



VAIBHAV GLOBAL LIMITED

Registered Office: K-6B, FatehTiba, Adarsh Nagar, Jaipur – 302004
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CIN : L36911RJ1989PLC004945; Website: www.vaibhavglobal.com;
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POSTAL BALLOT NOTICE Pursuant to Section 110 of the Companies Act, 2013

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “Companies Act”) read with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended are proposed to be passed as Special Resolutions by way of postal ballot / e-voting. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts pertaining to the resolutions is annexed hereto along with a postal ballot form for your consideration.

The Board of Directors of the Company has appointed Mr. B.K. Sharma, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by physical postal ballot are requested to read the instructions carefully, printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope (postage will be borne and paid by the Company) so as to reach the Scrutinizer on or before the close of working hours i.e. 5:00 P.M. on Thursday, 29th September, 2016 failing which it will be considered that no reply has been received from the Member.

The Scrutinizer will submit his report to the Chairman or Company Secretary, after the completion of scrutiny of the postal ballots (including e-voting). The results will be declared by the Chairman or any Director or Company Secretary of the Company, at 12:00 P.M. on Friday, 30th September, 2016 at the registered office and will also be displayed on the websites of the Company i.e. www.vaibhavglobal.com, and Registrar and Share Transfer Agent i.e. <https://evoting.karvy.com> besides being communicated to the Stock Exchanges.

Resolution:

1. Approval for creating new Stock Options under VGL ESOP (As Amended) – 2006

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

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 and rules made there under, the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (“SEBI Regulations”) and other rules, regulations, circulars and guidelines of any statutory / regulatory authority (ies) that are or may become applicable including any statutory modifications, amendments or re-enactments thereof (collectively referred herein as the “Applicable Laws”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include the Nomination, Remuneration and Compensation Committee), the approval and consent of the Members be and is hereby accorded to the Board to create, offer, issue and allot at any time additional 5,00,000 (Five Lac only) Stock Options convertible into 5,00,000 (Five Lac only) Equity Shares of Rs. 10/- each, to the benefit of such person(s) who are in permanent employment of the Company, whether working in India or out of India including directors (other than promoters or promoter group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the applicable laws.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot Equity shares upon exercise of Stock Options from time to time in accordance with the “VGL ESOP (As Amended) - 2006” (hereinafter referred to as “ESOP Scheme”) and such Equity shares shall rank pari passu in all respects with the existing Equity Shares of the Company.”

“**RESOLVED FURTHER THAT** the Equity Shares may be allotted directly to such eligible employees / directors in accordance with the Scheme framed in that behalf through a trust in any permissible manner and that the Scheme may also envisage providing any financial assistance to the trust to enable the employees / trust to subscribe to the Securities of the Company offered under “ESOP Scheme”.

“**RESOLVED FURTHER THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, the number of shares to be allotted and the price of acquisition payable by the Option Grantees under the scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the securities, allotted under ESOP Scheme, on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Regulations with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may at its absolute discretion, deem necessary or desirable for such purpose and on behalf of the Company, to settle any question, difficulty or doubt that may arise in regard to such issue or offer, allocation, allotment and utilization of the proceeds and to make modifications, changes, variations, alterations or revisions in ESOP Scheme as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI Regulations, the Memorandum and Articles of Association of the Company and other Applicable Laws including any modifications, amendments and re-enactments thereof, without requiring the Board to secure any further approval(s) of the Members of the Company to the end and intent that they

shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Board in connection with the above and all incidental & ancillary things done are hereby specifically approved and ratified."

2. Approval for granting Stock Options to the eligible employees of Subsidiaries under VGL ESOP (As Amended) – 2006

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and rules made thereunder, the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (hereinafter referred to as "SEBI Regulations"), Foreign Exchange Management Regulations and other rules, regulations, circulars and guidelines of any statutory / regulatory authority(ies) that are or may become applicable including any statutory modifications, amendments or re-enactments thereof and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include the Nomination, Remuneration and Compensation Committee), the approval and consent of the Members be and is hereby accorded to the Board to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Subsidiary Companies, whether working in India or out of India including directors of the subsidiaries (other than promoters or promoter group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), out of the additional 5,00,000 (Five Lac only) Stock Options convertible into 5,00,000 (Five Lacs only) Equity Shares of Rs. 10/- each in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the applicable laws."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot Equity shares upon exercise of Stock Options from time to time in accordance with the "VGL ESOP (As Amended) - 2006" (hereinafter referred to as "ESOP Scheme") and such Equity shares shall rank pari passu in all respects with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the Equity Shares may be allotted directly to such eligible employees / directors or in accordance with the Scheme framed in that behalf through a trust in any permissible manner and that the Scheme may also envisage providing any financial assistance to the trust to enable the employees / trust to subscribe to the Securities of the Company offered under "ESOP Scheme".

"RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, the number of shares to be allotted and the price of acquisition payable by the Option Grantees under the scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities, allotted under ESOP Scheme, on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Regulations with the concerned Stock Exchanges and other applicable guidelines, rules and regulations and all actions taken by the Board in connection with the above and all incidental & ancillary things done are hereby specifically approved and ratified."

**By Order of the Board of Directors
For Vaibhav Global Limited**

**Date : 28th July, 2016
Place: Jaipur**

**Sd/-
Brahm Prakash
Company Secretary**

NOTES:

1. An Explanatory Statement pursuant to Section 102 read with Sections 2(65) and 110 of the Companies Act, 2013 setting out material facts and reasons for the proposed Special Resolutions is annexed hereto.
2. The Postal Ballot Notice is being sent to all the Members whose name appear in the Register of Members / List of Beneficial Owners received from National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") as on 19th August, 2016. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, subject to the provisions of Companies Act, 2013, as on the said date.
3. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a self-addressed Business Reply Envelope (postage will be borne and paid by the Company).
4. In compliance with Sections 108 and 110 of the Companies Act, 2013 and the Rules made there under, the Company has provided the facility to the Members to exercise their votes electronically on the resolutions through e-voting service facility arranged by Karvy Computershare Private Limited and business may be transacted through such voting. E-voting instructions are being enclosed separately.
5. The Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.
6. The Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
7. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an email to evoting@karvy.com.
8. A Member cannot exercise his vote by proxy on postal ballot.

9. The resolutions would be deemed to have been passed on Thursday, 29th September, 2016, if passed by requisite majority.

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

Item No. 1 & 2 :

In terms of the provisions of Section 62(1)(b) of the Companies Act, 2013 where at any time, a Company having share capital proposes to increase its subscribed capital by issue of further shares, such shares shall be offered, subject to Special Resolution passed by the Shareholders of the Company. Since, it is proposed to offer, issue and allot the shares under VGL ESOP (As Amended) -2006 (“the Scheme”) to the eligible employees of the Company and Subsidiaries, hence, it is necessary to pass a Special Resolution in terms of Section 62(1)(b) of the Companies Act, 2013 and regulation 6 of SEBI (Share Based Employee Benefit) Regulations, 2014 (“SEBI Regulations”).

Pursuant to Regulation 6 of SEBI Regulations, 2014 and requirements specified by the SEBI vide circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015, the key details of the VGL ESOP (As Amended)-2006 are set out below:

1. The brief description of the Scheme :

The Scheme was originally formulated by the Board of Directors (“the Board”) of the Company at its meeting held on 31st October 2006 which was further amended by the Board from time to time pursuant to the approval of Shareholders and the same is administrated by the Nomination, Remuneration and Compensation Committee (“the Committee”). The purpose of the Scheme is to attract and retain the talented employees and provide additional incentives.

2. Total number of Stock Options to be granted:

At present, the maximum aggregate number of Stock Options to be granted under the Scheme is 18,08,655 (Eighteen Lac Eight Thousand Six Hundred Fifty Five only). It is proposed to increase the number by additional 5,00,000 (Five Lac) Stock Options and consequently, the total number of Stock Options to be granted under the Scheme will be increased to 23,08,655 (Twenty Three Lac Eight Thousand Six Hundred and Fifty Five only) Stock Options convertible into 23,08,655 (Twenty Three Lac Eight Thousand Six Hundred and Fifty Five only) Equity Shares.

3. Identification of classes of employees entitled to participate and beneficiaries in the Scheme:

All employees, as defined by the SEBI Regulations, of the Company and Subsidiary Companies whether working in India or abroad, would be entitled to participate in ESOP Scheme, subject to fulfilment of eligibility criteria as may be specified in SEBI Regulations and / or as may be determined by the Committee from time to time.

4. Requirement of vesting and period of vesting:

The Stock Options would vest not earlier than one year from the date of grant. The options granted under the Scheme will vest as under:

Year	% of Options Granted
On completion of One year from the date of grant of options	20%
On completion of Two year from the date of grant of options	30%
On completion of Three year from the date of grant of options	50%
Total	100%

5. Maximum period within which the options shall be vested :

All Stock Options granted under the Scheme will vest in three years from the date of grant.

6. Exercise Price/Pricing Formula:

The exercise price means the market price which would be the latest available closing price of the shares on the Stock Exchange, which records the highest trading volume of the Company’s equity shares on the date prior to the date of meeting of the Committee / the Board at which the options are granted.

7. Exercise Period and the process of Exercise:

The Exercise Period means the period of seven years from the date of vesting of Stock Options. The Stock Options will be exercisable by the Employees through written or electronic application to Trust / Company in order to exercise the vested Stock Options and on payment of exercise price, if applicable.

8. Appraisal Process for determining the eligibility of the employees for the Scheme:

The appraisal process for determining the eligibility of the employees will be determined by the Committee having considered the criteria such as role, designation, length of service with the Company, performance, future potential of the employees and/or such other factors as the Committee shall deem relevant for accomplishing the Scheme.

9. Maximum number of Stock Options to be issued per employee and in aggregate:

The maximum number of Stock Options that can be granted to an eligible employee under the Scheme will not be equal to or exceed 1% of the issued capital of the Company at the time of grant of Stock Options. Also, the total number of Stock Options to be granted shall not exceed 23,08,655 (Twenty Three Lac Eight Thousand Six Hundred and Fifty Five only) Stock Options convertible into 23,08,655 (Twenty Three Lac Eight Thousand Six Hundred and Fifty Five only) Equity Shares.

10. Maximum quantum of benefits to be provided per employee under the Scheme:

The maximum quantum of benefits to be provided per employee under the Scheme will not be equal to or exceed 1% of the issued capital of the Company at the time of grant of Stock Options.

11. Whether the Scheme is to be implemented and administrated directly by the Company or Trust:

The Company has set up a Trust for the implementation and administration of the Scheme.

12. Whether the Scheme involves new issue of shares by the Company or secondary acquisition by trust or both:

The scheme involves new issue of shares by the Company.

13. Amount of Loan to be provided for implementation of the Scheme by the Company to Trust, its tenure, utilization, repayment terms, etc:

The Company provides loan to the trust of such amount as may be required by the Trust from time to time for implementation of the Scheme. The Amount of loan is utilized for payment of Share Application money for subscription of shares and the same is repaid on availability of the funds with Trust.

14. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Scheme :

NIL

15. A statement to the effect that the Company shall confirm to the accounting policies specified in Regulation 15 :

The Company shall comply with the accounting policies prescribed in the requirements of guidance note on accounting for employee share-based payments ("Guidance Note") or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.

16. The method which the Company shall use to value its options:

The Company shall use the Intrinsic Value Method for valuation of Stock Options. Accordingly, the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

None of the Directors, Key Managerial Personnel, Promoters or their relatives are concerned or interested in the resolution except to the extent of Stock Options that can be granted or to the extent of their shareholding as members.

The Board of Directors recommends the resolutions stated in item no. 1 & 2 for the approval of the members as Special Resolutions.

**By Order of the Board of Directors
For Vaibhav Global Limited**

**Date : 28th July, 2016
Place: Jaipur**

**Sd/-
Brahm Prakash
Company Secretary**