. **Appointment Date and Period**

   The appointment is effective from 15th February, 2024 for the period from 15th February, 2024 to 2nd April, 2028.

2. **Remuneration**

Sr. no.	Component	Particulars
1.	Fixed and variable pay	Maximum INR 5 crores per annum w.e.f. 15th February, 2024 to 14th February, 2027 and annual increment shall be maximum of 20% over the salary paid for the previous year subject to his performance and results of the Company during review period. The remuneration will be subject to income tax deduction at source, in accordance with the Indian Tax Regulations.
2	Employee Stock Options Plan (ESOP)	Compensation in the form of employee stock options in the Company, in accordance with the terms and conditions set out in the VLCC ESOP-2023. Mr. Vikas Gupta has been granted 8,93,495 Options which would be vested as per the vesting schedule provided in the grant letter issued to him.
3	Perquisites	Car facility along with driver Car maintenance, fuel expenses along with driver's cost at actuals shall be borne by the Company.

		The perquisites shall be valued as per provisions under income tax rules.

3. **Job profile and his suitability**

As Managing Director and Group CEO, Mr. Vikas Gupta will be entrusted with substantial powers of management and will also be required to perform such duties and functions, as may be entrusted upon him by the Board of Directors of the Company. He shall also be overall responsible for compliance of provisions under various Acts as applicable to the Company. His past experience and qualifications make him suitable for the position.

4. **Termination**

The appointment of Mr. Vikas Gupta as Managing Director and Group CEO may be terminated by either party by giving three months' notice in writing of such termination.

"**RESOLVED FURTHER THAT** the Board of Directors of the Company or Nomination and Remuneration Committee be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Managing Director and Group CEO, including remuneration payable to him, subject to the limits prescribed under Section II, Part II of Schedule V of the Companies Act 2013 as amended from time to time."

"**RESOLVED FURHTER THAT** any of the Director/Group CFO/Company Secretary of the Company be and are hereby severally authorized to sign and submit necessary forms (DIR-12, MGT-14, MR-1) with Registrar of Companies to give effect to the above appointment and to do all such acts, deeds, things as may be considered necessary."

NOTES:

1 Pursuant to the General Circulars No. 14/2020 dated 8th April, 2020, No.22/2020 dated 15th June, 2020, no. 20/2020 dated 15th May, 2020, No. 33/2020 dated 28th September, 2020, No. 11/2022 dated 28th December, 2022 and No. 09/2023 dated 25th September,2023 issued by Ministry of Corporate Affairs (collectively referred to as " MCA circulars), the Company is convening 1st Extra Ordinary General Meeting (EGM) for the FY 2023-24, through VC/ OAVM, without the physical presence of the Members at a Common venue. In compliance with the MCA circulars and the applicable provisions of the Act, the EGM of the members of the Company is being held through VC/ OAVM. The deemed venue for EGM will be 2nd Floor, Magnum City Centre, Sector-63A, Golf Course Extension Road, Gurugram, Haryana- 122011.

2 Corporate shareholders are required to send a scanned copy of its Board or governing body resolution/ authorization, etc. authorizing its representative to attend the EGM through VC/OAVM on its behalf and to vote in the meeting to be held through VC/OAVM.

3 In compliance with aforesaid MCA circulars, notice of the EGM along with all other papers is being sent only through electronic mode to those Members whose email addresses are registered with the Company.

4 Members attending the EGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5 Since the EGM will be held through VC/OAVM, the route map and Attendance Slip are not annexed in this notice.

6 In case of joint holders attending the EGM, the members whose name appear as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the EGM.

7 The Company ensures that all other compliances associated with the provisions related to general meetings viz. making of disclosures, inspection of related documents and registers, by members, including register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Act and all other documents referred to in the Notice or authorizations for voting by bodies corporates etc. as provided in the Act and the Articles of Association of the Company are made available for inspection through electronic mode.

8 The Company ensures that the EGM through VC/OAVM facility allows the two way videoconferencing or Zoom for the ease of participation of the members and the participants are allowed to pose questions concurrently or given time to submit questions in advance on the e-mail address of the Company i.e. krishan.kuamr@vlccgroup.com

9 The facility for joining the meeting shall be kept open for at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.

10 Since the EGM will be held through VC/OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement for appointment of proxies. Accordingly, in terms of MCA circulars, the facility for appointment of proxies by the member will not be available for this EGM and hence, proxy form is not annexed to this notice. However, in pursuance of Section 112 and 113 of the Act, representatives of the members may be appointed for the purpose of participation and voting in the meeting to be held through VC/OAVM.

11 The meeting will be conducted through audio visual means (Zoom). Members may participate in the meeting through the following link:

https://us06web.zoom.us/j/85215179412?pwd=7S46Ejf6vwFIb8G2bUlTzlfmbFYjyr.1

12 The Chairman may decide to conduct the meeting by show of hands unless a demand for poll is made by any member, in accordance with Section 109 of the Act and the rules made thereunder.

By Order of the Board
For VLCC Health Care Limited

Krishan Kumar
Company Secretary
Membership No. A18018

Date: 04.03.2024

Place: Gurgaon

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 1& 2

In order to ensure effective overall management of affairs of the Company and considering the performance of Mr. Vikas Gupta, Group Chief Executive Officer (Group CEO), the Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee, had approved his elevation from the position of Group CEO to the position of Managing Director & Group CEO subject to the approval of shareholders of the Company.

A Managing Director has to be director first and therefore, in terms of Nomination and Remuneration Policy of the Company and basis on the recommendation of Nomination and Remuneration Committee, Board of Directors appointed Mr. Vikas Gupta as an Additional Director of the Company, effective from 15th February, 2024, in terms of Section 161 of the Act.

The remuneration payable to Managerial Personnel in case of companies having no profits or inadequate profits, are subject to the provisions of Section 196, 197, Schedule V of the Companies Act 2013.

The disclosures required pursuant to proviso (iv) of Part-II, Section-II of Schedule V are as under:

<table>
<tr><td>Sr. No.</td><td></td><td></td></tr>
<tr><td>I</td><td colspan="2">General Information</td></tr>
<tr><td></td><td>Nature of Industry</td><td>To carry on business in the health and wellness space. i.e. to carry on the business of providing the services of beauty/slimming/weight management /hair treatment/ skin care etc. and also running training institutes relating to healthcare/beauty services.</td></tr>
<tr><td></td><td>Financial performance based on given indicators</td><td>
<table>
<tr><td>Standalone basis (FY 2022-23-Audited)</td><td>INR in Crores</td></tr>
<tr><td>Sales & Other Income</td><td>357.28</td></tr>
<tr><td>Profit after tax as per Profit & Loss Account</td><td>3.87</td></tr>
<tr><td>Retained Earnings</td><td>(60.96)</td></tr>
<tr><td>Net worth</td><td>346.74</td></tr>
<tr><td>Consolidated basis (FY 2022-23- Audited)</td><td></td></tr>
<tr><td>Sales & Other Income</td><td>815.29</td></tr>
<tr><td>Profit after tax as per Profit & Loss Account</td><td>(60.30)</td></tr>
<tr><td>Retained Earnings</td><td>(78.39)</td></tr>
<tr><td>Net worth</td><td>336.53</td></tr>
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II	**Information about the appointee**	
1	Background details	Mr. Vikas Gupta, 48, is a seasoned professional having 25 years of experience in leadership roles across Unilever, Flipkart and Nykaa. He has worked in five countries including India, Indonesia, Brazil, Singapore and UK and brings with him deep sector knowledge and experience in serving emerging and developed markets consumers, most recently being how to run a digital first, data driven business at Nykaa.
2	Experience and Area of Practice	Having started career as Management Trainee with Unilever, Mr. Vikas Gupta was elevated to the role of Brand Manager for lux, dove and liril and area Sales Manager in Delhi and Haryana Region and then to Regional Marketing Director, Fabric conditioner (based in Singapore) where he led a team of senior marketers and across functional R&D, Finance and Supply Chain teams to grow the fabrics business in South East Asia. As a Vice President and Chief Marketing and Innovation Officer, he successfully led the brand to market leadership ahead of several other brands of competitors, in India, Brazil and UK. He led the end-to- end Home Care division for Unilever Indonesia where was responsible for profit and loss management, strategy across segment and channels, marketing, cost optimization programs. The last stint of Mr. Vikas Gupta was with Nykaa where he was the Chief Executive Officer of its superstore business since 2021.
3	Past remuneration	(i) Mr. Vikas Gupta is leading the VLCC Group as Group CEO since 3rd April, 2023 and getting consolidated salary (fixed and variable pay) of INR 5 crore subject to such annual increment as may be decided by the Board from time to time. (ii) Compensation in the form of employee stock options in the Company, in accordance with the terms and conditions set out in the VLCC ESOP-2023. Mr. Vikas Gupta has been granted 8,93,495 Stock Options which would be vested as per the vesting schedule provided in the grant letter issued to him. iii) Car facility with driver Car maintenance, fuel expenses along with drivers' cost at actuals shall be borne by the Company The perquisites shall be valued as per provisions under income tax rules.

4	Job Profile and his suitability	As Managing Director & Group CEO, Mr. Vikas Gupta will be responsible for the overall management of affairs of the Company under supervision, control and directions of the Board of Directors. Considering the experience and job profile, Mr. Vikas Gupta's appointment as Managing Director & Group CEO would be instrumental for the growth of the Company.
5	Remuneration proposed	(i) Maximum INR 5 crores (fixed and variable pay) per annum w.e.f. 15th February, 2024 to 14th February, 2027 and annual increment shall be maximum of 20% over the salary paid for the previous year subject to his performance and results of the Company during review period. The remuneration will be subject to income tax deduction at source, in accordance with the Indian Tax Regulations. (ii) Compensation in the form of employee stock options in the Company, in accordance with the terms and conditions set out in the VLCC ESOP-2023. Mr. Vikas Gupta has been granted 8,93,495 Options which would be vested as per the vesting schedule provided in the grant letter issued to him. (iii) Car facility with driver Car maintenance, fuel expenses along with drivers' cost at actuals shall be borne by the Company The perquisites shall be valued as per provisions under income tax rules.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	VLCC is the largest in this segment and doesn't have any competitor with professional approach of doing business in beauty and slimming segment.
7	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel or other director	The appointee don't have any pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel or other director
III	**Other Information**	
1	Reasons of loss or inadequate profits	The Company was in growing phase. However due to unforeseen situation of COVID-19, the performance was impacted during FY20-22. During FY23, company is having positive PAT which is after taking one off expenses of Deal and IPO expenses to the tune of INR 13 crores. The Company expects that it will

		be able to achieve profits in the years to come with the new leadership team and company's investment in expansion, infrastructure and brand building which will result in overall growth of the company in coming years. To compete in the market, the company has made investments in brand building and setting up systems & processes and developed new clinics and refurbished its infrastructure in its centers.
2	Steps taken or proposed to be taken for improvement	Marketing and Brand Building initiatives have been strengthened substantially which has given a very good results and significant growth in Revenue. New leadership team is in place focusing increase in booking and revenue and optimization of costs. These will ensure overall improvement.
3	Expected increase in productivity and profits in measurable terms	The revenue of the VLCC Group is likely to increase by 25.9% and net profit by 14% for the financial year ended 31st March, 2024.

On the recommendation of Nomination & Remuneration Committee, Board of Directors of the Company in its meeting held on 15th February, 2024 have approved the appointment of Mr. Vikas Gupta as Managing Director & Group CEO and have recommended the said appointment for your approval by way of special resolution.

Except Mr. Vikas Gupta, none of the Directors and Key Managerial Person and their relatives has any nature of concern or interest, financial or otherwise, directly or indirectly in respect of proposed resolutions.

The Board of Directors of your Company recommend the Resolutions at Item No. 1 and Item No. 2 set out in the Notice for the approval of the Shareholders by way of Ordinary and Special resolution respectively.

By Order of the Board

For VLCC Health Care Limited

Krishan Kumar
Company Secretary
Membership No. A18018

Date: 04.03.2024

Place: Gurgaon