

## **SCHEME OF REDUCTION OF CAPITAL OF VAIBHAV GLOBAL LIMITED**

(Under Sections 78,100 to 104 Of The Companies Act, 1956, read with  
Section 52 of The Companies Act, 2013)

### **(A) PREAMBLE**

This Scheme of Reduction of Capital is presented under Sections 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013, to the extent notified and applicable, for the Capital Reduction of Vaibhav Global Limited.

### **(B) DESCRIPTION OF THE COMPANY**

Vaibhav Global Limited (formerly known as "Vaibhav Gems Limited" and hereinafter referred to as "VGL" or "Company"), was incorporated under the Companies Act, 1956 on 8<sup>th</sup> May 1989. The Corporate Identification Number of the Company ("CIN") is L36911RJ1989PLC004945. The registered office of the Company is situated at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302 004, Rajasthan, India. The Company's shares are listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and the Global Depository Receipts ("GDRs") of the Company are listed on Luxembourg Stock Exchange.

The Company is an integrated electronic retailer of fashion jewelry and lifestyle accessories in US, Canada, UK and Republic of Ireland. It is also engaged in wholesale distribution through STS Jewels, which serves various retail chains in US and UK. The share capital of VGL as at 30<sup>th</sup> June 2015, is as under:

<b>PARTICULARS</b>	<b>AMOUNT IN RS.</b>
<b>AUTHORISED CAPITAL</b>	
4,10,00,000 Equity Shares of Rs. 10/- each	41,00,00,000
45,00,000 Unclassified Shares of Rs. 100/- each	45,00,00,000
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>	
3,24,04,521 Equity Shares of Rs. 10/- each	32,40,45,210

### **(C) MAIN OBJECTS OF VGL**

- i. To start and carry on the business of manufacture, cut, polish, process, mine, hirers, repairers and stores or otherwise acquire, hold, buy, sell, exchange, distribute or otherwise dispose of trade, deal in imports and export any and all classes and kinds of Jewellery, Gems, Diamonds, Emeralds, Rubies, Sapphires, Pearls, coral, Brass Wares, enamel ware and articles including paintings, curious, antiques ivory, Garments, ivory, textiles, artificial Jewellery and Ornaments, articles made of gold, silver and other precious, semi-precious or imitation stones, pearls, heads comprised in the term of Jewellery and Ornaments.

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- ii. To carry on the business as goldsmiths, silversmiths, gem merchants, watch and clock repairers, electroplaters, dressing bag makers, importers and exporters of bullion and buy, sell and deal (wholesale and retail) in bullion, jewellery, watches, clocks, gold, silver plates, cups shields, electroplate, cutlery, dressing bags, articles of virtue and objects of art.
- iii. To Carry on the business of manufacturers of and dealers in all kinds of leather goods, asbestos and canvas flooring and paving materials and other Compositions, water proof articles, oil cloth, linoleum, tarpaulin and also the business of tanners and dealers in hides and skins.
- iv. To import, export, buy, sell or otherwise deal in all types of articles, goods and merchandise including Jewellery and semi-precious stones of all varieties, articles of handicrafts and arts, antiques, and curios, garments and readymade clothes, wool and other fabrics, carpets, durries, rugs, paintings, brasswares, electroplated nickel, silver wares, ivory wares, sandal wood wares, marble wares, stone wares, costume Jewellery, leather wares, table wares, wood wares, lacquer wares, white metal wares and all types of handicrafts, chemicals, minerals, animals, metal and their products of agriculture, dairy, wood, cotton, woolen and silk.
- v. To carry on the business of manufacturer, seller, purchaser, processor, designer, exporter, importer and dealers in all kinds of jute products, jute decorative items, potly bags, wall paintings (gems stones) and gems stones made home decor items.

**(D) RATIONALE AND PURPOSE OF THE SCHEME**

- i. The Company has accumulated losses("Accumulated Losses") of Rs.264,27,18,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only) as at 31<sup>st</sup> March 2015.shown in the Surplus/(Deficit) head of Reserves & Surplus of the Company as on 31<sup>st</sup> March 2015. The Company proposes to implement a Scheme for capital reduction under Sections 78, 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013.
- ii. The Company's Reserves and Surplus for the FY 2014-15 includes an amount of Rs.589,72,28,735/-(Rupees Five hundred and eighty nine crore seventy two lacs twenty eight thousand seven hundred thirty five only) standing to credit of Securities Premium Account.
- iii. As per the Board Meeting dated 28<sup>th</sup> July, 2015, the Board of Directors ("BOD") of the Company recommends to set-off such Accumulated Losses by reducing the amount standing to the credit of the Securities Premium account as on 31<sup>st</sup> March 2015, to give a true and fair view of the financial statements of the Company.
- iv. Thus, reduction of Securities Premium in the manner specified above would be deemed as reduction of share capital under the provisions of Section 52 of the Companies Act, 2013 (corresponding to Section 78 of the Companies Act, 1956) and such reduction is covered by provisions of Section 100 to 104 of the Companies Act, 1956. Accordingly, the present reduction of Securities Premium is being proposed under provisions of Section 52 of the Companies Act, 2013 (corresponding to Section 78 of the Companies Act, 1956) read with Sections 100 to 104 of the Companies Act, 1956.

In consideration of the above mentioned rationale, this reduction of capital (Securities Premium account) of VGL is being recommended by the BOD.



- v. The Scheme of Reduction of Capital does not require any shareholders, bankers, creditors, direct or indirect taxes authorities or any third party to make any compromise or sacrifice with respect to their claims against the Company and hence, does not impact their interests.
- vi. With a view to provide greater level of transparency and openness and to secure full involvement of all the shareholders/stakeholders, the Company has decided to present this proposal as a Scheme under Sections 78, 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013.

**(E) PARTS OF THE SCHEME:**

**PART A:** Deals with Definitions.

**PART B:** Deals with Capital Reduction of "VGL".

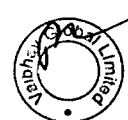
**PART C:** Deals with General Clauses, Terms and Conditions.

**PART A**  
**DEFINITIONS**

**1. DEFINITIONS**

In the Scheme, unless inconsistent with the meaning or context, the following expressions shall have the following meaning:

- 1.1. 'Act' or 'the Act' means the Companies Act, 1956 or as the case may be, the Companies Act, 2013 (to the extent applicable) and every modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include reference to Sections enacted in modification or replacement thereof.
- 1.2. "Appointed date" means the date from which this Scheme shall become operative viz., 1<sup>st</sup> April 2015 and/or any other date as modified by the High Court of Judicature at Jaipur, then the same shall be the Appointed Date.
- 1.3. 'Board of Directors' or 'Board' in relation to Vaibhav Global Limited, shall mean the Board of Directors of the Company and shall unless it be repugnant to the context or otherwise, include any Committee constituted by the Board of Directors for the purpose of this Scheme.
- 1.4. 'Company' or 'VGL' means 'Vaibhav Global Limited', a Company incorporated under the Act and having its registered office at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302 004, Rajasthan, India.
- 1.5. 'Court' or 'High Court' means the Hon'ble High Court of Judicature at Jaipur in the State of Rajasthan or such other Court / tribunal empowered to sanction the Scheme as per the provisions of the Act.
- 1.6. 'Effective Date' means the last of the dates on which the sanctions, approvals or orders specified in Clause 5 of this Scheme are obtained/ passed/ filed or completed, including that of filing of the order of the High Court with Registrar of Companies and other statutory bodies/exchanges as may be instructed/required by the statute or such dates as the Court may



direct. References in the Scheme to "upon the Scheme coming into effect" shall mean the Effective Date.

- 1.7. 'Scheme of Reduction of Capital' or 'Scheme of Reduction' or 'Scheme' or 'the Scheme' or 'this Scheme' means this Scheme of Reduction of Capital in its present form or with any modification (s) approved, imposed or directed by the Court.
- 1.8. 'Securities Premium Account' or 'SPA' means the balance of Rs. 589,72,28,735/- (Rupees Five hundred and eighty nine crore seventy two lacs twenty eight thousand seven hundred thirty five only) available in the Reserves & Surplus of the Company as on 31<sup>st</sup> March 2015.
- 1.9. 'Stock Exchanges' means the BSE Limited and National Stock Exchange of India Limited. The Designated Stock Exchange shall be National Stock Exchange of India Limited.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

## PART B CAPITAL REDUCTION OF "VGL"

### 2. CAPITAL REDUCTION

- 2.1. With the Scheme coming into effect, and with effect from the Appointed Date, the balances available in the Securities Premium Account shall be utilized and adjusted against an amount of Rs.264,27,18,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only) for the Accumulated Losses shown in the Surplus/(Deficit)head of Reserves & Surplus of the Company as on 31<sup>st</sup> March 2015.

- 2.2. For the purposes of clarity, the mechanism of the Scheme is explained below:

Name of Account - Balances as on 31 <sup>st</sup> March 2015	Amount (in Rs)
Accumulated Losses in the Surplus/(Deficit)head of Reserves & Surplus	264,27,18,509/-
Amount available in the Securities Premium Account	589,72,28,735/-
Amount of Accumulated Losses being adjusted against the Securities Premium Account	264,27,18,509/-
Upon the Scheme coming into effect, the balance in the Securities Premium Account	325,45,10,226/-
Upon the scheme coming into effect, the Accumulated Losses shown in the Surplus/(Deficit)head of Reserves & Surplus Company	Nil

- 2.3. The adjustment/ set off, of the Securities Premium Account shall be effected as an integral part of the Scheme itself and shall be deemed to be Reduction of Capital in accordance with the provisions of Sections 78 and 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013. The Scheme does not involve either the diminution of any liability in respect of the unpaid share capital or payment to any shareholder of any paid-up capital and



the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Companies Act, 1956 confirming the reduction.

- 2.4. The adjustment/ set off, of the Securities Premium Account would not have any impact on the shareholding pattern, and the capital structure of the Company. The Scheme will be for the benefit of the Company and its shareholders, creditors and all concerned as a whole. The Scheme does not involve any cash outflow and therefore, would not affect the ability or liquidity of the Company to meet its obligations/commitments in the normal course of business.
- 2.5. The order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Companies Act, 1956 confirming the reduction without imposing a condition on the Company to add to its name the words, "and reduced".
- 2.6. The Scheme as presented by the Company would result in
- i. Right sizing its Balance Sheet
  - ii. Write-off the Accumulated Losses, enabling the Company to declare dividends
  - iii. True and fair Balance Sheet position

The Company with restructured Balance Sheet will be in a position to focus on business growth and generate investors return.

- 2.7. Nothing contained in the Scheme shall affect the conduct of business of Company and/or any deeds, bonds, contracts, agreements and any other instruments to which Company is a party and/or all legal or other proceedings by or against Company.
- 2.8. Further, nothing contained in the Scheme shall affect the existing rights of the workers' and employees of the Company.
- 2.9. Nothing contained in the Scheme shall have any impact on the creditors/ bank/ financial institutions of the Company and generally they will be benefited since the true and better financial position of the Company would be made out. Also there is no effect on the outstanding dues to the creditors/ bank/ financial institutions and the charge on the assets of the Company shall continue in favour of the secured creditors.

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**PART C**  
**GENERAL CLAUSES, TERMS AND CONDITIONS**

**3. PETITION TO COURT**

- 3.1. The Company shall, with reasonable dispatch, apply to Court for necessary orders or directions for confirmation of the reduction of capital.

**4. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 4.1. The Company, through its directors or authorized persons, may in its full and absolute discretion, assent to any alteration or modification to which the Court and/or any other Authority may deem fit to approve or impose and may consider necessary to settle any question or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith.
- 4.2. The Company, through its directors or authorized persons, may also in its full and absolute discretion, withdraw or abandon this Scheme at any stage of the proceedings including after sanction of the Scheme by the Court. In such an event, no rights and liabilities shall accrue in terms of or as a consequence of the Scheme.
- 4.3. If any Part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to the Company, in which case the Company shall attempt to bring about a modification in the Scheme, as will best preserve the benefits and obligations of the Scheme, including but not limited to such Part.

**5. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS**

The Scheme is conditional and subject to -

- 5.1. The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required including the stock exchange approval under Clause 24(f) of the Listing Agreement executed by the Company and the respective stock exchange.
- 5.2. The approval of and the agreement to the Scheme by the members shall also be done through a special resolution as prescribed in the Section 100 of the Companies Act, 1956.
- 5.3. The sanction by the Court under Sections 78, 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 and other applicable provisions of the Act being obtained by the Company.



- 5.4. The filing of certified copies of the orders sanctioning the Scheme by the Hon'ble High Court of Jaipur, with the Registrar of Companies.

**6. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS**

- 6.1. In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue in terms of or as a consequence of the Scheme.

**7. EFFECT OF THE SCHEME**

- 7.1. The Scheme is only a reduction of capital of the Company and does not envisage transfer or vesting of any properties and/or liabilities to or in favor of the Company.
- 7.2. The Scheme does not involve any conveyance of transfer of any property and consequently, the order of the Hon'ble High Court of Judicature at Jaipur in the State of Rajasthan approving the Scheme will not attract any stamp duty, under the Rajasthan Stamp Act, in this regard.
- 7.3. The Company shall make all applications /petitions as may be required under Section 100 to 104 of the Companies Act, 1956, to the High Court of Jurisdiction of Jaipur for obtaining the sanction of the Court to this Scheme of Reduction of capital, under Section 100 to 104 of the Companies Act, 1956 and for such orders for carrying this Scheme into effect.
- 7.4. The Company shall duly comply with various provisions of SEBI circular No. CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February 2013 read with SEBI circular No. CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May 2013 ("referred to as Circulars").

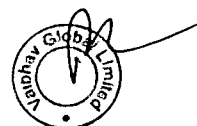
**8. APPROVAL OF THE SCHEME BY THE SHAREHOLDERS OF THE COMPANY UNDER SECTION 100 OF COMPANIES ACT, 1956**

- 8.1. The approval to this Scheme of Reduction of Capital shall be obtained from the shareholders of Vaibhav Global Limited through postal ballot and e-voting.
- 8.2. The Scheme shall be acted upon only if the votes cast by the shareholders in favor of the proposal are more than 3/4<sup>th</sup> the number of total votes cast by the shareholders.

**9. LEGAL PROCEEDINGS**

- 9.1. All legal or other proceeding by or against the Company pending and/ arising, on or before the Effective date relating to the said Company including their property, rights, powers, liabilities, debts, obligations and duties of the Company shall be continued and be enforced by or against Company as the case may be.

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## 9.2 REGULATORY ACTIONS BY SEBI

The Adjudicating Officer, SEBI issued a notice dated 22<sup>nd</sup> November, 2013 under rule 4 of SEBI (Procedure of Holding Inquiry and imposing penalties by Adjudicating Officer) Rules, 1995 to 11 people including Mr. Rahimullah, Mr. Sunil Agrawal and Mrs Sheela Agarwal who are Directors and part of the Promoter Group of the Company, pertaining to compliance of regulations 7(1A), 7(2) and 8(2) and of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. In response thereto, these persons made an application for settlement, dated January 23, 2014. The delay in filing the necessary disclosures was unintentional and due to oversight and there was no mala fide intention. At SEBI's Internal Committee (IC) meeting held on 3<sup>rd</sup> September, 2014 and again on 12<sup>th</sup> January, 2015, these persons have agreed for settling the matter.

Meanwhile, SEBI also issued another notice dated 30<sup>th</sup> January, 2015 to 22 persons including the above mentioned persons, pertaining to compliance of regulation 11(2) of SEBI (SAST) Regulations, 1997. Since this matter was also covered in the settlement application, a note of affirmation confirming the settlement application was also sent to SEBI on February 13, 2015.

The Settlement Order from SEBI is awaited.

## 10. DATE OF TAKING EFFECT

- 10.1. The Scheme set out herein its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Court shall be effective from the Appointed Date but shall be operative from the Effective Date.

## 11. EXPENSES CONNECTED WITH THE SCHEME

- 11.1. All costs, charges, levies, fees, duties and expenses incurred in relation to, or in connection with, the negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to, or in connection with, the Scheme shall be borne and paid by the Company.

## 12. ACCOUNTING TREATMENT

- 12.1. Share Premium amount of Rs.264,27,18,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only) will be utilized to write off the Accumulated Losses. The Company will pass appropriate entries for all notional adjustment in prudent and commercially acceptable manner.

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# VAIBHAV GLOBAL LIMITED

(Formerly Known As Vaibhav Gems Limited)

CIN : L36911RJ1989PLC004945

EXTRACT OF THE MINUTES OF THE MEETING OF BOARD OF DIRECTORS OF THE COMPANY HELD ON 28<sup>TH</sup> JULY, 2015 AT E- 69 EPIP SITAPURA, JAIPUR- 302004

## a) Scheme of Reduction of Capital

**"RESOLVED THAT** pursuant to the provisions of Section 78, 100 to 104 and all other applicable provisions, if any, of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and relevant Rules made thereunder, including any statutory modification or re- enactments thereof for the time being in force, and subject to receipt of all necessary consents and approvals including the approval of shareholders or/and creditors as the case may be and the sanction of Hon'ble High Court of Judicature, Rajasthan at Jaipur ("**Court**") or such other competent authority as may be applicable, and based on the recommendations received from the Audit Committee at its meeting held on July 28<sup>th</sup>, 2015, the consent of the Board is hereby accorded to the Scheme of Reduction of Capital ("**Scheme**") between the Company and its shareholders and creditors involving setting off the accumulated losses of Rs. 264,27,18,509/- (Rupees two hundred sixty four crores twenty seven lakhs eighteen thousand five hundred nine only) appearing in the Surplus / (Deficit) head of the Reserves and Surplus of the Company as at March 31<sup>st</sup>, 2015 against the Securities Premium Account to the extent of accumulated losses and consequent reduction / leaving a balance of Rs. 325,45,10,226/- (Rupees Three Hundred Twenty Five Crores Forty Five Lacs Ten Thousand Two Hundred Twenty Six only ) in the Securities Premium Account with effect from the Appointed Date i.e April 1<sup>st</sup>, 2015 or such other date as may be approved by the Court."

**"RESOLVED FURTHER THAT** the Scheme be filed with relevant regulatory authorities, including the stock exchanges where the Company's shares are listed, and thereafter with the relevant Court for approval."

**"RESOLVED FURTHER THAT** the National Stock Exchange of India Limited be and is hereby appointed as the designated stock exchange, for the purpose of co-ordinating with SEBI, if and wherever required."

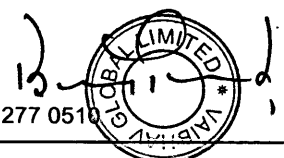
**"RESOLVED FURTHER THAT** Mr. Sunil Agarwal, Chairman & Managing Director, Mr. Rahimullah Whole Time Director and Mr. Brahm Prakash, Company Secretary be and are hereby jointly or severally authorised to do all such acts, matters and things which are necessary or incidental or in connection with:

- Filing of Scheme before the Court and/or any other information/details with any other body of regulatory authority or agency to obtain approval or sanction to the Scheme or giving effect to any of the provisions thereto;
- Filing of appropriate application(s) before the Court or such other appropriate authority seeking directions as to convening/dispensing with the meeting of shareholders/creditors of the Company and where necessary to take steps to convene and hold such meetings as per the directions of the Court or such other appropriate authority;
- Filing of petitions for confirmation of the Scheme by the Court or such other competent authority;

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E-mail : vgl@vaibhavglobal.com • Website : www.vaibhavglobal.com



- d) Filing of any affidavit, petitions, pleadings, applications, forms or reports before the Court or any statutory or regulatory authority including stock exchanges, the Securities and Exchange Board of India, the Registrar of Companies, Regional Director or such other authority as may be required in connection with the Scheme and/or in connection with its sanction thereof and to do all such acts deeds or things as they may deem necessary in connection therewith and incidental thereto;
- e) Signing all applications, petitions, documents, undertakings, affidavits, letters relating to the Scheme and represent the Company before any regulatory authorities and the Court in relation to any matter pertaining to the Scheme or delegate such authority to another person by a valid power of attorney;
- f) To engage Counsels, Advocates, Solicitors, Chartered Accountants and other professionals and to sign and execute vakalatnama wherever necessary and sign and issue public advertisements and notices; and
- g) To do all further acts, deeds, matters and things as may be necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto."

**"RESOLVED FURTHER THAT** the Common Seal of the company be affixed to such documents as may be required in connection with implementation of the aforesaid Scheme which shall be affixed in the presence of any one director of the Company and the Company Secretary, who do sign the same in token thereof."

**"RESOLVED FURTHER THAT** Mr. Sunil Agarwal, Chairman & Managing Director, Mr. Rahimullah Whole Time Director and Mr. Brahm Prakash, Company Secretary, be and are hereby jointly or severally authorized to delegate powers, issue power of attorneys and authorization letters to the executives, consultants, professionals as may be required, in connection with the implementation of the aforesaid Scheme."

**"RESOLVED FURTHER THAT** Mr. Sunil Agarwal, Chairman & Managing Director, Mr. Rahimullah, Whole Time Director and Mr. Brahm Prakash, Company Secretary, be and are hereby severally or jointly authorised to sign any copy of this resolution as a certified true copy thereof and issue the same to whomsoever concerned wherever necessary."

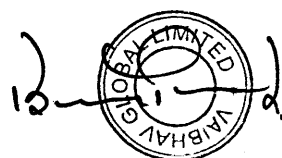
**b) Authorization to seek shareholders approval through Postal Ballot**

**"RESOLVED THAT** pursuant to the provisions of Section 110 and all other applicable provisions of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactments thereof for the time being in force and pursuant to SEBI's Circular no CIR/CFD/DIL/5/2013 dated February 4, 2013, and SEBI's Circular no CIR/CFD/DIL/8/2013 dated May 21, 2013, Mr. Sunil Agarwal - Chairman & Managing Director, Mr. Rahimullah – Whole Time Director and Mr. Brahm Prakash, Company Secretary, be and are hereby authorised jointly or severally to do all such acts or deeds or things as may be required for the entire postal ballot and e-voting process and to finalise the notices and the necessary explanatory statement to be annexed to the Postal Ballot Notice to be mailed to the shareholders of the Company for seeking their approval for the aforesaid Scheme."

**"RESOLVED FURTHER THAT** the Company Secretary, be and is hereby authorized to issue the notice of postal ballot to the shareholders of the Company."

**"RESOLVED FURTHER THAT** Mr. B.K. Sharma , having obtained his prior consent for the same, be and is hereby appointed as Scrutinizer for conducting the Postal Ballot and

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e-voting process in a fair and transparent manner as prescribed in Section 108 and 110 of Companies Act, 2013 read with rules made thereunder."

**"RESOLVED FURTHER THAT** the draft undertaking as tabled regarding non-applicability of para 5.16 (a) of the Circular No. CIR/CFD/DIL/5/2013 (the "Circular") dated February 4, 2013 as amended by Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 to the Scheme of Reduction of Capital ("the Scheme"), be and is hereby approved."

**"RESOLVED FURTHER THAT** Mr. Sunil Agarwal, Chairman & Managing Director, Mr. Rahimullah, Whole Time Director and Mr. Brahm Prakash, Company Secretary, be and are hereby severally or jointly authorised to sign, execute and submit such undertakings or other documents as may be necessary with the concerned authorities."

**"RESOLVED FURTHER THAT** the aforesaid undertaking as approved by the Board be placed for certification by the Statutory Auditors and thereafter be furnished to the concerned authorities."

**"RESOLVED FURTHER THAT** the draft Networth certificate given by the Statutory Auditors of the Company and tabled at the Board Meeting be and is hereby accepted and taken on record"

**"RESOLVED FURTHER THAT** the fairness opinion dated 24<sup>th</sup> July, 2015 given by M/s Tipsons Consultancy Services Pvt. Ltd., Merchant Banker and tabled at the board meeting, be and is hereby accepted and taken on record"

**"RESOLVED FURTHER THAT** that draft certificate regarding non-applicability of para 5.16 (a) of the Circular No. CIR/CFD/DIL/5/2013 (the "Circular") dated February 4, 2013 as amended by Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 for obtaining shareholders approval, to be issued by statutory Auditors of the Company, be and is hereby noted and taken on record."

**"RESOLVED FURTHER THAT** a certified copy of the Resolution be communicated to the concerned authorities and remain in force until notice in writing, cancelling or modifying the same is given to the said authorities."

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Vaibhav Global Limited



Brahm Prakash  
Company Secretary

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# VAIBHAV GLOBAL LIMITED

(Formerly Known As Vaibhav Gems Limited)

CIN : L36911RJ1989PLC004945

## Report of the Audit Committee

### Members :

Mr. Surendra Singh Bhandari- Chairman  
Mr. Pashupati Nath Bhandari- Member  
Mr. Mahendra Kumar Doogar- Member  
Mr. Nirmal Kumar Bardiya- Member

### 1. Background

The Board of Directors of Vaibhav Global Limited ("Company") is considering to undertake a Scheme of Reduction of Capital ("Scheme") under Sections 100-104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 between the Company and its shareholders and creditors.

The Draft Scheme of Reduction of Capital was placed before the Audit Committee, for recommending the same to the Board of Directors as required by SEBI vide its circular no. CIR/CFD/DIL/5/2013("Circular") dated February 4, 2013.

In view of the above Circular, Members of the Audit Committee of the Company discussed and approved the draft scheme vide a resolution passed in the meeting dated 28<sup>th</sup> July, 2015 and have made this report in compliance with the aforesaid Circular, after perusing the following necessary documents:

- Draft Scheme;
- Annual Report for the financial year 2014-2015;
- Draft certificate obtained from the Statutory Auditors of the Company on the accounting treatment prescribed in the Scheme; and
- Draft net worth certificate, pre and post Scheme, obtained from the Statutory Auditors of the Company.

No valuation report is required for undertaking the proposed Scheme as the Scheme is being undertaken for setting off the accumulated losses by reducing the amount standing to the credit of the Securities Premium Account as on 31<sup>st</sup> March, 2015 to give a true and fair view of the financial statements of the Company and as such no share swap arrangement is contemplated in the draft scheme.



E-69, EPIP, Sitapura, Jaipur - 302 022, India • Ph.: 91-141-277 1948/49 FAX : 91-141- 277 0510

## **2. Transaction proposed in the Scheme and the rationale thereof**

2.1 The Company has accumulated losses of Rs. 2,642,718,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only) shown in the Surplus/(Deficit) head of Reserves & Surplus of the Company as on 31<sup>st</sup> March, 2015. The Company's Reserves and Surplus for the FY 2014-2015 includes an amount of Rs. 5,897,228,735/- (Rupees Five hundred and eighty nine crore seventy two lacs twenty eight thousand seven hundred thirty five only) standing to the credit of Securities Premium Account. The Audit Committee noted that the Company proposes to set off such Accumulated Losses by reducing the amount standing to the credit of the Securities Premium Account as on 31<sup>st</sup> March, 2015 and consequently, leaving a balance of Rs. 3,254,510,226/- (Rupees three hundred twenty five crore forty five lacs ten thousand two hundred twenty six only) in the Securities Premium Account.

2.2 The Scheme of Reduction of Capital does not require any shareholders, bankers, creditors, direct or indirect taxes authorities or any third party to make any compromise or sacrifice with respect to their claims against the Company and hence, does not impact their interests.

2.3 The Scheme as presented by the Company would result in-

- i. Right sizing its Balance Sheet.
- ii. Write-off the Accumulated Losses, enabling the Company to declare dividends.
- iii. True and fair Balance Sheet position.

## **3. Recommendations of the Audit Committee**

Having considered the facts and rationale mentioned in the Scheme, the Audit Committee has approved the Draft Scheme for review and consideration by the Board of Directors of the Company.

**For and on behalf of the  
Audit Committee of Vaibhav Global Limited**



**P.N Bhandari**

**Member**

**DIN: 00355178**

**Date : 28<sup>th</sup> July, 2015**

**Place: Jaipur**



# Tip Sons

July 24, 2015

The Board of Directors  
Vaibhav Global Limited  
K- 6B, Adarsh Nagar,  
Fateh Tiba,  
Jaipur – 302 004 (Rajasthan)

Dear Sirs / Madam,

**Subject: Fairness Opinion on the Scheme of Reduction of Capital of Vaibhav Global Limited ("Company" / "VGL") (formerly known as "Vaibhav Gems Limited") under Sections 78, 100 to 104 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013**

We refer to the engagement letter dated July 23, 2015 with Tipsons Consultancy Services Private Limited (hereinafter referred to as "Tipsons"), wherein VGL has requested Tipsons to provide fairness opinion on the Scheme of Reduction of Capital of VGL

## 1. BACKGROUND OF THE COMPANY

### Vaibhav Global Limited

Vaibhav Global Limited (formerly known as "Vaibhav Gems Limited" and hereinafter referred to as "VGL" or "Company"), was incorporated under the Companies Act, 1956 on 8th May 1989. The Corporate Identification Number of the Company ("CIN") is L36911RJ1989PLC004945. The Registered Office of the Company is situated at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur – 302 004, Rajasthan, India. The Company's shares are listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and the Global Depository Receipts ("GDRs") of the Company are listed on Luxembourg Stock Exchange.

The Company is an integrated electronic retailer of fashion jewellery and lifestyle accessories in US, Canada, UK and Republic of Ireland. It is also engaged in wholesale distribution through STS Jewels, which serves various retail chains in US and UK.

## 2. SCOPE AND PURPOSE OF THIS REPORT

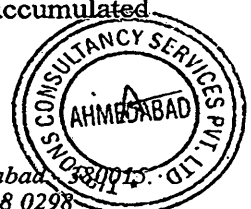
- We understand that the Board of Directors of VGL proposes to set-off the accumulated losses shown in the surplus/(deficit) head of Reserves & Surplus of the Company as on 31<sup>st</sup> March, 2015 by way of Scheme of Reduction of Capital under Sections 78, 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 wherein the balance available in Securities Premium Account would be utilized / adjusted against the accumulated losses.

**Tipsons Consultancy Services Pvt. Ltd.**

(CIN - U74140GJ2010PTC062799)

(MERCHANT BANKER, SEBI Regn. No. INM000011849)

Regd. Office : 401, Sheraton House, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad  
Website : www.tipsons.com Phone : 079 - 3000 2004, 3042 7790, 3048 0295 Fax : 079 - 3048 0298





## Tip Sons

- In this connection, the management of VGL has engaged Tipsons to submit a report on the fairness of the Scheme of Reduction of Capital as per requirements of Securities and Exchange Board of India Circular No. CIR / CFD / DIL / 5 / 2013 dated February 04, 2013 read with Circular No. CIR / CFD / DIL / 8 / 2013 dated May 21, 2013 and listing agreement entered by VGL with the BSE Limited and The National Stock Exchange of India Limited. Our scope of work includes commenting only on the fairness of the Scheme of Reduction of Capital.
- This report is subject to the above, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. This report has been issued only for the purpose of facilitating the Scheme of Reduction of Capital and should not be used for any other purpose.

### 3. SOURCE OF INFORMATION

We have relied on the following information for framing our opinion on the fairness of the Scheme of Reduction of Capital:

- Draft Scheme of Reduction of Capital;
- Audited Financials of VGL for the financial year 2014-15;
- Other relevant information

### 4. KEY FEATURES OF THE SCHEME

- The Company has accumulated losses of Rs.264,27,18,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only) as at March 31, 2015. The Company proposes to implement a Scheme for Capital Reduction under Sections 78, 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013.
- The Company's Reserves and Surplus for the FY 2014-15 includes an amount of Rs.589,72,28,735/- (Rupees Five hundred and eighty nine crore seventy two lacs twenty eight thousand seven hundred thirty five only) standing to the credit of Securities Premium Account.
- Thus, reduction of Securities Premium in the manner specified above would be deemed as reduction of share capital under the provisions of Section 52 of the Companies Act, 2013 (corresponding to Section 78 of the Companies Act, 1956) and such reduction is covered by provisions of Section 100 to 104 of the Companies Act, 1956. Accordingly, the present reduction of Securities Premium is being proposed under provisions of Section 52 of the Companies Act, 2013 (corresponding to Section 78 of the Companies Act, 1956) read with Sections 100 to 104 of the Companies Act, 1956.
- Upon the Scheme coming into effect, an amount of Rs. Rs. 264,27,18,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only) appearing as Debit Balance of Profit & Loss Account as on March 31, 2015 shall be adjusted and set off against Securities Premium Account of Rs. 589,72,28,735 (Rupees Five hundred and eighty nine crore seventy two lacs twenty eight thousand seven hundred thirty five only) as on March 31, 2015.

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## Tip Sons

- The adjustment/ set off, of the Securities Premium Account would not have any impact on the shareholding pattern, and the capital structure of the Company. The Scheme will be for the benefit of the Company and its shareholders, creditors and all concerned as a whole. The Scheme does not involve any cash outflow and therefore, would not affect the ability or liquidity of the Company to meet its obligations/commitments in normal course of business.
- For the purposes of clarity, the mechanism of the Scheme is explained below:

Name of Account - Balances as on March 31, 2015	Amount (in Rs)
Accumulated Losses in the Surplus/(Deficit) head of Reserves & Surplus	264,27,18,509/-
Amount available in the Securities Premium Account	589,72,28,735/-
Amount of Accumulated Losses being adjusted against the Securities Premium Account	264,27,18,509/-
Upon the Scheme coming into effect, the balance in the Securities Premium Account	325,45,10,226/-
Upon the scheme coming into effect, the Accumulated Losses shown in the Surplus/(Deficit) head of Reserves & Surplus Company	Nil

- The adjustment/ set off, of the Securities Premium Account shall be effected as an integral part of the Scheme itself and shall be deemed to be Reduction of Capital in accordance with the provisions of Sections 78 and 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013. The Scheme does not involve either the diminution of any liability in respect of the unpaid share capital or payment to any shareholder of any paid-up capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Companies Act, 1956 confirming the reduction.

### 5. LIMITATIONS OF SCOPE AND REVIEW

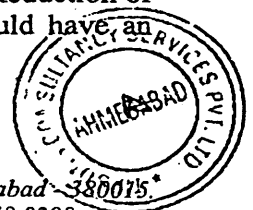
- Our opinion and analysis is limited to the extent of review of documents as provided to us by VGL and the Scheme of Reduction of Capital approved by the Board of Directors of VGL.
- We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to VGL. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of VGL. In particular, we do not express any opinion as to the value of any asset of VGL, its subsidiaries, whether at current prices or in the future.
- We do not express any opinion as to the price at which shares of VGL may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the Scheme of Reduction of Capital will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme of Reduction of Capital, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on VGL and its subsidiaries and respective shareholders.

**Tipsons Consultancy Services Pvt. Ltd.**

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## Tip Sons

- We do not express any opinion as to any tax or other consequences that might arise from the Scheme of Reduction of Capital of VGL, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Company has obtained such advice as it deemed necessary from qualified professionals.
- We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific as contemplated in the Scheme of Reduction of Capital provided to us and is not valid for any other purpose.
- Our engagement and the opinion expressed herein are for the use of the Board of Directors of VGL in connection with the consideration of the Scheme of Reduction of Capital and for none other. Neither Tipsons, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.
- Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme of Reduction of Capital, if required or any matter related thereto.

### 6. VALUATION REPORT

In the proposed Scheme of Reduction of Capital, the part of the amount of Securities Premium Account of the Company as on March 31, 2015 shall be utilized and adjusted against the accumulated losses standing in the balance of Profit & Loss of the Company as on March 31, 2015.

As per point 4.2 of SEBI Circular dated CIR/CFD/DIL/8/2013 dated May 21, 2013 to be read with SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013, 'Valuation Report from an Independent Chartered Accountant' need not be required in cases where there is no change in the shareholding pattern of the listed company.

Based on the above stated points and as informed to us, the Company has not obtained any Valuation Report from an Independent Chartered Accountant for Capital Reduction Scheme.

### 7. OPINION

On the basis of our Scope and Limitations mentioned in this report and considering the Rationale of the Scheme of Reduction of Capital, the Scheme of Vaibhav Global Limited, in our opinion is fair.

For, Tipsons Consultancy Services Pvt. Ltd.

  
Avinash Kothari  
Vice President

Ahmedabad  
July 24, 2015



**Tipsons Consultancy Services Pvt. Ltd.**

(CIN - U74140GJ2010PTC062799)

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**Vaibhav Global Limited**

CIN: L36911RJ1989PLC004945

Regd. Off. : K-6B , Fateh Tiba, Adarsh Nagar, Jaipur – 302004

Phone:91-141-2601020 Fax: 91-141-2605077

Email : investor\_relations@vaibhavglobal.com Website : www.vaibhavglobal.com

(1)(a) STATEMENT SHOWING SHAREHOLDING PATTERN IN CLAUSE-35			
NAME OF THE COMPANY:VAIBHAV GLOBAL LIMITED			
SCRIP CODE:	532156	VAIBHAVGBL	
Class of Security:	EQUITY		
QUARTER ENDED:	30/06/2015		
Partly paid-up shares	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the Company.
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
Total:	0	0	0
Outstanding convertible securities:	No. of outstanding securities	As a % of total no. of outstanding convertible securities.	As a % of total no. of shares of the Company assuming full conversion of the convertible securities
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
Total:	0	0	0
Warrants:	No. of warrants	As a % of total no. of warrants	As a % of total no. of shares of the Company, assuming full conversion of warrants
Held by promoter/promoter group	0	0	0
Held by Public	0	0	0
Total:	0	0	0
Total paid-up capital of the Company, assuming full conversion of warrants and convertible securities	32,404,521	0	100.00

17-07-2015

Table (I)(a)								
CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHARE HOLDERS	TOTAL NUMBER OF SHARES	NO OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS a PERCENTAGE of (A+B)	As A PERCENTAGE of (A+B+C)	NUMBER OF SHARES	AS A PERCENTAGE
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII)/(IV)*100
(A)	PROMOTER AND PROMOTER GROUP							
(1)	INDIAN							
(a)	Individual /HUF	5	3,927,013	3,927,013	13.80	12.12	-	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	5	8,344,124	8,344,124	29.32	25.75	254,332	3.05
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-
	Sub-Total A(1) :	10	12,271,137	12,271,137	43.13	37.87	254,332	2.07
(2)	FOREIGN							
(a)	Individuals (NRIs/Foreign Individuals)	3	37,206	37,206	0.13	0.11	28,140	75.63
(b)	Bodies Corporate	1	5,968,640	5,968,640	20.98	18.42	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-
	Sub-Total A(2) :	4	6,005,846	6,005,846	21.11	18.53	28,140	0.47
	Total A=A(1)+A(2)	14	18,276,983	18,276,983	64.23	56.40	282,472	1.55
(B)	PUBLIC SHAREHOLDING							
(1)	INSTITUTIONS							
(a)	Mutual Funds /UTI	1	152	152	0.00	0.00	-	-
(b)	Financial Institutions /Banks	2	1,881	1,881	0.01	0.01	-	-
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	41	6,172,752	6,172,752	21.69	19.05	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Others	-	-	-	-	-	-	-
	Sub-Total B(1) :	44	6,174,785	6,174,785	21.70	19.06	-	-

*B. D. H.*  
17-07-2015.

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHARE HOLDERS	TOTAL NUMBER OF SHARES	NO OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS a PERCENTAGE of (A+B)	As A PERCENTAGE of (A+B+C)	NUMBER OF SHARES	AS A PERCENTAGE
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII)/(IV)*100
(2)	<b>NON-INSTITUTIONS</b>							
(a)	Bodies Corporate	228	1,404,084	1,403,484	4.93	4.33	-	-
(b)	Individuals					-		
	(i) Individuals holding nominal share capital upto Rs. 1 lakh	4,286	823,470	785,127	2.89	2.54	-	-
	(ii) Individuals holding nominal share capital in excess of Rs. 1 lakh	25	1,016,144	1,016,144	3.57	3.14	-	-
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	Others						-	-
	CLEARING MEMBERS	33	15,550	15,550	0.05	0.05	-	-
	NON RESIDENT INDIANS	145	711,626	708,926	2.50	2.20	-	-
	TRUSTS	3	31,879	31,879	0.11	0.10	-	-
	<b>Sub-Total B(2) :</b>	<b>4,720</b>	<b>4,002,753</b>	<b>3,961,110</b>	<b>14.07</b>	<b>12.35</b>	<b>-</b>	<b>-</b>
	<b>Total B=B(1)+B(2) :</b>	<b>4,764</b>	<b>10,177,538</b>	<b>10,135,895</b>	<b>35.77</b>	<b>31.41</b>	<b>-</b>	<b>-</b>
	<b>Total (A+B) :</b>	<b>4,778</b>	<b>28,454,521</b>	<b>28,412,878</b>	<b>100.00</b>	<b>87.81</b>	<b>282,472</b>	<b>0.99</b>
(C)	<b>Shares held by custodians, against which Depository Receipts have been issued</b>							
(1)	Promoter and Promoter Group	1	3,950,000	3,950,000	-	12.19	-	-
(2)	Public	-	-	-	-	-	-	-
	<b>Total C=C(1)+C(2) :</b>	<b>1</b>	<b>3,950,000</b>	<b>3,950,000</b>	<b>-</b>	<b>12.19</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A+B+C) :</b>	<b>4,779</b>	<b>32,404,521</b>	<b>32,362,878</b>	<b>100.00</b>	<b>100.00</b>	<b>282,472</b>	<b>0.87</b>

Sr.No	Notes
1	Refer point no I(a)(B)(2)(d) which also includes 18,379 Equity Shares held by Vaibhav Global Employees Stock Option Welfare Trust.
2	Refer point no I(a)(C)(1), Sonymike's Holdings Limited, a Promoter Group Company and GDR Holder, has converted 3,00,000 (Three Lacs) Global Depository Receipts (GDRs) into 30,00,000 (Thirty Lacs) Equity Shares of Rs. 10 each of the Company on 23rd April, 2015.

PR

(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"											
Sr.No	Name of the Shareholder	Details of Shares held		Encumbered shares (*)			Details of Warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held	As a % of grand total (A)+(B)+(C)	Pledge Shares	AS a percentage	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III)*100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	SHIVRAM GLOBAL PRIVATE LIMITED	5,311,865	16.39	-	-	-	-	-	-	-	16.39
2	SONYMIKE'S HOLDINGS LTD	5,968,640	18.42	-	-	-	-	-	-	-	18.42
3	BRETT PLASTICS PVT LTD	2,854,516	8.81	254,332	8.91	0.78	-	-	-	-	8.81
4	NIRMAL KUMAR BARDIYA	1,791,628	5.53	-	-	-	-	-	-	-	5.53
5	RAHIMULLAH	1,311,500	4.05	-	-	-	-	-	-	-	4.05
6	DEEPTI AGRAWAL	636,854	1.97	-	-	-	-	-	-	-	1.97
7	KUSUM BARDIYA	165,205	0.51	-	-	-	-	-	-	-	0.51
8	KRISHKIN IMPEX PRIVATE LIMITED	65,000	0.20	-	-	-	-	-	-	-	0.20
9	REENGUS EXIM PRIVATE LIMITED	63,100	0.19	-	-	-	-	-	-	-	0.19
10	STP EXIM PRIVATE LIMITED	49,643	0.15	-	-	-	-	-	-	-	0.15
11	SUNIL AGRAWAL	28,140	0.09	28,140	100.00	0.09	-	-	-	-	0.09
12	SHEELA AGARWAL	21,826	0.07	-	-	-	-	-	-	-	0.07
13	SANJEEV AGRAWAL	8,320	0.03	-	-	-	-	-	-	-	0.03
14	NEIL AGRAWAL	746	0.00	-	-	-	-	-	-	-	0.00
TOTAL :		18,276,983	56.40	282,472	1.55	0.87	-	-	-	-	56.40

(l)(c)(i) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares								
Sr.No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares (i.e., Grant total (A)+(B)+(C) indicated in Statement at para (l)(a) above)	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	NALANDA INDIA FUND LIMITED	4,110,600	12.69	-	-	-	-	12.69
2	MATTHEWS INDIA FUND	500,000	1.54	-	-	-	-	1.54
3	PANYAEK JAINKIJMANEE	421,137	1.30	-	-	-	-	1.30
	<b>TOTAL :</b>	<b>5,031,737</b>	<b>15.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.53</b>

(l)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company								
Sr.No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares (i.e., Grant total (A)+(B)+(C) indicated in Statement at para (l)(a) above)	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	NALANDA INDIA FUND LIMITED	4,110,600	12.69	-	-	-	-	12.69
	<b>TOTAL :</b>	<b>4,110,600</b>	<b>12.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.69</b>

(l)(d) STATEMENT SHOWING DETAILS OF LOCKED-IN SHARES"				
Sr.No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a (%) percentage of total number of shares (i.e, Grand Total (A)+(B)+(C) Indicated in Statement at para (l)(a) above)	Promoter/Promoter Group/Public
	<b>TOTAL :</b>	<b>0</b>	<b>0</b>	

2

(II)(a) STATEMENT SHOWING DETAILS OF DEPOSITORY RECEIPTS (DRS)				
Sr.No.	Type of outstanding DR (ADRs,GDRs,SDRs,etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at Para(I)(a) above}
1	Global Depository Receipts (GDRs)	395,000	3,950,000	12.19
TOTAL :		395,000	3,950,000	12.19

(II)(b) Statement showing Holding of Depository Receipts (DRs), where underlying shares held by "Promoter/Promoter group" are in excess of 1% of the total number shares.				
Sr.No.	Name of the DR Holder	Type of outstanding DR (ADRs,GDRs,SDRs,etc .)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para(I)(a) above}
1	Sonymike's Holdings Ltd.	GDRs	3,950,000	12.19
TOTAL :			3,950,000	12.19

18



(III)(a) Statement showing the voting pattern of shareholders, if more than one class of shares/securities is issued by the issuer.

(Give description of voting rights for each class of security

Class X:

Class Y:

Class Z:)

(NA)

Category	Category of shareholder	Number of Voting Rights held in each class of securities			Total Voting Rights (III+IV+V)	Total Voting rights i.e. (VI)	
		Class X	Class Y	Class Z		As a percentage of (A+B)	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
(A)	Promoter and Promoter Group	NA					
(1)	Indian						
(a)	Individuals/ Hindu Undivided Family						
(b)	Central Government/ State Government(s)						
(c)	Bodies Corporate						
(d)	Financial Institutions/ Banks						
(e)	Any Other (specify)						
	Sub-Total (A)(1)						
(2)	Foreign						
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)						
(b)	Bodies Corporate						
(c)	Institutions						
(d)	Any Other (specify)						
	Sub-Total (A)(2)						
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)						
(B)	Public shareholding						
(1)	Institutions						
(a)	Mutual Funds/ UTI						
(b)	Financial Institutions/ Banks						



Category	Category of shareholder	Number of Voting Rights held in each class of securities			Total Voting Rights (III+IV+V)	Total Voting rights i.e. (VI)	
		Class X	Class Y	Class Z		As a percentage of (A+B)	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
(c)	Central Government/ State Government(s)	NA					
(d)	Venture Capital Funds						
(e)	Insurance Companies						
(f)	Foreign Institutional Investors						
(g)	Foreign Venture Capital Investors						
(h)	Any Other (specify)						
	<b>Sub-Total (B)(1)</b>						
(2)	<b>Non-institutions</b>						
(a)	Bodies Corporate						
(b)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 1 lakh. ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.						
(c)	Any Other (specify)						
	<b>Sub-Total (B)(2)</b>						
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>						
	<b>TOTAL (A)+(B)</b>						
(C)	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>						
	<b>GRAND TOTAL (A)+(B)+(C)</b>						



# VAIBHAV GLOBAL LIMITED

(Formerly Known As Vaibhav Gems Limited)

CIN : L36911RJ1989PLC004945

The financial details of Vaibhav Global Limited for the previous 3 years as per the audited statement of Accounts as on 31<sup>st</sup> March 2015:

**Name of the Company: Vaibhav Global Limited**

(Rs. in crores)

Particulars	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2014-15	2013-14	2012-13
Equity Paid up Capital	32.38	32.17	32.06
Reserves and Surplus	421.18	401.68	357.26
Carry forward losses	0	0	0
Net Worth	414.79	392.98	342.75
Miscellaneous Expenditure	0	0	0
Secured Loans	59.49	98.44	103.59
Unsecured Loans	0	2.10	9.60
Fixed Assets	24.72	17.58	16.14
Income from Operations	403.78	348.27	249.12
Total Income	415.82	379.41	257.49
Total Expenditure	376.07	329.51	240.08
Profit before Tax	39.75	53.29	26.39
Profit after Tax	29.97	53.16	26.38
Cash profit	35.56	55.62	28.57
Earnings Per Share (Diluted)	9.22	16.39	8.08

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**For Vaibhav Global Limited**

**Brahm Prakash**  
**Company Secretary**



# VAIBHAV GLOBAL LIMITED

CIN : L36911RJ1989PLC004945

Annexure XI

## Quarterly Compliance Report on Corporate Governance

Name of the Company: Vaibhav Global Limited

Quarter ending on: 30<sup>th</sup> June, 2015

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>II Board of Directors</b>	49 (II)		
(A) Composition of Board	49(IIA)	Yes	
(B) Independent Director	49(II B)	Yes	Sub-clause 5(b) for criteria of performance evaluation and 7(b) with respect to web link of familiarization programme for Independent Directors has been complied in the Annual Report 2014-15.
(C) Non-executive Directors' compensation & disclosures	49 (II C)	Yes	
(D) Other provisions as to Board and Committees	49 (II D)	Yes	
(E) Code of Conduct	49 (II E)	Yes	A declaration with respect to sub - clause (2) has been complied in the Annual Report 2014-15.
(F) Whistle Blower Policy	49(II F)	Yes	The details of policy with respect to sub-clause (3) have been complied in Board's Report which forms a part of Annual Report 2014-15.
<b>III. Audit Committee</b>	49 (III)		
(A) Qualified & Independent Audit Committee	49 (III A)	Yes	
(B) Meeting of Audit Committee	49 (III B)	Yes	
(C) Powers of Audit Committee	49 (III C)	Yes	
(D) Role of Audit Committee	49 (III D)	Yes	
(E) Review of Information by Audit Committee	49 (III E)	Yes	
<b>IV. Nomination and Remuneration Committee</b>	49(IV)	Yes	The remuneration policy with respect to sub-clause B(4) has been complied in the Annual Report 2014-15.



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<b>V. Subsidiary Companies</b>	49 (V)	Yes	Sub clause (A) is not applicable and details as required by sub – clause (d) with respect to web link has been complied in Annual Report 2014 – 15.
<b>VI. Risk Management</b>	49(VI)	Yes	Sub-clause (C), (D) and (E) are not applicable.
<b>VII. Related Party Transaction</b>	49(VII)	Yes	
<b>VIII. Disclosures</b>	49 (VIII)		
(A) Related Party Transactions	49 (VIIIA)	Yes	Sub-clause (2) with respect to web link has been complied in the Annual Report 2014-15.
(B) Disclosure of Accounting Treatment	49 (VIIIB)	N. A.	The financial statements have no different treatment from Accounting Standards.
(C) Remuneration of Directors	49 (VIIIC)	Yes	Has been complied in the Annual Report 2014-15.
(D) Management	49 (VIIID)	Yes	Sub-clause (1) has been complied in the Annual Report 2014-15.
(E) Shareholders	49 (VIIIE)	Yes	Sub-clause (1) and (2) has been complied in the Annual Report 2014-15.
(F) Proceeds from public issues, rights issues, preferential issues etc	49 (IIIF)	NA	
<b>IX. CEO/CFO Certification</b>	49 (IX)	Yes	Has been complied in the Annual Report 2014-15.
<b>X. Report on Corporate Governance</b>	49 (X)	Yes	Sub-clause (A) has been complied in the Annual Report 2014-15.
<b>XI. Compliance</b>	49 (XI)	Yes	Has been complied in the Annual Report 2014-15.

For Vaibhav Global Limited



**Brahm Prakash**  
Company Secretary and Compliance Officer

Date: 14-07-2015

Place: Jaipur



# VAIBHAV GLOBAL LIMITED

(Formerly Known As Vaibhav Gems Limited)

CIN : L36911RJ1989PLC004945

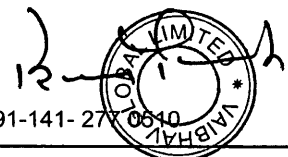
Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Reduction of Capital**

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013	Whether Complied or not & How
1.	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.	Yes
<b>Compliance as per Part A, Annexure I to the Circular</b>		
2.	Documents to be submitted:	
2.a	Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.	Yes ANNEXURE 1
2.b	Valuation Report from Independent Chartered Accountant	N.A
2.c	Report from the Audit Committee recommending the Draft Scheme	Yes ANNEXURE 3
2.d	Fairness opinion by merchant banker	Yes ANNEXURE 4
2.e	Pre and post amalgamation shareholding pattern of unlisted company	Yes ANNEXURE 5
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	N.A
2.g	Compliance with Clause 49 of Listing Agreement	YES ANNEXURE 7
2.h	Complaints Report	
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under	N.A

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	Section 391-394 of the Companies Act, 1956	
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	N.A
5.	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	N.A
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	N.A
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	N.A

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Date : 3<sup>rd</sup> August, 2015

  
 Company Secretary



CERTIFICATE

We, the statutory auditors of Vaibhav Global Limited (hereinafter referred to as 'the Company'), having its registered office at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004, Rajasthan, India, have been requested by the Company vide mandate letter dated July 28, 2015 to certify the undertaking by the Board of Directors of the Company stating the reasons for non applicability of Paragraph 5.16(a) (hereinafter referred to as 'the Undertaking') of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (hereinafter referred to as 'the Circular') in connection with the Scheme of Reduction of Capital of the Company (hereinafter referred to as 'the Scheme'). This certificate is to be submitted to the Stock Exchange/s for the approval of the Scheme.

The compliance with the requirements of the Circular is the responsibility of the Company's management. Our responsibility is to examine the Scheme and certify whether the requirements in Paragraph 5.16(a) as set out in the Undertaking are applicable to the Scheme.

The following documents have been furnished by the Company:

- 1) Copy of the Scheme certified by the Management
- 2) Copy of the undertaking by the Board stating the reasons for non applicability of Paragraph 5.16(a) of the Circular
- 3) Copy of resolution of the Board dated July 28, 2015 approving the undertaking.

We have read the Scheme and verified the undertaking with respect to the reasons stated therein for non applicability of the requirements of Paragraph 5.16(a) of the Circular.

We have performed the above-mentioned procedure, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.





Based on the procedure performed as stated above and according to the information and explanations provided to us by the Company, we certify that, to the best of our knowledge, the requirements in Paragraph 5.16(a) of the Circular as set out in the Undertaking are not applicable to the Scheme.

This certificate is issued solely for the purpose of onward submission to the Stock Exchange/s. This certificate may not be useful for any other purpose. Haribhakti & Co. LLP and B. Khosla & Co. shall not be liable to the Company, Stock Exchange/s or to any other concerned, for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For Haribhakti & Co. LLP  
Chartered Accountants  
FRN No. 103523W

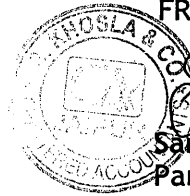
  
Chetan Desai  
Partner  
Membership No. 17000



Place: Mumbai  
Date : July 29, 2015

For B. Khosla & Co.  
Chartered Accountants  
FRN No. 000205C

  
Sandeep Mundra  
Partner  
Membership No. 75482



Place: Jaipur  
Date : July 29, 2015



# VAIBHAV GLOBAL LIMITED

(Formerly Known As Vaibhav Gems Limited)

CIN : L36911RJ1989PLC004945

To,  
The Secretary,  
National Stock Exchange of India Ltd,  
"Exchange Plaza",  
Bandra Kurla Complex,  
Bandra, Mumbai-400051

To,  
The Secretary,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001

Dear Sir,

## UNDERTAKING

The Board of Directors of the Company at its meeting held on July 28, 2015, approved a Scheme of Reduction of Capital under the provisions of Sections 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013. The Scheme provides for setting off of the Accumulated Losses appearing in the Surplus/Deficit head of Reserves and Surplus of the Company as on 31<sup>st</sup> March, 2015 against the balance available in the Securities Premium Account as on that date, subject to the approval of the shareholders, statutory authorities, Hon'ble High Court and other concerned authorities. The Appointed Date has been fixed as April 1, 2015.

As required by SEBI'S Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular CIR/CFD/DIL/8/2013 dated May 21, 2013 (hereinafter collectively referred to as the "Circular") the requirement of voting by public shareholders through postal ballot and e-voting is not applicable to the Scheme owing to the following reasons:

- a) In respect of Clause (i) of para 5.16 (a) of the Circular, the Scheme does not involve additional shares to be allotted to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the Company.

Therefore Clause (i) of Para 5.16 (a) of the Circular is not applicable to the Scheme.

- b) In respect of Clause (ii) of Para 5.16 (a) of the Circular, the Scheme does not involve any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group.

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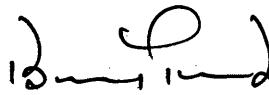
Therefore, Clause (ii) of Para 5.16 (a) of the Circular is not applicable to the Scheme.

- c) In respect of Clause (iii) of Para 5.16 (a) of the Circular, the Scheme does not involve any acquisition of equity shares by the Company, of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the Company, and the Subsidiary is not being merged with the Company under the Scheme.

Therefore, Clause (iii) of Para 5.16 (a) of the circular is not applicable to the Scheme.

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**For Vaibhav Global Limited**



**Brahm Prakash**  
**Company Secretary**



**Date: 28<sup>th</sup> July, 2015**

**Place: Jaipur**



# VAIBHAV GLOBAL LIMITED

(Formerly Known As Vaibhav Gems Limited)

CIN : L36911RJ1989PLC004945

## Brief details of Vaibhav Global Limited

Particulars	
Name of the Company	Vaibhav Global Limited
Date of Incorporation & details of name changes, if any	<p>Vaibhav Global Limited was incorporated on 8<sup>th</sup> May, 1989 under the name Vaibhav Gems Limited.</p> <p>The name of the company was changed to Vaibhav Global Limited on 29<sup>th</sup> November, 2012</p>
Registered Office	K- 6B, Adarsh Nagar, Fateh Tiba ,Jaipur, Rajasthan-302004
Brief particulars of the scheme	<p>The management of the Company proposes to write-off the Accumulated Losses appearing in the Surplus / (Deficit) head of Reserves &amp; Surplus of the Company amounting to Rs. 264,27,18,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only), by reducing the amount standing to the credit of the Securities Premium account from Rs. 589,72,28,735/- (Rupees Five hundred and eighty nine crore seventy two lacs twenty eight thousand seven hundred thirty five only) to Rs. 325,45,10,226/- (Rupees Three Hundred twenty five crore forty five lacs ten thousand two hundred twenty six only)</p>
Rationale for the scheme	<p>The Company's Reserves and Surplus include an amount of Rs. 589,72,28,735/- (Rupees Five hundred and eighty nine crore seventy two lacs twenty eight thousand seven hundred thirty five only) standing to the credit of Securities Premium account. At the same time, the Company also has Accumulated Losses amounting to Rs. 264,27,18,509/- (Rupees Two hundred and sixty four crore twenty seven lacs eighteen thousand five hundred nine only) appearing in the Surplus / (Deficit) head of Reserves &amp; Surplus of the Company as on 31<sup>st</sup> March 2015 .As per the provisions of section 52 of the Companies Act,2013, the balance in Securities Premium account can only be utilized for purposes specified therein and any utilisation of Securities Premium account for other purpose would be construed as reduction of capital and the provisions of sections 100 to 104 of the Companies Act,1956 will be applicable. Thus, the management of the Company proposes to write-off such Accumulated Losses by reducing the amount standing to the credit of the Securities Premium account as on 31<sup>st</sup> March 2015, to give a true and fair view of the financial statements of the Company.</p> <p>In consideration of the above mentioned rationale, this reduction of capital (Securities Premium account) of VGL is being proposed."</p>

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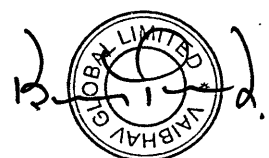
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Date of resolution passed by the Board of Director of the company approving the scheme	Resolution passed in the Board meeting held on 28 <sup>th</sup> July, 2015
Date of meeting of the Audit Committee in which the draft scheme has been approved	28 <sup>th</sup> July, 2015
Appointed Date	1 <sup>st</sup> April 2015
Name of Exchanges where securities of the company are listed	BSE Limited, National Stock Exchange of India Limited and the Global Depository Receipts ("GDRs") of the Company are listed on Luxembourg Stock Exchange.
Nature of Business	The Company is an integrated electronic retailer of fashion jewellery and lifestyle accessories in US, Canada, UK and Republic of Ireland. It is also engaged in wholesale distribution through STS Jewels, which serves various retail chains in US and UK.
Capital before the Reduction of Capital	Subscribed and paid up share capital as on 30 <sup>th</sup> June 2015 is 3,24,04,521 Equity Shares of Rs.10/- each amounting to Rs. 32,40,45,210/-
No. of shares to be issued	N.A.
Cancellation of shares on account of cross holding, if any	N.A.
Capital after the scheme	There will be no change in the Capital pursuant to the Reduction of Capital
Net Worth :	
Pre	Rs.4,147,959,542/-
Post	Rs. 4,147,959,542/-
Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.	N.A.
Methods of valuation	N.A.
Fair value per shares	N.A.
Exchange ratio	N.A.
Name of Merchant Banker giving fairness opinion	M/s Tipsons Consultancy Services Pvt. Ltd.

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Shareholding Pattern (Pre)	No. of Shares	% of holding
Promoter	1,82,76,983	56.40%
Public	1,01,77,538	31.41%
Custodian ( Shares held underlying GDRs	39,50,000	12.19%
TOTAL	3,24,04,521	100%
No of shareholders (as on 30 <sup>th</sup> June 2015)	4,779	
Shareholding Pattern (Post)	There will be no change in the Shareholding pattern pursuant to the reduction of capital	
Names of the Promoters	<ol style="list-style-type: none"> <li>1. Shivram Global Pvt Ltd</li> <li>2. Sonymike's Holdings Ltd</li> <li>3. Brett Plastics Pvt Ltd</li> <li>4. Nirmal Kumar Bardiya</li> <li>5. Rahimullah</li> <li>6. Deepti Agrawal</li> <li>7. Kusum Bardiya</li> <li>8. Krishkin Impex Pvt Ltd</li> <li>9. Reengus Exim Pvt Ltd</li> <li>10. STP Exim Pvt Ltd</li> <li>11. Sunil Agrawal</li> <li>12. Sheela Agarwal</li> <li>13. Sanjeev Agrawal</li> <li>14. Neil Agrawal</li> </ol>	
Names of the Directors	<ol style="list-style-type: none"> <li>1. Sunil Agrawal</li> <li>2. Rahimullah</li> <li>3. P. N. Bhandari</li> <li>4. Surendra Singh Bhandari</li> <li>5. Nirmal Kumar Bardiya</li> <li>6. Sheela Agarwal</li> <li>7. Vikram Kaushik</li> <li>8. Pulak Chandan Prasad</li> <li>9. Mahendra Kumar Doogar</li> <li>10. Santiago Roces Moran</li> <li>11. Hemant Sultania</li> </ol>	
Details regarding change in management control if any	There will be no change in Management Control.	

For Vaibhav Global Limited **Certified True Copy**

**Brahm Prakash**  
Company Secretary



**CERTIFICATE**

We have been requested by Vaibhav Global Limited ("the Company"), having its registered office at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004, Rajasthan, India, vide mandate letter dated July 28<sup>th</sup>, 2015, to certify the pre reduction and post reduction Net worth of the Company as at March 31<sup>st</sup>, 2015 for the purpose of onward submission to the stock exchange/s for the proposed scheme of reduction of Capital of the Company in accordance with Sec 101 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act 2013.

We have audited the books of account of the Company for the year ending March 31, 2015 and issued our audit report dated May 21<sup>st</sup>, 2015.

The Compliance with the scheme of reduction of Capital is the responsibility of the Company's management.

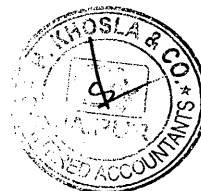
The following documents have been furnished by the Company:

1. Scheme of Reduction of Capital of the Company as approved by the Board of Directors;
2. Audited Financial Statements certified by the Management for the year ended March 31<sup>st</sup>, 2015; and
3. Computation of pre reduction and post reduction Net worth as at March 31<sup>st</sup>, 2015 as disclosed in Annexure 1.

We have performed the following procedure:-

'Verified the Computation of pre reduction and post reduction Net worth disclosed in Annexure 1 with the Audited Financial Statements for the year ended March 31<sup>st</sup>, 2015 and the Scheme of Reduction of Capital.

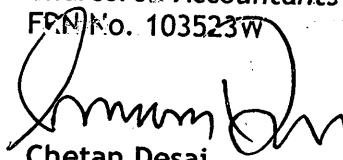
We have performed the above-mentioned procedures, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.



Based on the procedures performed by us as stated above, and according to the information, explanations provided to us we certify that the pre reduction and post reduction "Net Worth" of the Company as at March 31<sup>st</sup>, 2015 is Rs. 4,147,959,542 (refer 'Annexure 1').

This certificate is solely for the purpose of onward submission to the Stock Exchange/s. This Certificate may not be useful for any other purpose. Haribhakti & Co. LLP & B. Khosla & Co. shall not be liable to the Company, or to any other concerned, for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

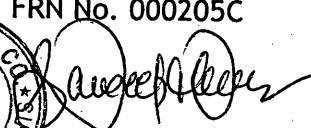
For Haribhakti & Co. LLP  
Chartered Accountants  
FRN No. 103523W

  
Chetan Desai  
Partner  
Membership No. 17000



Place: Mumbai  
Date : July 29, 2015

For B. Khosla & Co.  
Chartered Accountants  
FRN No. 000205C

  
Sandeep Mundra  
Partner  
Membership No. 75482



Place: Jaipur  
Date : July 29, 2015



# Annexure 1

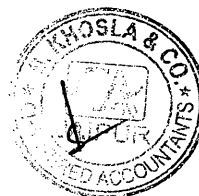
Vaibhav Global Limited

Net worth as on 31st March, 2015

Particulars		Pre reduction	Post reduction
		Amount in Rs.	Amount in Rs.
Share Capital			
Equity Share Capital	A	323,802,060	323,802,060
Reserves and Surplus :			
Capital Redemption Reserve		440,000,000	440,000,000
Securities Premium Account		5,897,228,735	3,254,510,226
General Reserve		129,647,256	129,647,256
Surplus / (Deficit)		(2,642,718,509)	-
	B	3,824,157,482	3,824,157,482
Net worth	A+B	4,147,959,542	4,147,959,542

## Note for Equity Share Capital:

Particulars		Pre reduction	Post reduction
		Amount in Rs.	Amount in Rs.
Equity Share Capital as per ROC record		324,023,830	324,023,830
Less: Equity Shares held by VGL ESOP welfare Trust		221,770	221,770
Equity Share Capital taken for Net worth		323,802,060	323,802,060





# VAIBHAV GLOBAL LIMITED

(Formerly Known As Vaibhav Gems Limited)

CIN : L36911RJ1989PLC004945

To,

**The General Manager,**  
Department of Corporate Services,  
**BSE Limited,**  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

Dear Sir,

**Sub: Application under Clause 24(f) of the listing agreement for the proposed Reduction of Capital**

In connection with the above application, we hereby confirm that:

- a) The proposed Scheme of Reduction of Capital does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions as explained in clause 24(f) of the Listing agreement or the requirements of BSE Limited.
- b) In the explanatory statement to be forwarded by the Company to the shareholders accompanying a proposed resolution to be passed u/s 100 of the Companies Act, 1956, it shall disclose:
  - i) the pre and post-reduction of capital, capital structure and shareholding pattern
  - ii) the "fairness opinion" obtained from an Independent merchant banker
  - iii) The Complaint report
  - iv) The observation letter issued by the stock exchange (s)

All the relevant documents mentioned in SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, have been disseminated on Company's website as per link given hereunder :  
[www.vaibhavglobal.com](http://www.vaibhavglobal.com)

- c) The Company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
- d) The Company shall obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting. Further, the Company shall proceed with the draft scheme only if the votes cast by the shareholders in favor of the proposal are more than 3/4<sup>th</sup> the total number of votes cast by the shareholders.

**Certified True Copy**



- e) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.

Date : 3<sup>rd</sup> August, 2015

**Certified True Copy**

  
**Brahm Prakash**  
**Company Secretary**



To,  
The Board of Directors,  
Vaibhav Global Limited,  
K-6B, Fateh Tiba,  
Adarsh Nagar, Jaipur.

We, the statutory auditors of Vaibhav Global Limited (hereinafter referred to as 'the Company'), having its registered office at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004, Rajasthan, India, have examined the proposed accounting treatment specified in clause 12 of part C of the Draft Scheme of Reduction of Capital of the Company ('the Scheme') with reference to its compliance with the applicable Accounting Standards [Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles](hereinafter referred to as 'Accounting Standard').

The responsibility for the preparation of the draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Company.

Our responsibility is only to examine and report whether the Draft Scheme complies with applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information, explanations & written representation provided to us by the Company, we confirm that the accounting treatment as contained in Clause 12 of Part C of the Scheme is in compliance with Clause 24(i) of the Listing Agreement and all the applicable Accounting Standards/generally accepted accounting principles.



This certificate is issued at the request of the Company pursuant to the requirements of clause 24(i) of the Listing Agreements for onward submission to the National Stock Exchange and Bombay Stock Exchange. This certificate may not be used for any other purpose.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI FRN No. 103523W

  
Chetan Desai  
Partner  
Membership No. 17000



Place: Mumbai  
Date : July 29, 2015

For B. Khosla & Co.  
Chartered Accountants  
ICAI FRN No. 000205C

  
Sandeep Mundra  
Partner  
Membership No. 75482



Place: Jaipur  
Date : July 29, 2015