



Vaibhav Global Limited

CIN: L36911RJ1989PLC004945

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

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POSTAL BALLOT NOTICE

[Pursuant to Section 110 and Section 108 of the Companies Act, 2013]

Notice is hereby given pursuant to Section 110 and Section 108 and other applicable provisions, if any, of the Companies Act, 2013 (the "Companies Act") read with the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings ("SS-2"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") and other applicable laws and regulations, including any statutory modification or re-enactment thereof for the time being in force, that the resolution appended is proposed to be passed as Special Resolution for approval of the members of Vaibhav Global Limited (the "Company") for Buyback of its fully paid up Equity Shares 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 resolution 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.

The Members are requested to carefully read the instructions indicated in the Postal Ballot Notice and printed overleaf of the Postal Ballot Form and record their assent (for) or dissent (against) in the Postal Ballot Form and return the same, in original duly completed and signed, in the enclosed postage prepaid self-addressed business reply envelope, so as to reach the Scrutinizer, on or before 5.00 p.m. (IST) on 5th August, 2019. Postal Ballot Forms received after that date will be strictly treated as if a reply from such Member has not been received. The postage expense will be borne and paid by the Company.

In compliance with the provisions of Sections 108 and 110 of the Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is also offering facility of e-voting to all Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. Members are requested to follow the procedure as printed overleaf of the Postal Ballot Form for casting of votes by e-voting. 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.

The Scrutinizer will submit his report to the Chairman or any Director or Company Secretary or any other authorized person, after the completion of scrutiny of the postal ballots (including e-voting). The results will be declared by the Chairman or any Director or Group CFO or Company Secretary of the Company on or before Wednesday, 7th August, 2019 at the registered office and will also be displayed on the website 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.

1. Approval for the Buyback of Equity Shares of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 68, 69 & 70 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014 and other relevant Rules made thereunder, each as amended from time to time (the "Companies Act") and in accordance with Article 63 in the Articles of Association of the Company and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended from time to time (the "**Buyback Regulations**") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and on the terms and conditions set out in the explanatory statement (which may be modified based on regulatory requirements), approval of the shareholders be and is hereby accorded for the buyback by the Company of its fully paid-up equity shares of face value of Rs. 10/- (Rupees Ten only) each of the Company ("**Equity Shares**") at a price not exceeding Rs. 1,000 (Rupees One Thousand only) per Equity Share ("**Maximum Buyback Price**") and for an aggregate amount not exceeding Rs. 72,00,00,000/- (Rupees Seventy Two Crores only) ("**Maximum Buyback Size**"), excluding filing fees payable to SEBI, advisors' fees, stock exchange fee for usage of their platform for Buyback, brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, public announcement publication expenses and other incidental and related expense etc. ("**Transaction Costs**"), representing 14.85% of the aggregate of the total paid-up equity share capital and free reserves of the Company (which is less than 15% of the total paid-up equity share capital and free reserves of the Company) and within the maximum amount allowed under the Companies Act and Buyback Regulations, based on the audited standalone financial statements of the Company as on 31st March, 2019, (hereinafter referred to as the "**Buyback**") and unless otherwise permitted under applicable laws, the Company proposes to Buyback Equity Shares for a minimum of Rs. 36,00,00,000/- (Rupees Thirty Six Crores only), being 50% of the Maximum Buyback Size ("**Minimum Buyback Size**") and the Company will accordingly purchase an indicative minimum of 3,60,000 Equity Shares based on the Maximum Buyback Price from the members of the Company (except promoters, promoter group, and the persons in control of the Company) from the open market through the stock exchanges i.e., BSE Limited and National Stock Exchange of India Limited, through the order matching mechanism except "all or none" order matching system, as provided under the Buyback Regulations."

“RESOLVED FURTHER THAT the indicative maximum number of Equity Shares proposed to be bought at the Maximum Buyback Size and Maximum Buyback Price under the Buyback would be 7,20,000 Equity Shares (**“Maximum Buyback shares”**) which does not exceed 25% of the total paid Equity Share Capital of the Company. Further, if the equity shares are bought back at a price below the Maximum Buyback Price, the actual number of equity shares bought back may exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size and 25% of the total paid-up Equity Share Capital of the Company.”

“RESOLVED FURTHER THAT the Company shall implement the Buyback out of its securities premium account and free reserves or such other source as may be permitted under the Companies Act and in accordance with Section 68(1) of the Companies Act and Regulation 4(iv)(b)(ii) of the Buyback Regulations and that the Buyback shall be from the open market through the Stock Exchanges in such manner as may be prescribed under the Companies Act and the Buyback Regulations and on such terms and conditions as the Board or the Buyback Committee thereof may deem fit.”

“RESOLVED FURTHER THAT the existing voting rights of the promoters, promoter group and persons in control of the Company would stand increased proportionately, however since the promoter and promoter group are already in control over the Company and thus such further increase in voting rights of the promoter and promoter group would not result in change in control or management of the Company.”

“RESOLVED FURTHER THAT the Buyback shall close as the Board or the Buyback Committee may deem fit, but which shall not be longer than six months from the date of opening of the Buyback or such other period as may be permitted under the Companies Act and/or Buyback Regulations or-as may be directed by the Appropriate Authorities. Further, the Board shall have option to close the buy-back offer any time after utilizing atleast 50% of the amount earmarked as the Maximum Buyback Size.”

“RESOLVED FURTHER THAT the Buyback from the shareholders who are residents outside India including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), Foreign Institutional Investors/ Foreign Portfolio Investors, Non-Resident Indians, shareholders of foreign nationality, shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (**“RBI”**) under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident shareholders.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback like the time frame for completion of Buyback; appointment of merchant banker, brokers, lawyers, depository participants, escrow agents, bankers, advisors, registrars, scrutinizers, consultants/intermediaries/agencies, as may be required, for the implementation of the Buyback.”

“RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any shareholders to offer and/or any obligation on the part of the Company or the Board to Buyback any shares, and/or impair any power of the Company or the Board to terminate any process in relation to such Buyback, if so permissible by law.”

“RESOLVED FURTHER THAT the Buyback would be subject to the requirement of maintaining the minimum public shareholding, as specified in Regulation 38 of the SEBI(LODR) Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions, and delegate such powers, obligations and responsibilities as it may, and to whomsoever it may, deem necessary, concerning any aspect of the Buyback, in accordance with the applicable statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Registered Office:

K-6B, Fateh Tiba, Adarsh Nagar,
Jaipur – 302004
CIN: L36911RJ1989PLC004945

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

Date: 30th May, 2019

Place: Jaipur

**Sd/-
Sushil Sharma
Company Secretary
FCS -6535**

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 Resolution is annexed hereto. All documents referred to in the Notice and accompanying Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M.(IST) upto the date of the closure of the Postal Ballot.
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 28th June, 2019. 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. The Resolution 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.
5. 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
6. A Member cannot exercise his vote by proxy on postal ballot.
7. The Resolution, if passed by requisite majority, shall be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Form or e-voting i.e. Monday, 5th August, 2019.

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

Pursuant to the provisions of Companies Act and Buyback Regulations, this Explanatory Statement contains relevant and material information to enable the members holding Equity Shares of the Company to consider and approve the special resolution for the Buyback of the Company's Equity Shares.

1. Date of the Board meeting at which the proposal for buy back was approved by the Board of Directors of the Company:

The Board of directors of the Company ("**Board**") at its meeting held on 30th May, 2019 ("**Board Meeting**") has, subject to the approval of the members of the Company by way of a special resolution through Postal Ballot including electronic voting, approved and recommended the proposal of buyback of Equity Shares as per the details mentioned in the Resolution of this notice.

2. Necessity for the Buyback:

The Buyback is being undertaken by the Company after taking into account the strategic and operational cash requirements of the Company in the medium term and for returning surplus funds to the members in an effective and efficient manner. The Buyback is being undertaken for the following reasons:

- a. The Buyback will help the Company to return surplus cash to its members;
- b. The Buyback is generally expected to improve return on equity through distribution of cash and improve earnings per share by reduction in the equity base, thereby leading to long term increase in members' value; and
- c. The Buyback gives an option to the members of the Company, either to sell their Equity Shares and receive cash or not to sell their Equity Shares and get a resultant increase in their percentage shareholding in the Company post the Buyback, without additional investment.

3. Maximum amount required under the Buyback and its percentage of the total paid up capital and free reserves:

The maximum amount of funds required for the Buyback will not exceed Rs. 72,00,00,000 /- (Rupees Seventy Two crores only), being 14.85% of the aggregate of the total paid-up capital and free reserves of the Company, which is less than 15% of the aggregate of the total paid-up capital and free reserves of the Company based on the latest audited financial statements of the Company as at 31st March, 2019 (on a standalone basis). The Maximum Buy Back Size does not include Transaction Costs. The Buyback (including Transaction Costs) will be implemented by the Company out of its securities premium account, free reserves and/or such other source as may be permitted under Section 68(1) of the Companies Act and Regulation 4 (ix) of the Buyback Regulations. The Company shall transfer from its free reserves a sum equal to the face value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements.

4. Maximum Price at which the Equity Shares are proposed to be bought back and the basis of arriving at such price:

The Equity Shares of the Company are proposed to be bought back at a price not exceeding Rs.1,000 (Rupees One Thousand only) per equity share ("**Maximum Buyback Price**"). The Maximum Buyback Price has been arrived at after considering various factors, including average of the weekly high and low of the closing share price of the Equity Shares on the Stock Exchanges, during the two weeks preceding the date of the Board Meeting i.e. 30th May, 2019, the net worth of the Company and the potential impact of the Buyback on the earnings per share and other similar ratios of the Company.

The Maximum Buyback Price represents a premium of 47.16 % and 47.08 % compared to the average of the weekly high and low of the closing prices of the Equity Shares on the BSE and NSE, respectively, during the two weeks preceding the date of the Board Meeting.

The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up capital and free reserves after the Buyback.

5. Maximum number of Equity Shares that the Company proposes to buyback:

The indicative maximum number of equity shares proposed to be bought at the Maximum Buyback Size and Maximum Buyback Price under the Buyback would be 7,20,000 Equity Shares ("**Maximum Buyback Shares**"), does not exceed 25% of the total paid Equity Share capital of the Company. If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size. Further, the number of Equity Shares to be bought back will not exceed 25% of the total paid up equity capital of the Company.

6. Method to be adopted for Buyback as referred to in Regulation 4(iv)(b) and Regulation 16 of the Buyback Regulations:

The Buyback is open to all members holding Equity Shares in dematerialised form (“Demat Shares”). The promoters, promoter group, and the persons in control of the Company shall not participate in the Buyback. Further, as required under the Companies Act and Buyback Regulations, the Company will not Buyback Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in, or until the time such Equity Shares become transferable, as applicable.

The Buyback will be implemented by the Company by way of open market purchases through the Stock Exchanges, by the order matching mechanism except “all or none” order matching system, as provided under the Buyback Regulations.

In relation to the Buyback of Demat Shares, the execution of the order, issuance of contract note and delivery of the stock to the member and receipt of payment would be carried out by the Company’s Broker, appointed by the Company, in accordance with the requirements of the Stock Exchanges and SEBI.

7. Time limit for completing the Buyback:

Subject to receipt of regulatory consents and approvals, if any, the Buyback is proposed to be completed within 12 months from the date of passing of special resolution detailed in this Postal Ballot Notice.

8. Compliance with Regulation 4 of the Buyback Regulations:

In terms of the provisions of the Buyback Regulations, the offer for Buyback under open market route cannot be made for 15% or more of the total paid-up equity capital and free reserves of the Company as per the latest audited balance sheet of the Company as at 31st March, 2019 (on a standalone basis). The calculation is appended below:

Particulars	Amount (Rs. in lacs)
Paid up Equity Capital as at 31 March 2019 (A) (32,662,384 equity shares of face value of Rs. 10 each)	3,266.24
Free Reserves as at 31 March 2019	
- Retained Earnings	10,709.22
- General Reserve	1,296.47
- Securities Premium reserve	33,221.23
Total Free Reserves (B)	45,226.92
Total paid up Equity capital and free reserves (A+B)	48,493.16
Maximum amount permissible for buyback under Section 68 of the Act, i.e. 25% of the total paid up capital and free reserves	12,123.29
Maximum amount permissible for buyback under the proviso to Regulation 4 (iv) of the Buyback Regulations, i.e. 15% of the paid up capital and free reserves	7,273.97
Buyback proposed by Board of Directors	7,200.00
Buyback as a percentage of total paid-up equity capital and free reserves (in percentage)	14.85%

Based on the above, the Maximum Buyback Size, i.e. Rs 72.00 crore, is less than 15% of the aggregate of the total paid-up capital and free reserves of the Company.

9. The aggregate shareholding of the Promoters and Promoter Group, the directors of the Promoter where Promoter is a Company and of Directors and Key Managerial Personnel of the Company as on the date of this Postal Ballot Notice i.e., 30th May, 2019:

a) The aggregate shareholding of the Promoters and Promoter Group and of Persons in control of the Company as on the date of this Postal Ballot Notice:

Sr. No.	Name	No. of Equity Shares held	Shareholding %
1	Brett Enterprises Pvt. Ltd.	1,83,27,764	56.05
2	Nirmal Kumar Bardiya	11,25,581	3.44
3	Deepti Agrawal	5,27,134	1.61
4	Rahim Ullah	4,12,751	1.26
5	Kusum Bardiya	1,65,205	0.50
6	Sunil Agrawal	28,140	0.09
7	Sheela Agarwal	22,450	0.07
8	Hursh Agrawal	10,000	0.03
9	Sanjeev Agrawal	8,320	0.03
10	Neil Agrawal	466	0.00
	Total	2,06,27,811	63.08

b) The aggregate shareholding of the directors of the Brett Enterprises Pvt. Ltd.(formerly: Brett Plastics Pvt. Ltd.), being the corporate members of the promoter and promoter group of the Company, as on the date of the Postal Ballot Notice is given below:

Sr. No.	Name of Director of Brett Enterprises Pvt. Ltd.	No. of Equity Shares held	Shareholding %
1	Sheela Agarwal	22,450	0.07
2	Deepti Agrawal	5,27,134	1.61
	Total	5,49,584	1.68

c) The aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on the date of this Postal Ballot Notice :

Sr. No.	Name of Director	No. of Equity Shares held	Shareholding %
1	Nirmal Kumar Bardiya – Non Executive Non Independent Director	11,25,581	3.44
2	Rahim Ullah – Whole Time Director & KMP	4,12,751	1.26
3	Sunil Agrawal – Managing Director & KMP	28,140	0.09
4	Sheela Agarwal – Non Executive Non Independent Director	22,450	0.07
5	Pulak Chandan Prasad – Non Executive Non Independent Director	Nil	Nil
6	Harsh Bahadur – Non Executive Chairman	Nil	Nil
7	Sunil Goyal – Independent Director	Nil	Nil
8	Santiago Roces – Independent Director	Nil	Nil
9	James Patrick Clarke – Independent Director	Nil	Nil
	Name of KMP		
1	Puru Aggarwal – Group CFO	10,430	0.03
2	Sushil Sharma – Company Secretary	Nil	Nil
	Total	15,99,352	4.89

d) No Equity Shares of the Company have been purchased / sold by any Promoter / Promoter Group, Directors and Key Managerial Personnel of the Company during the six months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of this Postal Ballot Notice, except for the following transactions :

Sr. No.	Name	No. of Equity Shares	Nature of Transaction	Date of Transaction	Price per Equity Shares
1	Nirmal Kumar Bardiya	3,00,000	Disposal	12 th December, 2018	708.23
		1,75,000	Disposal	31 st January, 2019	662.14
		44,000	Disposal	01 st February, 2019	662.00
		47,047	Disposal	01 st March, 2019	613.00
		1,00,000	Disposal	07 th March, 2019	620.00
2	Brett Enterprises Pvt. Ltd.	50,000	Acquisition	04 th January, 2019	716.48
		25,000	Acquisition	26 th February, 2019	625.39

10. Intention of the Promoters, Promoter Group and persons in control to participate in Buyback:

The Buyback is through the open market, the promoters, promoter group and persons in control are not eligible to participate in the Buyback as per Regulation 4(iv)(b)(ii) of the Buyback Regulations.

11. Confirmations from Company as per the provisions of Buyback Regulations and Act:

- (i) All Equity Shares of the Company are fully paid up;
- (ii) The Company shall not purchase Equity Shares under the Buyback from its promoters, promoter group, and the persons in control;
- (iii) The Company shall not issue any equity shares or other securities (including by way of bonus) or convert any outstanding employees stock options/outstanding instruments into Equity Shares from the date of this resolution passed by the shareholders approving the proposed Buyback till the date of closure of the Buyback in accordance with the Companies Act and the Buyback Regulations;
- (iv) The Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of subsisting obligations;
- (v) The Company shall not buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;
- (vi) The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares purchased through the Buyback to the Capital Redemption Reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet;
- (vii) The Company confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- (viii) The Company shall not buyback its Equity Shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- (ix) There are no pending schemes of amalgamation or compromise or arrangement pursuant to the Companies Act (“Scheme”) involving the Company, and no public announcement of the Buyback shall be made during pendency of any such Scheme;

- (x) The Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act;
- (xi) The debt equity ratio of the Company after the Buyback will be within the limit of 2:1 as prescribed under the Companies Act;
- (xii) The Company shall not make any further offer of buy-back within a period of one year reckoned from the date of closure of the Buyback;
- (xiii) The Company shall not directly or indirectly purchase its own Equity Shares in the Buyback offer including through any subsidiary company (including its stepdown subsidiary companies) or through any investment company or group of investment companies;
- (xiv) The Company will not withdraw the Buyback offer after the public announcement of the Buyback is made;
- (xv) The Buyback shall not result in delisting of the Equity Shares from the Stock Exchanges where such Equity Shares are listed;
- (xvi) Consideration for the Equity Shares bought back by the Company shall be paid only by way of cash;
- (xvii) The Company shall submit the information regarding the Equity Shares bought back by it, to the Stock Exchanges on a daily basis in accordance with the Buyback Regulations. The Company shall also upload the information regarding the Equity Shares bought back by it on its website on a daily basis;
- (xviii) The promoters, promoter group, and the persons in control shall not deal in the Equity Shares or other securities of the Company either through the Stock Exchanges or off-market transactions (including inter-se transfer of shares among the promoters) during the period commencing from the date of passing this resolution until the closing of the Buyback offer;
- (xix) Complying with the statutory and regulatory timelines in respect of the buyback in such manner as prescribed under the Companies Act and/or the Buyback Regulations and any other applicable laws; and
- (xx) The Buyback will be implemented by the Company by way of open market purchases through the Stock Exchanges, through the order matching mechanism except "all or none" order matching system, as provided under the Buyback Regulations.

12. Confirmations from the Board:

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- (i) immediately following the date of the Board Meeting, and the date on which the results of members' resolution passed by way of Postal Ballot including E-voting will be declared ("Postal Ballot Resolution"), approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
- (ii) as regards the Company's prospects for the year immediately following the date of the Board Meeting and for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting as well as from the date of the Postal Ballot Resolution; and
- (iii) in forming an opinion for the above purposes, the Board has taken into account the liabilities as if the Company was being wound up under the provisions of the Act and Bankruptcy Code 2016 (including prospective and contingent liabilities).

13. Report addressed to the Board by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the Report dated 30th May, 2019 received from B S R & Co. LLP, the Statutory Auditors of the Company, addressed to the Board of Directors is reproduced below:

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

Dear Sirs,

Statutory Auditors' Report in respect of proposed buy back of equity shares by Vaibhav Global Limited in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018 ('the SEBI Buyback Regulations')

1. This report is issued in accordance with the terms of our engagement letter dated 07 August 2018 read with addendum to engagement letter dated 28 May 2019. The Board of Directors of Vaibhav Global Limited ('the Company') have approved a proposed buy-back of equity shares by the Company at its meeting held on 30 May 2019, in pursuance of the provisions of section 68, 69 and 70 of the Companies Act, 2013 ('the Act') read with the SEBI Buyback Regulations.
2. The accompanying Statement of permissible capital payment ('Annexure A') as at 31 March 2019 (hereinafter referred to as 'the Statement') is prepared by the management, which we have initialled for identification purposes only.

Management's responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(b) of the Act and ensuring compliance with Section 68, 69 and 70 of the Act and SEBI Buyback Regulations, is the responsibility of the management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditors' responsibility

4. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:

- i. whether we have inquired into the state of affairs of the Company in relation to the standalone audited financial statements for the year ended 31 March 2019;
 - ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the standalone audited financial statements in accordance with Section 68(2)(b) of the Act; and
 - iii. if the Board of Directors in their meeting dated 30 May 2019, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
5. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated with the above reporting. Within the scope of our work, we performed the following procedures:
- i. Examined that the amount of permissible capital payment (including premium) for the buy back as detailed in Annexure A is in accordance with the provisions of Section 68(2)(b) of the Act;
 - ii. Inquired into the state of affairs of the Company with reference to the audited financial statements;
 - iii. Examined the Board of Directors' declarations for the purpose of buy back and solvency of the Company; and
 - iv. Obtained appropriate representations from the management of the Company.
6. The standalone financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated 21 May 2019.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. Based on inquiries conducted and our examination as above, we report that:
- i. We have inquired into the state of affairs of the Company in relation to its standalone audited financial statements as at and for the year ended 31 March 2019;
 - ii. The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the Statement attached herewith is in our view properly determined in accordance with Section 68(2)(b) of the Act; and
 - iii. The Board of Directors of the Company, in their meeting held on 30 May 2019 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 30 May 2019.

Restriction on use

10. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed Buyback of equity shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the notice of postal ballot, public announcement, draft letter of offer, letter of offer and other documents pertaining to Buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (c) for providing to the managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022
Sd/-

Rajiv Goyal
Partner

Place: Gurugram
Date: 30 May 2019

Membership No. 094549
UDIN:19094549AAAAAQ1425

Annexure A - Statement of Permissible Capital Payment

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68 of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018

Particulars	Amount (Rs. in lacs)
Paid up Equity Capital as at 31 March 2019 (A)	3,266.24
Free Reserves as at 31 March 2019	
- Retained Earnings	10,709.22
- General Reserve	1,296.47
- Securities Premium reserve	33,221.23
Total Free Reserves (B)	45,226.92
Total paid up Equity capital and free reserves (A+B)	48,493.16
Maximum amount permissible for buyback under Section 68 of the Act, i.e. 25% of the total paid up capital and free reserves	12,123.29
Maximum amount permissible for buyback under the proviso to Regulation 4 (iv) of the Buyback Regulations, i.e. 15% of the total paid up capital and free reserves	7273.97
Buyback proposed by Board of Directors	7200.00
Buyback as a percentage of total paid-up equity capital and free reserves	14.85

Note:

1. The above calculations of the paid-up Equity Capital and Free Reserves as at 31 March 2019 for Buyback of equity shares is based on the amounts appearing in the standalone audited financial statements of the Company for the year ended 31 March 2019. These financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act.
2. As per Section 68, free reserves include securities premium for the purposes of the aforesaid computation.
3. Unrealized gain on investments, impact of recognition of financial assets/ liabilities at amortized cost and deferred tax impact on such adjustments has not been considered while computing free reserves.
4. The aforesaid statement has been prepared in connection with the proposed buy-back of equity shares at a price not exceeding Rs. 1,000 per share aggregating upto Rs. 7200.00 lacs (maximum buy back size). The shares proposed for buy-back have been determined in accordance with the provisions of the Companies Act, 2013 including Section 68 and the Buyback Regulations.
5. The Board of Directors have in their meeting dated 30 May 2019, formed opinion that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the aforesaid date.

For Vaibhav Global Limited
Sd/-

Puru Aggarwal
Group CFO
30 May 2019

Since the Buyback is more than 10% of the total paid up equity share capital and free reserves of the Company, in terms of Sections 68(2)(b) of the Companies Act, it is necessary to obtain the consent of the members of the Company, for the Buyback, by way of a special resolution. Further, as per Section 110 of the Companies Act read with Rule 22(16)(g) of the Rules and as per Buyback Regulations, the consent of the members for the Buyback is required to be obtained by means of Postal Ballot including electronic voting. Accordingly, the Company is seeking your consent for the buyback of equity shares as per the details contained in the Resolution.

The Board of Directors at their meeting held on 21st May, 2019 has adopted new set of Articles of Association of Company, which is subject to approval by the shareholders in the ensuing Annual General Meeting to be held on 30th July, 2019 for adoption of new set of Articles of Association of the Company. The above buy-back resolution is subject to shareholders approving new set of articles of association. All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors' Report dated 30th May, 2019 are available for inspection without any fee by the members of the Company at its Registered Office on any working day between 11:00 hours and 13:00 hours up to the last date of receipt of Postal Ballot Form specified in the accompanying Postal Ballot Notice. The audited accounts for the period from 1st April, 2018 to 31st March, 2019 are also available on the Company's website at <https://www.vaibhavglobal.com>.

In the opinion of the Board, the proposal for the Buyback is in the interest of the Company and its members holding Equity Shares of the Company. The Board of directors of the Company recommends the Special Resolution, as set out in the accompanying Postal Ballot Notice, for your approval.

No director, key managerial personnel or their relatives are interested in or concerned with the resolution, except to the extent of their shareholding.

Registered Office:

K-6B, Fateh Tiba, Adarsh Nagar,
Jaipur – 302004
CIN: L36911RJ1989PLC004945

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

Date: 30th May, 2019

Place: Jaipur

Sd/-
Sushil Sharma
Company Secretary
FCS -6535
