VAIBHAV GLOBAL LIMITED

Ref – VGL/CS/2016/109

Date – 12th August, 2016

National Stock Exchange of India Limited (NSE)
Exchange Plaza,
Bandra Kurla Complex
Bandra, Mumbai-400051

BSE Limited
Phiroze jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Scrip Code: VAIBHAVGBL; 532156

Sub: Submission of Annual Report as per Clause 34 (1) of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Clause 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit Annual Report for the financial year 2015-16, approved and adopted in the Annual General Meeting of the Company held on 28th July, 2016.

This is for your information and record.

Thanking You.

Yours Truly,

For Vaibhav Global Limited

Vaibhav Global Limited

Brahm Prakash
Company Secretary

E-69, EPIP, Sitapura, Jaipur-302022, Rajasthan, India • Tel.: 91-141-2771948/49, Fax : 91-141-2770510

Regd. Office : K-6B, Fateh Tiba, Adarsh Nagar, Jaipur-302004, Rajasthan, India • Tel.: 91-141-2601020, Fax : 91-141-2605077
CIN : L36911RJ1989PLC004945 • E-mail : investor_relations@vaibhavglobal.com • Website : www.vaibhavglobal.com

VAIBHAV GLOBAL LIMITED

Form A (for audit report with unmodified opinion)

(Pursuant to regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1.	Name of the Company	Vaibhav Global Limited
2.	Annual Standalone Financial Statements for the Year Ended	31st March, 2016
3.	Type of Audit Observation	**Emphasis of Matter** Valuation of inventory of Gems Stones which involves determination by the management of estimated net realizable value and specific identification which is supported by evaluation of an independent expert. This has been relied upon by the Auditors.
4.	Frequency of Audit Observation	Since 2010-2011
5. a)	**To be signed by :** **For Vaibhav Global Limited** **Sunil Agrawal** **Chairman & Managing Director**	**b) For Vaibhav Global Limited** **Puru Aggarwal** **Group CFO**
c)	**For Vaibhav Global Limited** **Surendra Singh Bhandari** **Chairman of Audit committee**	**d) For B. Khosla & Co., Jaipur** **Statutory Auditors (F. No. 000205C)** **Sandeep Mundra (M. No. 075482)** **Partner**
e)	**For Haribhakti & Co. LLP, Mumbai** **Statutory Auditors (F.No.103523W)** **Chetan Desai (M. No. 17000)** **Partner**	

Date: 19th May, 2016

Place: Jaipur

E-69, EPIP, Sitapura, Jaipur-302022, Rajasthan, India • Tel.: 91-141-2771948/49, Fax : 91-141-2770510

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VAIBHAV GLOBAL LIMITED

Form A (for audit report with unmodified opinion)

(Pursuant to regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1.	Name of the Company	Vaibhav Global Limited
2.	Annual Consolidated Financial Statements for the Year Ended	31st March, 2016
3.	Type of Audit Observation	**Emphasis of Matter** a) Valuation of Inventory of Gem Stones which involves determination by the management of estimated net realizable value and specific identification which is supported by evaluation of an independent expert. This has been relied upon by the Auditors. b) Certain financial information, including stock reserve as on March 31, 2016 used for the purposes of consolidation has been compiled by the management and relied upon by the Auditors.
4.	Frequency of Audit Observation	Since 2010-2011 & 2015-2016 respectively
5. a)	**To be signed by :** **For Vaibhav Global Limited** **Sunil Agrawal** **Chairman & Managing Director**	**b) For Vaibhav Global Limited** **Puru Aggarwal** **Group CFO**
c)	**For Vaibhav Global Limited** **Surendra Singh Bhandari** **Chairman of Audit committee**	**d) For B. Khosla & Co., Jaipur** **Statutory Auditors (F. No. 000205C)** **Sandeep Mundra (M. No. 075482)** **Partner**
e)	**For Haribhakti & Co. LLP, Mumbai** **Statutory Auditors (F.No.103523W)** **Chetan Desai (M. No. 17000)** **Partner**	

Date: 19th May, 2016

Place: Jaipur

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WHAT'S IN STORE?

Vaibhav Global Limited

27th Annual Report 2015-16

Corporate information

Board of Directors

Sunil Agrawal
(Chairman & Managing Director)

Rahimullah
(Whole Time Director)

P. N. Bhandari

Surendra Singh Bhandari

Nirmal Kumar Bardiya

Sheela Agarwal

Mahendra Kumar Doogar

Pulak Chandan Prasad

Santiago Roces Moran

Harsh Bahadur

Key Management Team

Puru Aggarwal,
Group Chief Financial Officer

Kevin Lyons,
President - Liquidation Channel, USA

Jeff Allar,
Group Senior Vice President - Human Resource

Vineet Vashisht,
Chief Technology Officer

Pushpendra Singh,
Vice President – Human Resource Asia

Raj Singh,
Vice President – Operations, VGL India

Nitin Dugar,
Chief Operating Officer - Liquidation Channel, USA

Company Secretary & Compliance Officer

Brahm Prakash

Stock Exchanges where Company's Securities are Listed

BSE Limited

National Stock Exchange of India Limited

Registered Office

K- 6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004

Tel: +91-141-2601020, Fax: +91-141-2605077

Corporate Office

E-69, EPIP, Sitapura, Jaipur - 302022

Tel: +91-141-2771948, Fax: +91-141-2770510

Website

www.vaibhavglobal.com

Investor Relations Email ID

investor_relations@vaibhavglobal.com

Corporate Identity Number

L36911RJ1989PLC004945

Board Committees

Audit Committee

Surendra Singh Bhandari *(Chairman)*

Nirmal Kumar Bardiya

Mahendra Kumar Doogar

P. N. Bhandari

Nomination, Remuneration & Compensation Committee

P. N. Bhandari *(Chairman)*

Surendra Singh Bhandari

Nirmal Kumar Bardiya

Corporate Social Responsibility Committee

P. N. Bhandari *(Chairman)*

Nirmal Kumar Bardiya

Sunil Agrawal

Stakeholders Relationship Committee

Surendra Singh Bhandari *(Chairman)*

Rahimullah

Mahendra Kumar Doogar

Statutory Auditors

M/s Haribhakti & Co.LLP, Mumbai

M/s B. Khosla & Co., Jaipur

Secretarial Auditor

M/s JAKS & Associates, Jaipur

Internal Auditor

M/s S.S. Surana & Co., Jaipur

Bankers

Punjab National Bank, Jaipur

State Bank of Bikaner and Jaipur, Jaipur

Union Bank of India, Jaipur

Registrar & Share Transfer Agent

M/s Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B,
Plot No. 31&32, Gachibowli Financial District, Nanakramguda,
Hyderabad – 500 032
Tel: +91-040-67162222,
Fax: +91-040-23001153

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Inside our 'store'…

… WE TRANSFORM CUSTOMERS INTO FRIENDS, GRADUATING A TRANSACTION INTO A MEMORABLE EXPERIENCE.

… WE EMPLOY LIKABLE HOSTS (HOUSEHOLD PERSONALITIES IN THEIR OWN RIGHT) TO WOW CONSUMERS.

… WE CREATE AN EMOTIONAL BOND WITH OUR CUSTOMERS TO ENHANCE TRUST.

… WE DELIGHT OUR CUSTOMERS WITH EXCEPTIONAL QUALITY, EXQUISITE DESIGNS AND OUTSTANDING VALUE.

… WE PLEASANTLY SURPRISE CONSUMERS WITH SERVICE SPEED, EASE OF RETURN AND INSTALLMENT OPTIONS.

Vaibhav Global Limited is a proud global Indian Company.

An international electronic retailer of fashion jewellery and lifestyle accessories.

Among few consistently profitable enterprises in the fast-growing e-commerce space.

Operating a 24x7x365 'e-store', represented by nationally-prominent US and UK television channels, and supported by our robust e-commerce platform.

In 2015-16, our e-store addressed 362,000 customers, sold 8.1 million products and generated ₹1,276 crore in revenues.

Vaibhav Global is a vertically-integrated fashion retailer on electronic retail platforms

- 110 million FTE (full-time equivalent) households on TV shopping in the US, UK and Canada
- Positive customer engagement metrics – a customer base of 1.9 million, retention of 46% and repeat purchase of 17x

We own and operate the Liquidation Channel, USA, and Jewellery Channel, UK, which are strong brands in their own right

- Sizeable B2C franchise in developed and mature markets
- Growing recognition of deep value enables scaling to adjacent categories (for instance into fashion textiles)

We stock a wide range of jewellery and non-jewellery products

- Fashion jewellery: Bracelets, bangles, earrings and studded jewellery, among others
- Fashion accessories: Watches, handbags and scarves, among others
- Lifestyle products: Home décor, bed linen, pillow covers, towels, among others

We operate state-of-the-art assets

- Established, efficient and low-cost manufacturing operations in Jaipur, India
- Our manufacturing set up in Jaipur comprises three units; cumulative production capacity of three million units per annum
- Our new capacity in SEZ is a 'green building' with 'Gold' level facility across 1,00,000 sq. ft

We possess a dynamic hybrid supply chain infrastructure

- Ongoing investments in customer interface, production, warehousing facilities, supply chain and CRM (customer relationship management) that enables us to engage with our customers better
- Outsourcing from China, Thailand, Indonesia and India marked by effective trend-spotting; we have a continuously expanding global supply chain capacity of 12 million pieces
- Scalable model with limited capital needs

We own a solid infrastructural backbone

- Professional, experienced management team with in-depth knowledge and industry experience
- Talent pool across marketing, merchandising, operations, technical and strategic functions

KEY HIGHLIGHTS, 2015-16

Home TV Network crossed the 100 million households mark; FTE increased 11%

- 110 million households on FTE basis
- 79.6 million households in the US
- 25 million households in the UK
- 5.4 million households in Canada

Overall retail volumes at 8.1 million units

- Home TV shopping volumes at 5.9 million units
- Web (e-commerce) shopping volumes a 2.3 million units
- Revenue largely driven by fashion jewellery, with a growth bias for lifestyle products
- Deeper consumer engagement drove repeat purchases which stood at 17x during the year

Launched Budget Pay successfully; customers can pay in installments

Launched an easy returns policy aligned with market dynamics

Commenced commercial production at the new SEZ manufacturing unit in Jaipur

Launched numerous in-house jewelry and lifestyle product brands targeting young and affluent customers

CARE has upgraded Short Term Rating from A3+ to Care A2 for bank working capital facilities

From the Chairman's desk

DEAR SHAREHOLDERS,

THE MOST COMPELLING ATTRACTION AT VAIBHAV GLOBAL LIMITED, OUR CUSTOMERS TELL US, IS OUTSTANDING VALUE FOR STYLIST QUALITY PRODUCTS.

THIS MAKES US A PREFERRED ONE-STOP SHOPPING DESTINATION FOR STYLE AND QUALITY AT SMART PRICES ACROSS THE US AND THE UK, OUR CHOSEN MARKETS.

Infrastructure augmentation

In a business where the product price is fixed, it is essential that we enhance our operating efficiencies to remain at the top of our game. Towards this extent, we embraced a number of initiatives during the year under report. In a significant initiative, we laid the foundation of progressive cost optimization by commissioning our environmentally-sustainable and tax-efficient SEZ production facility in a Gold Standard green building in Jaipur - ahead of schedule and at lower-than-estimated costs.

This facility made it possible for us to scale our capacity by a substantial 100% to a cumulative 7 million units per annum. The facility also augmented our competitiveness through a strategic SEZ location that provides attractive tax and excise duty benefits.

During the year under report, we also commissioned a new, cost-effective call center in Mexico to support our existing US-based retail operations. This establishment delivered operating costs to lower and satisfaction levels higher than our Kansas equivalent, strengthening our overheads management. The Company initiated a process of diverting some of the post-sales customer service calls to Mexico from Kansas and Austin with similar or better service levels, reducing operating costs in this area.

The Company strengthened its business during the year under review through the

VISION
"BE THE VALUE LEADER IN ELECTRONIC RETAILING OF JEWELLERY AND LIFESTYLE PRODUCTS."

MISSION
- BUILD A LEARNING ORGANIZATION WITH HIGH PERFORMING PEOPLE
- OFFER LOW PRICED, HIGH QUALITY PRODUCTS
- DELIGHT OUR CUSTOMERS EVERYDAY

CORE VALUES
- TEAM WORK
- HONESTY
- COMMITMENT
- PASSION
- POSITIVE ATTITUDE

launch of a new Hybris (SAP company engaged in enterprise multi-channel e-commerce and product content management software) in May 2015. The website is in the process of stabilising and will service enhanced throughput. The Company also initiated the development of apps for various platforms and devices for LC, USA, and TJC, UK, recently, which are expected to be launched during the current financial year translating into enhanced customer service and delight.

The Company's recently-upgraded customer engagement platforms proceeded towards optimization. Even as this took longer than expected, I am optimistic that with quality application delivery capabilities, our US and UK platforms will deliver enhanced customer experience and attract larger traffic throughput. We believe that the enhanced customer experience will catalyze traffic to our retail channels and generate higher revenues.

Margins uptick

Though our 2015-16 revenues and net profit declined 7% and 61% respectively, I must point to our gross margins, a vital indicator of the health of our business, which grew a robust 210 basis points to 63% during the year under report. Some of the principal reasons for this development comprised an increase in average product prices and engagement cessation in the third-party sale of rough stones (B2B), a low-margin business segment.

Our business model was validated on Black Friday (November 28, 2015), a red letter day at Liquidation Channel, USA (US TV sales platform), as we crossed USD 1 million in sales for the first time. Some proprietary brands, launched over the last few months, performed well in the holiday season over generic sales. We constantly fine-tuned offerings following customer feedback; we withdrew underperforming lines; we expect to sustain the improved momentum.

What is creditable is that in FY16, we added 2.23 lac customers (total 18.65 lac customers). Repeat customer buying activity was 17 times (18, previous year). The average annual purchase per customer was 24.5 pieces (25.9 pieces, previous year). Our customer retention was 45% in the US and 53% in the UK, which compare favorably with larger peers.

New schemes introduction

During the year under report, we launched the 'Budget Pay' EMI scheme and easy returns policy, which elicited a positive customer response and translated into superior realizations. Budget Pay EMI purchases, covering USD 20-plus products, and an easy returns policy in the US has resulted in a higher working capital outlay. We may need to deploy some additional capital when Budget Pay is launched on the website. We feel that the returns policy will prevent customers from switching allegiance and attract new ones.

Going forward

What gives me confidence is that the other major players in the US market have grown on a large base.

We are distinctively placed; we are differentiated in the US and UK through our discount electronic retailer positioning, which is relevant considering that discounters have traditionally thrived in most environments.

Besides, our costs as a percentage of sales are lower than major players without compromising service or reach initiatives. Our retention rate of around 50% continues to be one of the highest in the industry. The average purchase frequency of 25-26 products per year is robust, validating our product quality. Based on these realities, we expect to drive our topline and EBITDA across the foreseeable future.

Before I close, I would like to reiterate that Vaibhav Global is now operating on expanded capacities. We are focused on leveraging our fixed-cost investments to and create a strong, globally-competitive franchise in the fashion and related segments.

With my best wishes,

Sunil Agrawal
Chairman and Managing Director

Our story in numbers

Turnover *(gross, ₹ cr)*

Operating profit *(₹ cr)*

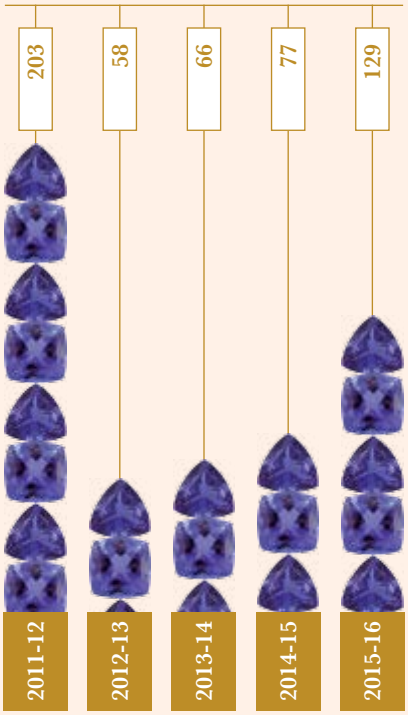
Gross margin *(%)*

Products sold *(million units)*

Average selling price *(USD)*

Post-tax profit *(₹ cr)*

Net block - FA *(₹ cr)*



Net worth *(₹ cr)*

What's in store?

A BRAND NEW 1,00,000 SQ. FT JEWELLERY MANUFACTURING SHOWPIECE IN JAIPUR SEZ

At Vaibhav Global, we are excited by this asset addition, reinforcing our scale and addressable customers.

Some of the core advantages of this world-class facility include the following:

- The facility has enhanced our jewellery manufacturing capacity by 100%; the Company can produce and process a range of jewellery and non-jewellery lifestyle fashion accessories
- The building enjoys the LEED (Leadership In Energy and Environmental Design) gold plaque, indicating an embrace of the highest sustainable design and resource conservation standards
- The building is perhaps the only jewellery manufacturing unit in the region with a 200 KW rooftop solar panel arrangement; this enables the facility to address up to 20% of its energy requirement and moderate its energy bill
- The unit possesses a water treatment plant to recycle 100% of the water consumed for manufacture; it possesses double-glazed windows that filter natural sunlight while eliminating solar heat; it possesses 40 'pipes' that collect sunlight from the rooftop, refract multiple times and disperse onto workspaces, maximizing natural light utilisation
- The building comprises an automatic mould storage facility that, at the press of a button, brings the relevant mould to the user; the machine can store 60,000 moulds across 36 trays at any given point of time, reducing the time to locate a particular mould and create a safe repository
- The unit is equipped with two state-of-the-art 3D printers; these have collectively reduced product development costs by 33%
- The facility comprises a 50-seater training center that exposes workers to industry best practices and competencies
- The unit has a specially-made precious metal dust collection niche on worker benches, which captures up to 5-6% of total wastage
- The unit provides zero tax and MAT credit benefits by the virtue of its SEZ location

The unit was established ahead of schedule and at a cost lower than the usual cost of constructing a similar facility following extensive value-engineering.

What's in store?

REINFORCED CUSTOMER SERVICE THROUGH THE ADDITION OF RETURN ABILITY AND BUDGET PAY TO STRENGTHEN MARKETPLACE EXCITEMENT

At Vaibhav Global, we aligned with the broader market through the introduction of a returns ability and Budget Pay in the US for the first time in 2015-16.

- The concept of return ability enables customers to return products within 30 days from the date of receipt, applicable across the television and web platforms
- Under Budget Pay, the customer enjoys the added convenience of paying across three installments (upfront payment, on the 30th day and on the 60th day), staggering the cost and enabling customer to plan purchases aligned with cash flows; this facility is available for products mostly USD 20 and above
- Following the introduction of these, we strengthened average selling prices, factoring in the probability of bad debt creation and product returns
- Following Budget Pay, products under this basket comprised almost 20% of collective gross sales

Following the introduction of these schemes, we enhanced the customer lifetime value, growing purchase frequency while enhancing brand appeal, intimacy and loyalty. Besides, we boosted our portfolio, enhancing customer attraction.

"The year 2015-16 was all about creating a platform for our next growth level."

Review by Puru Aggarwal, *Group Chief Financial Officer*

Q&A

Q What was the highlight of the company's working in 2015-16?

A The headline of 2015-16 was our investment reinforcement of the business frontend and backend, which tie in with our focus of providing continuously better service. Since we are a consumer-driven business, any improvement in this generates a direct impact on our financials.

Q Why did the company report subdued financial performance during the year under report?

A One must appraise this performance in the context of initiatives we embraced which are expected to unleash long-term benefits. For one, in a significant overhaul, we migrated our web operating platform to the world-class Hybris with SEO capability, dashboards and analytics. These will not only provide customers with a more engaging experience, enhancing conversion and repeat purchase prospects; they will also empower our response to analytics that could have business-wide impact in terms of service, inventory management, logistics, pricing and merchandising etc.

Issues related to the web platform impacted our e-commerce revenues during the year under review. While we agree that we were not completely satisfied with the Hybris updation, we introduced a new vendor with speed. The result is that the fully-updated Hybris launch is

expected by July 2016. But once online, we expect to more than recoup the sales loss by winning customers through a more enriching virtual shopping experience.

Q What were some of the other initiatives embraced during the year?

A We invested nearly ₹49 crore from our accruals, among the highest in recent years, showcasing our commitment to grow the business. Concurrent with the implementation of Hybris, we established a greenfield jewellery manufacturing complex in a Jaipur SEZ that will effectively double our manufacturing capacity to 7 million pieces per annum. This commissioning will not only grow sales but will also help us leverage economies to control per unit costs. Besides, the gold standard LEED-certified facility will help us moderate energy and consumable costs through design efficiency. The SEZ location will enhance our established competitiveness achieved through shrinking project timelines, design and engineering innovation.

We also established our second 60-seater call center in Mexico. The location is strategically proximate to operations in Austin and cheaper vis-à-vis mainland US real estate and operational costs. Besides, Mexico shares the same time zone with Austin, yet another significant benefit. We were enthused by the customer service from this Mexico facility, making it possible to strategically diversify our dependence from a single call-center and improve our responsiveness to customers. We acquired a second UK channel (Channel 652) that has not only made it possible to penetrate 25 million (FTE basis) UK households but enhanced our television visibility through a larger channel bouquet.

Q How did the Company strengthen its Balance Sheet?

A We achieved ₹1.4 crore decline in interest expenses for India operations in 2015-16 by retiring long-term debt to near-zero, capitalizing on lower interest rates and renegotiating bank charges. The result was robust interest coverage and an attractive net debt-equity ratio of 0.15.

Q Can you throw some light on your margins?

A During the year under report, we strengthened our average selling price from USD 23 to USD 24. However, if one were to appraise this sequentially across quarters, our average selling prices rose sequentially from USD 20.5 to USD 22.4 to USD 25.4 to USD 28.5. Following this increase, gross revenue growth across the quarters moved from a negative 9.4% to a positive 6.6%, which indicates the impact that higher ASPs have on our topline. Our strategy of fixing gross margins and working backwards on costs and pricing enabled us to protect our overall profitability. We benefitted from lower engagement in our opportunistic B2B business, which has lower margins. Combined with our conscious efforts to cover the cost of budget pay, our gross margins expanded by a respectable 210 bps to 63% in 2015-16.

Q What other factors strengthened the Company's profitability?

A We appraised margin-enhancing product extensions that translated into the following initiatives:

- We launched beauty products synergic with our fashion lifestyle products; these products were well received in the UK market
- We launched branded homegrown products under various collections; these enabled us to aggregate and market a higher number of products under a 'set', grow aspirational product value and leverage India's heritage value (favourite theme in our target markets) through the Royal Jaipur, Hidden Treasures and Tribal Collection etc.

Q What are the Company's plans for 2016-17?

A We expect to get the latest version 5.7 of Hybris up and running by July 2016. The other initiatives comprise growing our homegrown brands focus and enhance the new SEZ manufacturing unit capacity. We created a professional talent pipeline and recruited from top institutes (IIMs, NID and MDI, Gurgaon) to strengthen project execution. As a result of superior customer engagement programs and customer-side and infrastructure-part investments, we are prepared for the next stage of growth.

Key strengths

Robust supply chain – We focused on reinforcing our supply chain

The procurement of quality resources in a competitive manner is Vaibhav Global's core strength. The Company's sourcing infrastructure covers most major procurement hubs (China, Bangkok, Thailand, Indonesia and India), widening the product basket. Besides, the company launched homegrown branded jewellery collections and cosmetic care products synergic with its lifestyle fashion products.

Global competitiveness – Our showpiece greenfield manufacturing unit in Jaipur SEZ will enhance production capacity 100%

Vaibhav Global enjoys over 25 years of rich experience in jewellery manufacturing and marketing. The Company established a low-cost asset base through the strategic location of its manufacturing facility in Jaipur, which employs over 1700 well-trained workmen, driving economies of scale and optimising overheads. By the virtue of this, the Company is not only able to effect quicker turnaround times and cash in on demand up-cycles, but also possesses a huge product basket (following the launch of over 150 new designs every single day) that enhances marketplace excitement.

Large, dynamic and engaged customer base –We enhanced our USA reach 11% to cover 110 million households (FTE basis)

Vaibhav Global's online B2C retail strategy hinges on low-costs; this purely online play circumvents the need to lock into high-rental commercial properties. In a bid to keep costs tightly under control, the Company advertises products and engages with customers through both television channels (The Liquidation Channel, USA, and TJC, UK) as well as the online platform. The Company's expert team of television hosts not only attracts customers but also provides tangible incentives for them to keep coming back and drive repeat sales.

Customer centricity – The web-commerce platform upgradation to Hybris, the Mexico call centre, acquisition of a new UK channel, Budget Pay introduction and returnability enhanced customer centricity

At Vaibhav Global, the jewellery retail business is akin to customer fulfillment (logistics and inventory management, IT support and customer service). Vaibhav Global ensures that products (including buffer quantities) are in the warehouse before they are advertised and reach customers on the promised day (or earlier).

Scalable model – Our senior-level recruitment across our Company will enable us to put our vision into active implementation

Despite inflation, Vaibhav Global capped costs through scale leverage – scale of procurement, scale of operations and scale of airtime acquisition. Concurrently, the company rejuvenated its talent pool through enhanced fresh and enthusiastic employees across countries.

Board's profile

Mr. Sunil Agrawal, *Chairman & Managing Director*

Mr. Sunil Agrawal is a commerce graduate with an MBA from Columbia University, New York (USA). A first generation entrepreneur, he established Vaibhav Enterprises in 1980 with an objective to professionalize the Gems and Jewelry Trade. He has traveled widely and gained immense knowledge of gemstones and jewelry. He has brought this expertise to bear on the success of the Company. He has represented the Company at all major international trade shows and jewelry fairs and is also credited with the pioneering commercialization of popular gemstones like Tanzanite.

Mr. Rahimullah, *Whole Time Director*

Mr. Rahimullah started his career with his emerald trading and export business. He has gained considerable experience and knowledge in this field and has travelled extensively in Africa, Europe and the Far East in search of rough stones. His 42 years of industry experience, dedication, vision and acumen have been responsible for VGL's impressive growth.

Mr. P. N. Bhandari, *Director*

Mr. P. N. Bhandari, a retired IAS officer, is B.A. and LLB. He has been Addl. Chief Secretary & Dev. Commissioner, Principal Secretary to the Government, Collector & District Magistrate in five districts and Vice Chancellor of Udaipur Agriculture University. He has also been the Managing Director of Rajasthan Industrial & Infrastructure Dev. Corp. (RIICO), Transmission Company (TRANSCO), Rajasthan, Rajasthan State Mines and Minerals (RSMM) and Rajasthan Tribal Development Corporation, and Director in The Bank of Rajasthan, BSES, Mumbai and Yamuna Power (Reliance) Delhi.

Mr. Bhandari was promoted in the scale of Chief Secretary in 1998 (equivalent to the rank of Secretary to Govt. of India) and has been appointed as Chairman of the Rajasthan State Electricity Board (RSEB) thrice. He also received "Leading Energy Personality 2013 Award" from Council of Power Utilities at Hyderabad and authored "Commitment and Creativity, Reminiscences of an IAS Officer".

Currently, he is practicing as an Advocate at Rajasthan High Court and Member of Public Expenditure Review Committee headed by the Chief Secretary, Govt. of Rajasthan, State level Advisory Committee, Rajasthan Electricity Regulatory Commission and State Innovation Council.

Mr. Surendra Singh Bhandari, *Director*

Mr. S.S. Bhandari, FCA, is a Practicing Chartered Accountant since 1971 with a meritorious academic record. Being the Founding Partner of M/s. S. Bhandari & Co., Jaipur, he is one of the leading consultants in the field of banking, audit, assurance, tax assignments, corporate restructuring and other advisory services.

Mr. Bhandari is presently an Independent Director of M/s. Asian Hotels (West) Ltd., Delhi; Member of Finance Committee, Indian Institute of Technology (IIT), Jodhpur and also the Chairman, Audit Committee of Indian Institute of Health and Management Research (IIHMR) University, Member, State Advisory Board of C&AG. He has in past, served on various coveted positions as an Independent Director of Bank of Baroda, Central Bank of India and erstwhile Bank of Rajasthan and as a Trustee of the PNB Mutual Fund among others.

Mr. Bhandari has also been on Central Council of Institute of Chartered Accountant of India from 1985 to 1991. He is deeply involved in various social and philanthropic activities through Shri Bhagwan Mahaveer Viklang Sahayata Samiti (Jaipur Foot), Umang (A school for specially challenged children) and other institutions on leprosy, eye care etc.

Mr. Nirmal Kumar Bardiya, *Director*

Mr. Nirmal Kumar Bardiya is one of the most renowned jewelers of Jaipur with over 35 years of experience in colored gemstone manufacturing. He has been associated with VGL for the last 16 years. He is highly specialized in high volume gemstones and beads, and is one of the leading global players in this segment. Mr. Bardiya is the Chairman & Managing Director of RMC GEMS INDIA LIMITED, Director of Zari Silk India Pvt. Ltd. and Bardiya Construction Co. Pvt. Ltd. (Hotel Fortune Bela Casa), Jaipur. He holds the position as President of Jewellers Association, Jaipur, Director of International Colored Gemstone Association, New York, Vice President of renowned social organization: Jain International Trade Organization (JITO), Jaipur Chapter and President of Anuvibha Jaipur Kendra.

Mrs. Sheela Agarwal, *Director*

Mrs. Sheela Agarwal is an active social worker. She possesses great acumen and business understanding. She is a religious lady and is the mother of Mr. Sunil Agrawal, Chairman and Managing Director..

Mahendra Kumar Doogar, *Director*

Mr. Mahendra Kumar Doogar is the Founder & Managing Partner of M/s Doogar & Associates, Chartered Accountants and a fellow member of The Institute of Chartered Accountants of India. With 39 years of experience and exposure in the field of Auditing, Financial and Management Consultancy, he specializes in Corporate Advisory Services, Project Financing/Governance, Corporate Laws and Management Consultancy. He is an expert in the areas of Statutory and Internal Audits of Large Corporate groups & banks of Public Sector undertakings. Mr. Doogar is presently on the Board of various Companies including PHD Chamber of Commerce and Industry, M/S Dalmia Refractories Limited, Frick India Limited, Morgan Ventures Limited, Kamdhenu Limited, D & A Financial Services Private Limited, and Sanghi Industries Limited. He has successfully

managed various international assignments with leading funds in Singapore, Hong Kong, UAE, USA, Japan, France, Italy and Nigeria and has authored books on Guide to Capital Issues, Guide to Sick Industrial Companies and Practice & Procedure of Public Issues.

His foresightedness has inspired the firm to grow and set the foundation in diversified areas. His path-breaking achievements have been guiding the destiny of the firm for over 36 years. He looks after the entire practice relating to Audit and rendering consultancy of accounting, Company Laws, Taxation & FEMA matters.

Mr. Pulak Chandan Prasad, *Director*

Mr. Pulak Chandan Prasad is the founder of Nalanda Capital that holds large and long-term stakes in small to mid-cap listed Companies in India on behalf of the US and European Institutional Investors (primarily Endowments and Foundations). Before Nalanda Capital, Pulak has worked with the global private equity firm Warburg Pincus for more than eight years as the Managing Director and co-head of India. Before Warburg Pincus, Pulak was associated with McKinsey in India, South Africa and the US for six years. He joined McKinsey in 1992 after completing his post-graduation from IIM Ahmedabad, prior to which he worked with Unilever in India as a Production Management Trainee. He holds an engineering degree from IIT Delhi.

Mr. Santiago Roces Moran, *Director*

Mr. Santiago Roces Moran is a Law graduate from Oviedo University School of Law, Spain and an MBA graduate from Madrid Business School, University of Houston. He has extensive turnaround strategy and start-up experience with Walmart, SUPERVALU / Save-A-Lot, Yum! Brands and Carrefour. He achieved revenue and profit objectives that required innovative strategic planning and sales/merchandising tactical programs in highly complex organizational structures. Mr. Moran has vast experience in International Market, Retail Business Models, Operational Excellence and Business Development. He has served as President and CEO – SAVE-A-LOT FOOD STORES, St. Louis, MO; Senior Vice President & General Manager – Walmart Stores Inc.; President and CEO – Walmart Korea; Chief Merchandising Officer – Walmart Argentina; and General Manager Food – Walmart Argentina and Germany.

Mr. Harsh Bahadur, *Director*

Mr. Harsh Bahadur is MA in History from St. Stephen's College, Delhi University and MBA from Boston University, U.S.A. in 1979. He has 33 years of rich experience in the Retail, Branded FMCG, Music, Sportswear, Business services and Jewelry industries. He is currently on the Board of Indian Terrain Fashions Ltd. as an Independent Director and is also working as a senior advisor in PricewaterhouseCoopers (PWC). Mr. Bahadur also advises Private Equity Funds and has evaluated Companies in the automobile servicing, branded food and e-commerce sectors. In past, he has worked with Hindustan Unilever for 11 years and has held the office of CEO for the RPG Music International – a group Company that owned over 80% of Indian music catalog, focusing on marketing Indian music to the diaspora across the world for two years. In 1997, he joined the US-based Sara Lee Corporation as the CEO for their food foray into India. In October 2000, he was appointed as Managing Director – India by the Dusseldorf-based Metro Group, the fourth largest retail and wholesale Company in the world, to lead the launch of this International retailer into the Indian Market. After serving Metro India as the MD for six and half years, he joined a division of Reliance Retail Initiative as the President and CEO. He also worked as General Manager, Wholesale – India for Tesco, the world's 3rd largest retailer.

Key management team

Mr. Puru Aggarwal

Group CFO

Mr. Puru Aggarwal is a qualified Chartered Accountant, Cost & Management Accountant, and Company Secretary. He has a rich experience of 24 years in business modeling, financial strategy & planning, business development, procurement, supply chain & distribution, budgeting, taxation, cost control, legal compliances, and mergers & acquisitions.

Prior to VGL, Mr. Aggarwal has worked with various Companies including Teva Pharmaceuticals India, Coca-Cola India and E&Y India. His last assignment was with Teva Pharmaceuticals India as Director & Country CFO for nearly 11 years.

Mr. Kevin Lyons

President, Liquidation Channel, USA

Mr. Kevin Lyons has over 20 years of retail experience at major US retailers including Best Buy (15 years), Sears Holding Company (3 years), and hhgregg (3 years). Kevin focused his career on roles that allowed him to drive growth in seamless shopping experiences through innovation, motivation, and customer segmentation. In his last role as Senior Vice President/GM, e-commerce at hhgregg, Kevin lead their digital strategy and managed the overall business of hhgregg.com taking them to the JD Powers #1 Appliance Retailer Website for 2014, oversaw fine lines.com – a high end division of appliances for hhgregg, and mobile winning an IBM Impact Mobile and Hermes Golden Award Winner in 2014/15. During his tenure, hhgregg was also acknowledged as an IR 500 (244) and IR Social 500 (448) Company. Kevin is a graduate of Morehead State University and University of Kentucky.

He has a passion for creating strategy, as well as delivering innovation and execution against that strategy. Outside of the office, Kevin enjoys spending time with his family, is very physically active and enjoys sports and doing almost anything outdoors.

Mr. Jeff Allar

Group Senior Vice President, HR

Mr. Jeff Allar brings over 31 years of industry experience working for major international Companies including IBM, Unilever, and the Stonyfield Farm unit of Groupe Danone, where he was the Vice President of Human Resources. In his last role, he led HR and organizational development for Affiliated Construction Services (ACS), a global engineering services firm headquartered in Madison, Wisconsin, USA catering to the clientele like John Deere, Caterpillar, Cummins, Harley Davidson, General Electric and many more. The opportunity to join an exciting and growing Company such as VGL led his wife and him to make the decision to change path one more time and make the move to Austin, Texas in the USA. Away from work, he enjoys golfing, family history research and his charity of choice is to be involved with agencies and organizations that fight domestic violence. He finds it interesting to see our products on TV or the internet and observes the great job our hosts do in connecting with our consumers to purchase our jewelry and lifestyle products. He is a big believer in building relationships and follows the saying "People like to work with people they like"! What Jeff has to say about VGL's vision, mission, and values is very inspiring. For him, vision, mission and values create the overall purpose of the organization – what we do, why, and how. They are the guideposts that frame our behavior at work every day. If you are ever wondering about something that you are working on or if a decision you are about to make is the right thing to do, he suggests that we refer the vision, mission, and values to help us make the right decision.

Mr. Vineet Vashist

Chief Technology Officer

Mr. Vineet Vashist comes to us from Aritzia, a leader in women's fashion in Canada. While there, he led the effort to lay the foundation for e-Commerce growth working with cross-functional teams to align systems, processes and organisation structures to long-term growth as well as creating the Product Management discipline to drive consistent growth in e-Commerce revenue through continuous improvement. Prior to Aritzia, Vineet progressively moved through various roles with Abercrombie & Fitch where in his last role as Director IT e-Commerce, he led all roadmap, architecture, development, and integration of e-Commerce initiatives with operational and capital budget of combined $25 million. He grew a small e-Commerce team into a specialized organization of 25 employees split into specialized disciplines of Front End Development, Native App Development, Systems Integration, Web Engineering and Product Information Management.

Vineet brings strong expertise and a proven track record in leading the transformation of a traditional IT organization into more nimble and agile one by helping revamp the processes, team roles and tools. He has managed an aggressive portfolio with an annual budget of over $20 million to deliver new strategic capabilities and operational enhancements to Aritzia and A&F. Vineet is a graduate of The Ohio State University and is an avid follower of all sports but in particular – Cricket and American Football. Outside of game time, you will likely find him enjoying a hike with his two dogs.

Mr. Pushpendra Singh

Vice President, HR Asia

Mr. Pushpendra Singh started his career with NTPC as a Management Trainee immediately after completing post-graduation in Management. His keen sense of dynamics of human behavior had him win approval of not just his managers but his peers early on. He rose rapidly in ranks as his prowess in HR was prodigious. At Reliance Communication, he was widely acknowledged for his strategic thinking, solution orientation and logical aptitude. He has thrived in roles that demand quick thinking and action. His vast and versatile experience coupled with an undying urge to challenge himself got him moving again. He joined VGL Group in 2011 and is credited with restructuring and re-visioning HR to make HR an effective Business Partner. Currently, he is dedicated to making VGL a Great Place to Work. His efforts have led to accelerated employee engagement for productivity gains at VGL. He was awarded "20 Most Talented HR Leaders in Industry" by World HRD Congress in 2013.

Mr. Raj Singh

Vice President Operations, VGL India

Mr. Raj Singh is a graduate in Chemistry and trained in Mechanical Maintenance. He began his career with Shrenuj & Company Ltd. In his career of 21 years, he has gone strength to strength improving and innovating businesses. His current stint with VGL Group appears to be a crescendo of an ever climbing career. At VGL, he is instrumental in turning strategy into operational & financial success. His initiatives like Gems Studded Stainless Steel Jewelry, Ion Plating, etc., are ground-breaking in the Jewelry industry. For an industry that is type cast as labor intensive, Mr. Singh has led many automation drives and is successful in grinding out cost efficiencies. His relentlessness is not limited to saving costs and improving product quality as his versatility reflected in the construction of VGL's SEZ Factory in record time. He affirms that SEZ factory is one of the most environment-friendly buildings in the Country. It helps that Raj has a huge appetite for work while being able to relax outside of it. He loves his family and is fond of traveling with them.

Mr. Nitin Dugar

Chief Operating Officer,

Liquidation Channel USA

Mr. Nitin Dugar has been associated with VGL group since 2003. He joined the group at the Bangkok facility looking after Silver factory operations; he then moved to Gold unit and finally relocated to the USA in 2006. Currently, working as Chief Operating Officer at Liquidation Channel, he oversees the Company's key strategic projects, new initiatives and process improvements. He is a Science graduate and an MBA from Mumbai. Before joining the VGL group, he has worked with the marketing department of the prestigious Godrej Group in managerial roles. Mr. Dugar loves to read about American Politics, Economy, Cricket and Cooking for leisure. A native of Mumbai, he now lives in Austin, Texas with his wife and son.

Social responsibility

At Vaibhav Global, we strongly believe in giving back to the society by doing our part in solving socio-economic challenges of our time. We are proud of the success of our CSR program partnership with Akshaya Patra Foundation, the world's largest NGO that serves wholesome mid-day meals to over 1.5 million children in over 10,000 government and non-government aided schools in 10 states in India. In doing so, the Foundation fights the cause of hunger, malnutrition and illiteracy among children in India. The organisation is of the belief that there is a dire need for the operation of Akshaya Patra to be replicated so that it realises the vision that "no children in India should be deprived of education because of hunger". The Foundation's mission is to reach out to 5 million children every school day by 2020. The programme spans 141 Schools and 322 Anganwadis in Jaipur. Our 'One for One' program entails us serving one mid-day meal to a hungry school going child for every piece sold on our UK live TV channel- TJC. So far, VGL has served over five million meals under 'One for One'.

We have undertaken a number of initiatives such as supporting Prem Niketan foundation for helping them with their old age home, school and treatment of needy patients at their hospital. We also work with the Hare Krishna Movement, Jaipur which undertakes various educational / social awareness activities and also with Jan Chetna Sansthan in Mount Abu for empowerment of rural women.

In our effort to tackle every social challenge head-on, we have associated with Umang NGO, working for the differently-abled members of our society. We have also supported the Anandilal Poddar Mook Badhir Vidyalaya financially and also empowering some through vocational training & employment.

Social Initiative

Taking forward our commitment towards the betterment of society, the employees of the Company participated in *Blood Donation camps* organized by the Mehek Diya Foundation and Jain Social Group (Gem City) Jaipur. VGL team members donated over 200 units of blood in 2016.

We gave training and also employed differently-abled members of the society through our partnership with the Youth for Jobs NGO.

Statutory Section

VAIBHAV GLOBAL LIMITED
Registered Office : K-6B, Fateh Tiba, Adarsh Nagar, Jaipur – 302004
CIN : L36911RJ1989PLC004945 • Tele No.: 91-141-2601020 • Fax No : 91-141-2605077
Email: investor_relations@vaibhavglobal.com • Website : www.vaibhavglobal.com

NOTICE

Notice is hereby given that the 27th Annual General Meeting (AGM) of the Members of VAIBHAV GLOBAL LIMITED will be held on Thursday, 28th July, 2016 at 10:00 a.m. at E-69 EPIP, Sitapura, Jaipur-302022 (Rajasthan) to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company along with Consolidated Financial Statements for the financial year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Rahimullah (holding DIN : 00043791) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

3. To re-appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next Annual General Meeting (AGM) and to fix their remuneration and in this regard, to pass the following resolution as an Ordinary Resolution :

   "RESOLVED THAT pursuant to Section 139, 142 and any other applicable provisions of Companies Act, 2013 and rules made thereunder, M/s Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No. 103523W) and M/s B. Khosla & Co., Chartered Accountants (Firm Registration No. 000205C) be and are hereby re-appointed as Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next Annual General Meeting (AGM), at such remuneration as may be decided by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. **Appointment of Mr. Santiago Roces Moran as an Independent Director**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act, Mr. Santiago Roces Moran (holding DIN : 07246975), who was appointed as an Independent Director in casual vacancy w.e.f 28th July, 2015 pursuant to the provisions of Section 161(4) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director for a period of two years commencing from 28th July, 2015 to 27th July, 2017 and whose office shall not be liable to retire by rotation."

   "RESOLVED FURTHER THAT the Board of Directors and/or Group CFO and/or Company Secretary be and are hereby severally/ jointly authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

5. **Appointment of Mr. Harsh Bahadur as an Independent Director**

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

   "RESOLVED THAT pursuant to the provisions of Sections 152, 160 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Harsh Bahadur (holding DIN : 00724826) who was appointed as an Additional Director w.e.f 26th September, 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and

is hereby appointed as Director."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act, Mr. Harsh Bahadur (holding DIN : 00724826), be and is hereby appointed as an Independent Director for a period of period of two years commencing from 26th September, 2015 to 25th September, 2017 and whose office shall not be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and/or Group CFO and/or Company Secretary be and are hereby severally/ jointly authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

By order of the Board of Directors

Place: Jaipur **Brahm Prakash**
Date: 19th May, 2016 **Company Secretary**

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.
2. The 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) and Central Depository Services Limited (CDSL) as on 17th June, 2016 (cut off date). The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the said date.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.
4. The instrument appointing a proxy, duly completed must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
5. Members /proxies should bring the duly filled attendance slip enclosed herewith to attend the meeting.
6. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote at the meeting on their behalf.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 21st July, 2016 to Thursday, 28th July, 2016 (both inclusive).
9. The Register of Directors and KMP and their shareholding and register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 will be available for inspection by the members at AGM.
10. The members are requested to send their demat/remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's Registrar and Share Transfer Agent, M/s Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032.
11. The members who hold shares in physical form are requested to notify immediately, any change in their addresses to the Registrar and Share Transfer Agent of the Company at the above address and to their respective depository participants, in case shares are held in electronic form.
12. Non Resident Indian Members are requested to inform the Registrar and Share Transfer Agent of the Company for any change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
13. The Securities Exchange Board of India (SEBI) mandate the submission of Permanent Account Number (PAN) by every participant in securities market. The Companies Act, 2013 and rules made thereunder also require the further details to be submitted to the Company like email address, Father's/Mother's/ Spouse's name. Members holding shares in electronic form are, therefore requested to submit

PAN and other details to their Depository Participants with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN and other details to the Company's Registrar and Share Transfer Agent.

14. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under the Section 72 of the Companies Act, 2013 may do so.

15. Members wishing to claim their unpaid or unclaimed interim dividend for the financial year 2014-15 are requested to claim the same.

16. The Notice of AGM along with the Annual Report 2015-16 is being sent by electronic mode to those members whose email address is registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their email address, physical copies are being sent by the permitted mode.

17. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report in the meeting.

18. The Annual Report of the Company circulated to the Members of the Company will be made available on the Company's website at www.vaibhavglobal.com and also on the website of respective Stock Exchanges.

19. The Members who have not registered their email address are requested to register the same with the Registrar and Share Transfer Agent/Depositories.

20. The instructions for remote e-voting are being sent separately through permitted mode.

21. The route map showing direction to reach the venue of the 27th AGM is annexed at the end of the Report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 :

Item No. 4 :

The Board of Directors at its meeting held on 28th July, 2015 appointed Mr. Santiago Roces Moran as a Director in Casual Vacancy under the category of Non-Executive Independent Director, in terms of Section 161(4) and 149 of the Companies Act, 2013 (Act). As per Section 150(2) read with 152(2) of the Act, the appointment of Independent Director shall be approved by the Company in general meeting.

The Company has received a notice in writing under the provisions of Section 160(1) of the Act, 2013 from a member along with a deposit of ₹1,00,000/- (One Lac only) proposing the candidature of Mr. Santiago Roces Moran as an Independent Director of the Company and a declaration from Mr. Santiago Roces Moran to the effect that he meets the criteria of independence as provided in 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

The resolution seeks the approval of members for the appointment of Mr. Santiago Roces Moran as an Independent Director, pursuant to the provisions of Section 149 read with Schedule IV and any other applicable provisions of the Act and rules made thereunder. He will not be liable to retire by rotation.

No Director, Key Managerial Personnel and their relatives, except Mr. Santiago Roces Moran being appointee, is in any way, concerned or interested in the resolution.

The Board of Directors recommends the resolution set forth in item no. 4 for the approval of the members.

Item No. 5 :

The Board of Directors appointed Mr. Harsh Bahadur as an Additional Director in the category of Independent Director under Section 161 and 149 of the Companies Act, 2013 (the Act) by a resolution passed by circulation on 26th September, 2015. In terms of Section 161(1) of the Act, an Additional Director shall hold office upto the date next Annual General Meeting. Also, as per Section 150(2) read with 152(2) of the Act, the appointment of Independent Director shall be approved by the Company in general meeting.

The Company has received a notice in writing under the provisions of Section 160(1) of the Act, 2013 from a member along with a deposit of ₹1,00,000/- (One Lac only) proposing the candidature of Mr. Harsh Bahadur as an Independent Director of the Company and a declaration from Mr. Harsh Bahadur to the effect that he meets the criteria of independence as provided in 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

No Director, Key Managerial Personnel and their relatives, except Mr. Harsh Bahadur being appointee, is in any way, concerned or interested in the resolution.

The Board of Directors recommends the resolution set forth in item no. 5 for the approval of the members.

By order of the Board of Directors

Place: Jaipur **Brahm Prakash**
Date: 19th May, 2016 **Company Secretary**

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT/APPOINTMENT AT 27TH ANNUAL GENERAL MEETING (AGM)

Sl. No	Name of the Director	Date of the Appointment	Brief Profile / Expertise in Specific field of areas	Directorship held in other public Companies as on 31.03.2016 (excluding foreign Companies and Private Companies)	Membership/ Chairmanship of Committees of other public Companies as on 31.03.2016)*	Number of shares held in the Company
1.	Mr. Rahimullah (DIN: 00043791)	25-01-1999	Mr. Rahimullah started his career with his emerald trading and export business. He has gained considerable experience and knowledge in this field and has travelled extensively in Africa, Europe and the Far East in search of rough stones. His 42 years of industry experience, dedication, vision and acumen have been responsible for VGL's impressive growth.	1. VGL Softech Limited 2. Jaipur Gems Bourse Limited	Nil	12,36,500
2.	Mr. Santiago Roces Moran (DIN : 07246975)	28-07-2015	Mr. Santiago Roces Moran is a Law graduate from Oviedo University School of Law, Spain and an MBA graduate from Madrid Business School, University of Houston. He has extensive turnaround strategy and start-up experience with Walmart, SUPERVALU / Save-A-Lot, Yum! Brands and Carrefour. He achieved revenue and profit objectives that required innovative strategic planning and sales/merchandising tactical programs in highly complex organizational structures. Mr. Moran has vast experience in International Market, Retail Business Models, Operational Excellence and Business Development. He has served as President and CEO – SAVE-A-LOT FOOD STORES, St. Louis, MO; Senior Vice President & General Manager – Walmart Stores Inc.; President and CEO – Walmart Korea; Chief Merchandising Officer – Walmart Argentina; and General Manager Food – Walmart Argentina and Germany.	Nil	Nil	Nil
3.	Mr. Harsh Bahadur (DIN: 00724826)	26-09-2015	Mr. Harsh Bahadur is MA in History from St. Stephen's College, Delhi University and MBA from Boston University, U.S.A. in 1979. He has 33 years of rich experience in the Retail, Branded FMCG, Music, Sportswear, Business services and Jewelry industries. He is currently on the Board of Indian Terrain Fashions Ltd. as an Independent Director and is also working as a senior advisor in PricewaterhouseCoopers (PWC). Mr. Bahadur also advises Private Equity Funds and has evaluated Companies in the automobile servicing, branded food and e-commerce sectors. In past, he has worked with Hindustan Unilever for 11 years and has held the office of CEO for the RPG Music International – a group Company that owned over 80% of Indian music catalog, focusing on marketing Indian music to the diaspora across the world for two years. In 1997, he joined the US-based Sara Lee Corporation as the CEO for their food foray into India. In October 2000, he was appointed as Managing Director – India by the Dusseldorf-based Metro Group, the fourth largest retail and wholesale Company in the world, to lead the launch of this International retailer into the Indian Market. After serving Metro India as the MD for six and half years, he joined a division of Reliance Retail Initiative as the President and CEO. He also worked as General Manager, Wholesale – India for Tesco, the world's 3rd largest retailer.	1. Indian Terrain Fashions Limited	Audit Committee – Indian Terrain Fashions Limited	Nil

*Membership / Chairmanship of Committee includes Audit Committee and Stakeholders' Relationship Committee.

Board's Report

To the Members of Vaibhav Global Limited,

The Directors have pleasure in presenting the 27th Annual Report together with the Audited Financial Statements for the financial year ended 31st March, 2016.

FINANCIAL PERFORMANCE AND HIGHLIGHTS

The Standalone and Consolidated Audited Financial Results of the Company for year ended 31st March, 2016 are as follows:

₹ in Crore

Particulars	Standalone (F.Y)		Consolidated (F.Y)	
	2015-16	2014-15	2015-16	2014-15
Revenue from Operations and Other Income	367.99	415.82	1,293.57	1,388.45
Less: Operating Cost	329.78	365.16	1,218.30	1,241.57
Operating Profit / PBDIT	**38.21**	**50.66**	**75.27**	**146.88**
Less: Interest & Finance Charge	4.42	5.33	6.82	7.33
Less: Depreciation & Amortization Expenses	5.50	5.58	23.65	11.88
Profit Before Tax and Exceptional Items	**28.29**	**39.75**	**44.79**	**127.67**
Add : Exceptional Items	-	-		-
Profit Before Tax (PBT)	**28.29**	**39.75**	**44.79**	**127.67**
Less: Tax Expenses	10.14	9.78	4.97	24.50
Less: Minority Interest	-	-	0.00	0.00
Profit After Tax (PAT)	**18.15**	**29.98**	**39.82**	**103.16**
Less: Interim Dividend (Previous year on Preference Shares, Current year on Equity Shares)	-	9.32	-	9.32
Less: Transfer to General Reserve	-	5.00	-	5.00
Less: Transfer to Capital Redemption Reserve	-	-	-	-
Add: Impact on inter transfer of shares & Minority Interest	-	-	-	-
Surplus	18.15	15.65	39.81	88.84

*Previous year figure have been regrouped & rearranged wherever necessary.

DIVIDEND

The Board of Directors has not recommended any dividend for the financial year 2015 -16 .

TRANSFER TO RESERVE

The Board of Directors doesn't propose to transfer any sum to the General Reserve.

BUSINESS REVIEW

Vaibhav Global Limited is an electronic retailer of fashion jewellery and lifestyle products in the US, UK and Canada markets sold on our proprietary TV shopping and web platforms with direct access to 110 million TV households. The Company delivers deep value proposition to discount seeking customers and has developed a robust B2C franchise in its focus markets organically. This is an achievement very few Indian Companies have been able to accomplish.

The Company has expanded its portfolio, focusing on adjacent product categories that target similar market segments. While fashion jewelry forms a large part of the portfolio, the Company also sells lifestyle accessories, home textiles and cosmetics, all of which are targeted at the same customer and enable access to a larger part of the customer's shopping value pie. For details please refer to Business Overview Section in Management Discussion and Analysis Report.

CONVERSION OF LOAN GIVEN TO GENOA JEWELERS LIMITED, A WHOLLY OWNED SUBSIDIARY OF THE COMPANY

During the year under review, the Company has converted entire outstanding loan amounting to ₹52.49 crore, given to M/s Genoa Jewelers Limited, a wholly owned subsidiary of the Company into equity of the said subsidiary and accordingly 79,45,000 equity shares of USD 1 have been issued.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company & Subsidiaries form part of this Annual Report and have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Also, in accordance with Section 136 of the Companies Act, 2013, the audited financial statements for the financial year ended 31st March, 2016 in respect of each subsidiary are available on the website of the Company i.e www.vaibhavglobal.com. A copy of said audited accounts shall be provided to the shareholders upon request. A separate statement containing salient features of the financial statements in prescribed format AOC- 1 is annexed as Annexure –1 to this report. The statement also provides the details of performance and financial positions of each of the subsidiary Company.

PARTICULAR OF LOANS, GUARANTEES AND INVESTMENT

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note no. 12, 26 & 9 respectively to the Standalone Financial Statements of the Company.

INCOME TAX

The Company received a demand notice of ₹3.25 crore pertaining to financial years from 2007-08 to 2010-11 on account of transfer pricing additions, against which an appeal was filed to CIT(A).

DETAILS OF SUBSIDIARIES

The Company has the following major operating Subsidiaries and Step Down Subsidiaries:

a) Genoa Jewelers Limited, British Virgin Islands, a 100 percent subsidiary of the Company, which in turn holds 100% in The Liquidation Channel USA, The Jewellery Channel, UK and Jewel Gems USA Inc.

b) STS Jewels Inc., USA, a 100 per cent subsidiary of the Company, engaged in selling jewelry to the departmental stores, TV channels and others in USA on wholesale basis.

c) STS Gems Limited, Hong Kong, a 100 per cent subsidiary of the Company, engaged in outsourcing jewelry and lifestyle products for the group from China and Hong Kong.

d) STS Gems Thai Limited- a 100 percent subsidiary of the Company, engaged in outsourcing products for the group from Thailand.

e) Jewel Gems USA Inc. a wholly owned step down subsidiary of the Company engaged in providing call center and other support services to the VGL Group Companies.

f) The Jewelery Channel Ltd. UK (TJC UK), a wholly owned step down subsidiary of the Company, engaged in sale and marketing of fashion jewelry and life style accessories through electronic media and operates a dedicated 24x7 hours TV shopping channel and Internet shopping website (www.tjc.co.uk) in UK.

g) The Liquidation Channel Inc, USA (TJC USA), a wholly owned step down subsidiary of the Company is engaged in marketing of fashion jewelry and life style accessories through electronic media and operates a dedicated 24x7 hours TV shopping channel and Internet shopping website (www.liquidationchannel.com) in USA.

h) PT STS BALI, a step down subsidiary of the Company, Hong Kong engaged in a outsourcing products for the group from Indonesia.

CHANGE IN CAPITAL STRUCTURE

a Conversion of Global Depository Receipts (GDRs)

During the year under review, Sonymike's Holdings Limited, a Promoter Group Company and GDR holder has converted 3,00,000 (Three Lac) GDRs, convertible into 30,00,000(Thirty Lac) Equity Shares of ₹10 each. Pursuant to conversion of GDRs, the aggregate shareholding of Promoter & Promoter Group increased to 1,82,76,983 (One Crore Eighty Two Lac Seventy Six Thousand Nine Hundred Eighty Three) Equity Shares.

b) Allotment of Equity Shares

During the year, the Company has allotted 1,12,748 Equity Shares of ₹10 each to eligible employees under Vaibhav Global Employee Stock Option Welfare Trust, pursuant to exercise of Stock Options and consequently, the Paid Up Equity Share Capital of the Company increased from ₹32,40,23,830 (Thirty Two Crores Forty Lac Twenty Three Thousand Eight Hundred Thirty) to ₹32,51,51,310 (Thirty Two Crores Fifty One Lac Fifty One Thousand Three Hundred Ten). Further, the Company has not issued shares with differential voting rights.

EMPLOYEE STOCK OPTIONS UNDER VGL ESOP (AS AMENDED) – 2006

During the year, 76,570 (Seventy Six thousand Five Hundred Seventy) stock options convertible into 76,570 (Seventy Six thousand Five Hundred Seventy) Equity Share of ₹10 each have been granted to the eligible employees of the Company and its Subsidiaries. The ESOP Scheme is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014. The detail is available on the Company's website: http://www.vaibhavglobal.com/sites/default/files/report-management/ESOP%20annexure%2003-07-16_1.pdf

CREDIT RATING

Credit rating of the Company has been upgraded by one notch from CARE A3+ (A Three Plus) to CARE A2 (A Two) for the short term bank facilities and from CARE BBB to CARE BBB+ rating for long term facilities.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year, Mr. Peter Duncan Whitford, Independent Director resigned w.e.f 20th July, 2015. The Board of Directors at its meeting held on 28th July, 2015 appointed Mr. Santiago Roces Moran as a Director in casual vacancy. It is proposed to appoint him as an Independent Director for a period of two years w.e.f 28th July, 2015 to 27th July, 2017 under the category of Independent Director. The Shareholders of the Company at their 26th Annual General Meeting (AGM) held on 28th July, 2015 appointed Mr. Hemant Sultania as Director whose office was liable to retire by rotation and resigned w.e.f 12th May, 2016. The Board of Directors also appointed Mr. Harsh Bahadur as an Additional Director in the category of Independent Director on 26th September, 2015 by a resolution passed by circulation. It is proposed to appoint him as an Independent Director for a period of two years w.e.f 26th September, 2015 to 25th September, 2017. Mr. Vikram Kaushik, Independent Director resigned w.e.f 19th May, 2016.

Mr. Puru Aggarwal was appointed as Group CFO under the category of Key Managerial Personnel (KMP) w.e.f 26th August, 2015. In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Rahimullah, Whole Time Director is liable to retire by rotation at ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

a. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, that of its Committees and individual Directors.

b. Remuneration Policy

The Remuneration Policy is given in the Corporate Governance Report.

c. Board Meetings

The Board of Directors met six times during the financial year 2015-16 on 21st May, 2015, 28th July, 2015, 8th August, 2015, 4th November, 2015, 9th December, 2015 and 25th January, 2016. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013, clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

d. Declaration by Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms & conditions for the appointment of Independent Directors are given on the website of the Company and separately disclosed in the Corporate Governance Report.

COMMITTEES OF THE BOARD

There are currently four Committee of the Board which are as follows :

a) Audit Committee

b) Nomination, Remuneration & Compensation Committee

c) Corporate Social Responsibility (CSR) Committee

d) Stakeholders' Relationship Committee

Details of all the Committees along with their composition, charters and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in preparation of annual accounts for the year ended 31st March, 2016 and state that :

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and profit of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a going concern basis;

(e) proper internal financial controls have been laid down which are adequate and are operating effectively.

(f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no material significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large. Particulars of contracts or arrangements with related parties referred to Section 188(1) of the Companies

Act, 2013 in the form AOC 2 is annexed herewith as Annexure 2.

A list of all related party transactions is placed before the Audit Committee as well as the Board of Directors. The Board has also framed a policy on related party transactions and the same is available on Company's website i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Policy-on-Related-Party-Transactions.pdf.

Pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regualtions, 2015, the Board has framed a Policy on Material Subsidiaries and the same is available on Company's website i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Policy%20on%20Material%20Subsidiaries.pdf.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The policy is available on the website of the Company i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Policy%20of%20Whistle%20Blower%20or%20Vigil%20Mechanism.pdf

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control framework is designed to ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information and other data. This system is supplemented by internal audit, reviews by the management and documented policies, guidelines and procedures. The Company has a well-defined organization structure, authority levels, internal rules and guidelines for conducting the business transactions. The Company intends to undertake further measures as necessary in line with its intent to adhere to procedures, guidelines and regulations as applicable in a transparent manner.

M/s S.S. Surana & Co., Chartered Accountants , an external independent firm carries out the internal audit of the Company operations and reports its findings to the Audit Committee. Internal Audit also evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting. Internal Audit is carried out as per risk based internal audit plan which is reviewed by the Audit Committee of the Company. The Committee periodically reviews the findings and suggestions for improvement and is apprised on the implementation status in respect of the actionable items.

LISTING OF SHARES

The shares of the Company are listed at BSE Limited & National Stock Exchange of India Ltd. and the listing fee for the year 2016-17 has been duly paid. Global Depository Receipts (GDRs) of the Company are listed at Luxembourg Stock Exchange as on 31st March, 2016.

DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rule, 2014.

AWARDS AND CERTIFICATIONS, 2015-16

During the year under review, your Company has received the following awards and certifications :

a) Award for ranking first in the silver jewellery category for 2014-15 at the India Gem and Jewellery Awards, 2016

b) Certificate of Excellence in October 2015 for the 'Best EOU (other than SME) in the gems and jewellery category for outstanding export performance in 2012-13' from the Export Promotion Council for EOUs and SEZs

c) Award for ranking first in the 'Most Socially Responsible Company' category for 2014-15 at the India Gem and Jewellery Awards, 2016

d) Recognized as the third highest wealth creator company on the basis of a three-year market capitalization CAGR, fourth highest wealth creator company on the basis of five-year market capitalization CAGR and ranked 234th on the basis of revenues by Fortune India (The Next 500)

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, an extract of the Annual Return in form MGT 9 is annexed herewith as Annexure 3.

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

Pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Haribhakti & Co. LLP, Chartered Accountants, Mumbai and M/s B. Khosla & Co., Chartered Accountants, Jaipur were appointed as Joint Statutory Auditors of the Company to hold office till the conclusion of 27th Annual General Meeting and are eligible for re-appointment. The Company received a certificate from M/s Haribhakti & Co. LLP, Chartered Accountants, Mumbai and M/s B. Khosla & Co., Chartered Accountants, Jaipur, Joint Statutory Auditors to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

B. Secretarial Auditor

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules made thereunder, your Company has appointed M/s JAKS & Associates, Practicing Company Secretary, Jaipur as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year 2015-16 is attached herewith as Annexure 4. The report doesn't contain any reservation, qualification or adverse remark. Information referred in Secretarial Auditor Report are self-explanatory and don't call for any further comments.

C. Cost Auditor

Pursuant to Cost Record & Audit Rules, 2014 notified on 31st December, 2014, the products manufactured by the Company are not covered in Cost Audit w.e.f financial year 2014-15. Hence, the requirement of cost audit is not applicable to the Company.

INVESTOR RELATIONS

Your Company interacted with numerous Indian and overseas investors and analyst in many ways, including one on one meetings, attendance at investor conferences, regular quarterly meetings and annual analyst meet during the year. Earning call transcript thereof are posted on the website of the Company.

PARTICULAR OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with rules made thereunder, as amended from time to time, has been given in the annexure appended as 6.

PREVENTION OF INSIDER TRADING

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information on 14th May, 2015 to preserve the confidentiality of price sensitive information, prevent misuse thereof and regulate the trading by Insiders. The code of practice and procedures for fair disclosure of unpublished price sensitive information is also available on the Company's website i.e. www. vaibhavglobal.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As required under Section 135 of the Companies Act, 2013, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee to formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to recommend the amount of expenditure to be incurred on the activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time. The composition of CSR Committee has been given in Annual Report on CSR activities.

Your Company has contributed a sum of ₹1.38 crore to various social institutions in the field mid-day meal, education, health and scholarship. The Annual Report on CSR activities is annexed herewith as Annexure 5.

RISK MANAGEMENT

The Company has framed and implemented a Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The risk management policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Your Company is fully committed to uphold and maintain the dignity of women, working in the Company. Pursuant to the provisions of Section 21 of the Sexual Harassment of Women at the workplace (Prevention, Prohibition, Redressal) Act, 2013, the Company formulated an Anti-Sexual Harassment Policy. All employees (permanent, contractual, temporary, trainees) are covered under this policy. An Internal Complaints Committee (ICC) was set up which is responsible for redressal of complaints related to sexual harassment at workplace. During the year under review, the Company has not received any complaint.

TRADE RELATIONS

The Company maintained healthy, cordial and harmonious Industrial relations at all levels. The Directors wish to place on record their appreciation for the valuable contribution by the employees of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report of the financial condition and results of operations of the Company for the year under review as required under regulation 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being given separately and forms part of this Annual Report.

CORPORATE GOVERNANCE

A report on corporate governance and certificate from Statuary Auditors of the Company confirming compliance of conditions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms an integral part of this Annual Report. The Chairman & Managing Director has confirmed and declared that all the members of the board and the senior management have affirmed compliance with the code of conduct.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosures to be made under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under :

A. Conservation of Energy

The operations of the Company are not energy intensive. The Company has taken significant measures to reduce the energy consumption by the following means :

1. The installation of Solar Power System of 300 KW which generates 16% of the energy needed by the Company.
2. The installation of efficient transformers and automatic stabilizers to reduce the electric fluctuation and consumption.
3. To reduce process cycle of burnout furnaces by 40%.
4. More efficient use of investment of flask and casting machines by synchronizing the production process.
5. Normal tube light replaced with 100% LEDs so voltage reduced and Lux Level increases.
6. Pneumatic tools are used for filing and setting purposes and this also reduces the noise pollution.
7. Sun tubes for natural lighting in day time.
8. Green building's certification.
9. Thermal Storage cooling system.
10. Used VFD (Variable frequency drive) for all heavy motor result in less electricity consumption.
11. Big size window which makes more provisions of natural lights in building so it will reduce energy consumption.
12. Cavity in outer wall of building which reduce AC loads.

B. Technology Absorption

Your Company possesses an in-house research and development wing, which is continuously working towards more efficient jewellery production, improved processes and better designs. Your Company constantly strive for latest technology for its manufacturing processes.

The Company has taken the following initiatives :

a) In house caming work (3D print) with latest technology.

b) Long lasting plating technology through Ion Plating Method.

c) Automatic wax injector for better productivity.

d) Investment in casting machines with maximum capacity of 10 flask per cycle.

e) Installation of plasma machine for electronic polishing and furnacing work.

f) Manufacturing of Stainless Steel Products with studded gems

g) CNC machine for gems production.

C. Foreign Exchange Earnings and Outgo

The information on foreign exchange earnings and outgo is furnished in the notes to accounts of the Standalone Financial Results of the Company.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude and wish to place on record its appreciation for the dedication and commitment of Company's employees at all levels which has continued to be our major strength.

We also take this opportunity to express our deep sense of gratitude to all government and non-government agencies, bankers and vendors for their continued support and look forward to have the same in future too. We also express gratitude to the shareholders for reposing unstinted trust and confidence in the management of the Company.

For and on behalf of the Board of Directors

Sunil Agrawal

Place: Jaipur — Chairman & Managing Director

Date: 19th May, 2016 — DIN: 00061142

ANNEXURE - 1

Form No. AOC – 1

(Pursuant to First Proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

PART "A": SUBSIDIARIES

Amount in ₹

Sl. No.	Subsidiaries					Step Down Subsidiaries			
	1	2	3	4	5	6	7	8	9
Name of Subsidiary	**STS Jewels Inc., USA**	**STS Gems Thai Limited, Thailand**	**STS Gems Limited, Hong Kong**	**STS Gems Japan Limited**	**Genoa Jewelers Limited, BVI**	**Pt. STS Bali**	**Jewel Gem USA Inc.**	**The Jewellery Channel limited, UK**	**The Jewelery Channel Inc. USA**
Reporting Period for the Subsidiary Concerned, if different from the holding Company's reporting period	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016	1st April 2015 to 31st March 2016
Reporting Currency and exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	USD 1 = ₹66.0989	THB 1 = ₹1.8756	HKD 1 = ₹8.5233	JPY 1 = ₹0.5880	USD 1 = ₹66.0989	Rupiah 1 = ₹0.0050	USD 1 = ₹66.0989	GBP 1 = ₹94.9689	USD 1 = ₹66.0989
Share Capital	3,30,49,450	6,56,46,000	7,45,78,875	4,41,00,000	3,09,48,58,438	67,26,337	2,18,12,637	68,85,24,645	19,82,96,700
Reserves & Surplus	7,03,79,171	(4,70,24,046)	24,20,49,214	(4,44,62,282)	(1,48,02,97,048)	86,42,950	(24,65,32,679)	(69,63,02,089)	28,70,63,081
Total Assets	54,31,97,853	21,66,42,229	64,27,43,511	9,489	60,42,83,768	2,67,48,211	24,60,33,926	87,91,73,459	1,47,09,99,376
Total Liabilities	43,97,69,276	19,80,20,274	32,61,15,427	4,01,171	7,62,37,589	1,13,78,923	47,07,54,076	88,69,50,934	98,56,39,595
Investments	-	-	-	29,400	1,08,65,15,279	-	-	-	-
Turnover	1,02,99,21,396	43,96,79,924	1,62,23,58,940	-	-	10,35,88,392	9,96,19,084	3,13,48,42,392	8,41,58,64,700
Profit Before Taxation	5,40,85,921	1,55,92,286	(6,02,22,230)	(33,557)	2,24,91,772	86,80,879	3,55,74,815	10,81,55,639	(6,95,29,349)
Provision for Taxation	4,68,172	34,24,309	(84,206)	-	-	11,09,557	3,91,287	14,873	(5,69,60,698)
Profit after Taxation	5,36,17,749	1,21,67,977	(6,01,38,024)	(33,557)	2,24,91,772	75,71,322	3,51,83,528	10,81,40,766	(1,25,68,651)
Proposed Dividend	-	-	-	-	-	-	-		-
% of shareholding	100%	100%	100%	100%	100%	99%	100%	100%	100%

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the companies Act, 2013 related to Associate Companies and Joint Ventures

There is no Associate Company / Joint venture as on 31st March 2016

For and on behalf of the Board of Directors

	Brahm Prakash	**Puru Aggarwal**	**Rahimullah**	**Sunil Agrawal**
Place: Jaipur	*Company Secretary*	*Group CFO*	*Whole Time Director*	*Chairman & Managing Director*
Date: 19th May 2016			DIN: 00043791	DIN: 00061142

ANNEXURE - 2

Form No. AOC - 2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

a	b	c	d	e	f	g	h
Name(s) of Related Party and Nature of relationship	Nature of Contracts / Arrangements/ Transactions	Duration of Contracts/ Arrangements/ Transactions	Salient term of Contracts/ Arrangements/ Transactions, including value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which special resolution was passed in general meeting as required under first proviso to section 188
N.A.							

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

a	b	c	d	e	f
Name(s) of Related Party and Nature of relationship	Nature of Contracts / Arrangements/ Transactions	Duration of Contracts/ Arrangements/ Transactions	Salient term of Contracts/ Arrangements/ Transactions, including value, if any	Date of approval by the Board, if any	Amount paid as advances, if any
The Jewellery Channel Inc. (100% step down Subsidiary)	Purchase	Ongoing	120 Days for Payment from the Date of Invoice ₹11,06,176	N.A.	N.A.
	Sales	Ongoing	180 Days for Payment from the Date of Invoice ₹1,92,10,57,537	N.A.	N.A.
STS Gems Ltd. (100% Subsidiary)	Purchase	Ongoing	120 Days for Payment from the Date of Invoice ₹24,41,92,049	N.A.	N.A.
	Sales	Ongoing	180 Days for Payment from the Date of Invoice ₹12,80,98,376	N.A.	N.A.
STS Gems Thai Ltd. (100% Subsidiary)	Purchase	Ongoing	120 Days for Payment from the Date of Invoice ₹8,97,44,350	N.A.	N.A.
	Sales	Ongoing	180 Days for Payment from the Date of Invoice ₹71,11,162	N.A.	N.A.
STS Jewels Inc. (100% Subsidiary)	Purchase	Ongoing	120 Days for Payment from the Date of Invoice ₹25,49,28,927	N.A.	N.A.
	Sales	Ongoing	180 Days for Payment from the Date of Invoice ₹46,68,45,796	N.A.	N.A.
The Jewellery Channel Limited (100% step down Subsidiary)	Purchase	Ongoing	120 Days for Payment from the Date of Invoice ₹37,39,972	N.A.	N.A.
	Sales	Ongoing	180 Days for Payment from the Date of Invoice ₹62,37,49,756	N.A.	N.A.
Jewel Gem USA Inc. (100% step down Subsidiary)	Sales	Ongoing	180 Days for Payment from the Date of Invoice ₹10,24,28,569	N.A.	N.A.

Sunil Agrawal
Chairman & Managing Director
DIN:00061142

Place: Jaipur
Date: 19th May, 2015

ANNEXURE - 3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L36911RJ1989PLC004945
ii	Registration Date	8th May, 1989
iii	Name of the Company	Vaibhav Global Limited
iv	Category / Sub Category of the Company	Company Limited by Shares
v	Address of the Registered office and Contact Details	K-6B, Fateh Tiba, Adarsh Nagar, Jaipur – 302004; Tel. No. 91-141-2601020; Fax No. 91-141-2605077 Email: investor_relations@vaibhavglobal.com; Website: www.vaibhavglobal.com
vi	Whether listed Company	Yes
vii	Name, Address and Contact Details of Registrar and Share Transfer Agent	Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032 Tel No.: 91-40-67162222; Fax No.: 91-40-23001153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Manufacturing and export of all kind of jewellery, coloured gems stones, precious and semi-precious stones, studded jewellery.	321	95.84

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Genoa Jewelers Limited Drake Chambers, Road Town, Tortola, BVI	Foreign Company	Wholly owned Subsidiary	100	2(87)
2.	STS Jewels Inc. 100 Michael Angelo way, Suite 400 D, Austin Texas-78728, USA	Foreign Company	Wholly owned Subsidiary	100	2(87)
3.	STS Gems Limited Unit 614, 6/F Heng Ngai Jewelry Centre, No. 4, Hokyuen Street East, Hunghom, Kowloon, Hong Kong	Foreign Company	Wholly owned Subsidiary	100	2(87)

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
4	STS Gems Thai Limited 919/390 Jewelry Trade Center Building, 31 Floor, Silom Road, Silom, Bangrak, Bangkok-10500	Foreign Company	Wholly owned Subsidiary	100	2(87)
5.	STS Gems Japan Limited 602 Kotokudo Building, 5-7-7 UENO, TAITO-KU TOKYO – 110-0005	Foreign Company	Wholly owned Subsidiary	100	2(87)
6	Jewel Gems USA Inc. 100 Michael Angelo way, Suite-400 D, Austin Texas-78728, USA	Foreign Company	Step Down Subsidiary	100% through Subsidiary Company	2(87)
7	The Jewellery Channel Ltd. Surrey House, Plane Tree, Crescent, Feltham TW13 7HF, UK	Foreign Company	Step Down Subsidiary	100% through Subsidiary Company	2(87)
8	The Jewelry Channel Inc. 100 Michael Angelo Way, Suite 400 D, Austin Texas-78728, USA	Foreign Company	Step Down Subsidiary	100% through Subsidiary Company	2(87)
9.	P T STS Bali Jl. Sekar Tunjung No. 6A, Ds Kesiman, Kertalangu Denpasar, Bali	Foreign Company	Step Down Subsidiary	99% through Subsidiary Company	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoters									
(1) Indian									
a) Individual/ HUF	39,27,013	-	39,27,013	12.12	38,52,013	-	38,52,013	11.85	(0.27)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	83,44,124	-	83,44,124	25.75	84,19,124	-	84,19,124	25.89	0.14
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other…..	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**1,22,71,137**	**-**	**1,22,71,137**	**37.87**	**1,22,71,137**	**-**	**1,22,71,137**	**37.74**	**(0.13)**
(2) Foreign									
a) NRIs-Individuals	38,606	-	38,606	0.12	37,206	-	37,206	0.11	(0.00)
b) Other-Individuals	-	-	-	-		-	-	-	-
c) Bodies Corp.	29,68,640	-	29,68,640	9.16	59,68,640	-	59,68,640	18.36	9.19
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**30,07,246**	**-**	**30,07,246**	**9.28**	**60,05,846**	**-**	**60,05,846**	**18.47**	**9.19**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**1,52,78,383**	**-**	**1,52,78,383**	**47.15**	**1,82,76,983**	**-**	**1,82,76,983**	**56.21**	**9.06**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	153	-	153	0.00	150	-	150	0.00	(0.00)
b) Banks / FI	3,137	-	3,137	0.01	3,095	-	3,095	0.01	(0.00)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	59,85,067	-	59,85,067	18.47	61,52,219	-	61,52,219	18.92	0.45
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**59,88,357**	**-**	**59,88,357**	**18.48**	**61,55,464**	**-**	**61,55,464**	**18.93**	**0.45**
(2) Non- Institutions									
a) Bodies Corp.									
i) Indian	14,01,641	600	14,02,241	4.33	11,29,674	600	11,30,274	3.48	(0.85)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual									
i) Individual shareholders holding nominal share capital up to ₹1 lakh	9,24,158	40,115	9,64,273	2.98	9,17,301	37,073	9,54,374	2.94	(0.04)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	11,24,792	-	11,24,792	3.47	12,61,187	-	12,61,187	3.88	0.41
c) Others(specify)									
i) Clearing Members	3,934	-	3,934	0.01	5,545	-	5,545	0.02	-
ii) Non Resident Indians	6,55,326	5,900	6,61,226	2.04	7,33,262	2,700	7,35,962	2.26	0.22
iii) Trusts	29,177	-	29,177	0.09	16,074	-	16,074	0.05	(0.04)
iv) NBFCs Registered with RBI	-	-	-	-	29,268	-	29,268	0.09	0.09
Sub-total (B)(2):-	**41,39,028**	**46,615**	**41,85,643**	**12.92**	**40,92,311**	**40,373**	**41,32,684**	**12.71**	**(0.21)**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**1,01,27,385**	**46,615**	**1,01,74,000**	**31.40**	**1,02,47,775**	**40,373**	**1,02,88,148**	**31.64**	**0.24**
C. Shares held by Custodian for GDRs & ADRs	**69,50,000**	**-**	**69,50,000**	**21.45**	**39,50,000**	**-**	**39,50,000**	**12.15**	**(9.30)**
Grand Total (A+B+C)	**3,23,55,768**	**46,615**	**3,24,02,383**	**100.00**	**3,24,74,758**	**40,373**	**3,25,15,131**	**100.00**	**-**

(ii) **Shareholding of Promoters :**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	Sonymike's Holdings Ltd.	29,68,640	9.16		59,68,640	18.36	-	9.19
2	Shivram Global Pvt. Ltd.	53,11,865	16.39		53,11,865	16.34	-	(0.06)
3	Brett Plastics Pvt. Ltd.	28,54,516	8.81	0.78	28,54,516	8.78	-	(0.03)
4	Nirmal Kumar Bardiya	17,91,628	5.53		17,91,628	5.51	-	(0.02)
5	Rahimullah	13,11,500	4.05		12,36,500	3.80	-	(0.24)
6	Deepti Agrawal	6,36,854	1.97		6,36,854	1.96	-	(0.01)
7	Kusum Bardiya	1,65,205	0.51		1,65,205	0.51	-	(0.00)
8	Reengus Exim Private Limited	63,100	0.19		1,38,100	0.42	-	0.23
9	Krishkin Impex Private Limited	65,000	0.20		65,000	0.20	-	(0.00)
10	STP Exim Private Limited	49,643	0.15		49,643	0.15	-	(0.00)
11	Sunil Agrawal	28,140	0.09	0.09	28,140	0.09	-	(0.00)
12	Sheela Agarwal	21,826	0.07		21,826	0.07	-	(0.00)
13	Sanjeev Agrawal	8,320	0.03		8,320	0.03	-	(0.00)
14	Neil Agrawal	746	0.00		746	0.00	-	(0.00)

(iii) **Change in Promoters' Shareholding (please specify, if there is no Change)**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of sahre capital	No. of Shares	% of sahre capital
1	Sonymike's Holdings Limited				
	At the beginning of the year	29,68,640	9.16	29,68,640	9.16
	23/04/2015 (GDR Conversion)	30,00,000	9.26	59,68,640	18.42
	At the end of the year			59,68,640	18.36
2	Shivram Global Pvt. Ltd.				
	At the beginning of the year	53,11,865	16.39	53,11,865	16.39
	Increase / Decrease	No Change			
	At the end of the year			53,11,865	16.34
3	Brett Plastics Pvt. Ltd.				
	At the beginning of the year	28,54,516	8.81	28,54,516	8.81
	Increase / Decrease	No Change			
	At the end of the year			28,54,516	8.78

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of sahre capital	No. of Shares	% of sahre capital
4	Nirmal Kumar Bardiya				
	At the beginning of the year	17,91,628	5.53	17,91,628	5.53
	Increase / Decrease	No change			
	At the end of the year			17,91,628	5.51
5	Rahimullah				
	At the beginning of the year	13,11,500	4.05	13,11,500	4.05
	07/08/2015 (Inter-se transfer)	(75,000)	(0.23)	12,36,500	3.81
	At the end of the year			12,36,500	3.80
6	Deepti Agrawal				
	At the beginning of the year	6,36,854	1.97	6,36,854	1.97
	Increase / Decrease	No Change			
	At the end of the year			6,36,854	1.96
7	Kusum Bardiya				
	At the beginning of the year	1,65,205	0.51	1,65,205	0.51
	Increase / Decrease	No Change			
	At the end of the year			1,65,205	0.51
8	Reengus Exim Pvt. Ltd.				
	At the beginning of the year	63,100	0.19	63,100	0.19
	07/08/2015 (Inter-se transfer)	75,000	0.23	1,38,100	0.43
	At the end of the year			1,38,100	0.42
9	Krishkin Impex Pvt. Ltd.				
	At the beginning of the year	65,000	0.20	65,000	0.20
	Increase / Decrease	No Change			
	At the end of the year			65,000	0.20
10	STP Exim Private Limited				
	At the beginning of the year	49,643	0.15	49,643	0.15
	Increase / Decrease	No Change			
	At the end of the year			49,643	0.15
11	Sunil Agrawal				
	At the beginning of the year	28,140	0.09	28,140	0.09
	Increase / Decrease	No Change			
	At the end of the year			28,140	0.09

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of sahre capital	No. of Shares	% of sahre capital
12	Sheela Agarwal				
	At the beginning of the year	21,826	0.07	21,826	0.07
	Increase / Decrease	No Change			
	At the end of the year			21,826	0.07
13	Sanjeev Agrawal				
	At the beginning of the year	8,320	0.03	8,320	0.03
	Increase / Decrease	No Change			
	At the end of the year			8,320	0.03
14	Neil Agrawal				
	At the beginning of the year	746	0.00	746	0.00
	Increase / Decrease	No Change			
	At the end of the year			746	0.00

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholding of Each of the Top 10 Shareholder of the Company	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Nalanda India Fund Limited				
	At the beginning of the year	41,10,600	12.69	41,10,600	12.69
	Increase / Decrease	No Change			
	At the end of the year			41,10,600	12.64
2	Malabar India Fund Limited				
	At the beginning of the year	-	-	-	-
	22/05/2015 (Market Purchase)	2,073	0.01	2,073	0.01
	29/05/2015 (Market Purchase)	1,23,351	0.38	1,25,424	0.39
	05/06/2015 (Market Purchase)	40,690	0.13	1,66,114	0.51
	12/06/2015 (Market Purchase)	24,620	0.08	1,90,734	0.59
	19/06/2015 (Market Purchase)	9,286	0.03	2,00,020	0.62
	26/06/2015 (Market Purchase)	1,201	0.00	2,01,221	0.62
	30/06/2015 (Market Purchase)	7,234	0.02	2,08,455	0.64
	03/07/2015 (Market Purchase)	14,013	0.04	2,22,468	0.69
	10/07/2015 (Market Purchase)	24,664	0.08	2,47,132	0.76
	17/07/2015 (Market Purchase)	66,700	0.21	3,13,832	0.97

Sr. No.	Shareholding of Each of the Top 10 Shareholder of the Company	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	24/07/2015 (Market Purchase)	23,300	0.07	3,37,132	1.04
	31/07/2015 (Market Purchase)	29,223	0.09	3,66,355	1.13
	07/08/2015 (Market Purchase)	30,783	0.09	3,97,138	1.22
	14/08/2015 (Market Purchase)	23,267	0.07	4,20,405	1.29
	21/08/2015 (Market Purchase)	8,248	0.03	4,28,653	1.32
	28/08/2015 (Market Purchase)	8,479	0.03	4,37,132	1.35
	04/09/2015 (Market Purchase)	1,583	0.00	4,38,715	1.35
	11/09/2015 (Market Purchase)	13,373	0.04	4,52,088	1.39
	18/09/2015 (Market Purchase)	8,127	0.03	4,60,215	1.42
	25/09/2015 (Market Purchase)	7,091	0.02	4,67,306	1.44
	30/09/2015 (Market Purchase)	6,100	0.02	4,73,406	1.46
	02/10/2015 (Market Purchase)	6,031	0.02	4,79,437	1.48
	09/10/2015 (Market Purchase)	7,817	0.02	4,87,254	1.50
	16/10/2015 (Market Purchase)	18,872	0.06	5,06,126	1.56
	23/10/2015 (Market Sale)	(14,837)	(0.05)	4,91,289	1.51
	27/11/2015 (Market Sale)	(11,445)	(0.04)	4,79,844	1.48
	04/12/2015 (Market Sale)	(6,703)	(0.02)	4,73,141	1.46
	31/12/2015 (Market Sale)	(975)	(0.00)	4,72,166	1.45
	01/01/2016 (Market Sale)	(601)	(0.00)	4,71,565	1.45
	22/01/2016 (Market Purchase)	1,113	0.00	4,72,678	1.45
	29/01/2016 (Market Purchase)	20,092	0.06	4,92,770	1.52
	05/02/2016 (Market Purchase)	20,265	0.06	5,13,035	1.58
	12/02/2016 (Market Purchase)	11,571	0.04	5,24,606	1.61
	19/02/2016 (Market Purchase)	14,978	0.05	5,39,584	1.66
	26/02/2016 (Market Purchase)	3,699	0.01	5,43,283	1.67
	04/03/2016 (Market Purchase)	5,078	0.02	5,48,361	1.69
	11/03/2016 (Market Purchase)	731	0.00	5,49,092	1.69
	25/03/2016 (Market Purchase)	1,271	0.00	5,50,363	1.69
	31/03/2016 (Market Purchase)	11,222	0.03	5,61,585	1.73
	At the end of the year			5,61,585	1.73
3	Matthews India Fund				
	At the beginning of the year	5,00,000	1.54	5,00,000	1.54
	Increase / Decrease	No Change			
	At the end of the year			5,00,000	1.54

Sr. No.	Shareholding of Each of the Top 10 Shareholder of the Company	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Panyaek Jainkijmanee				
	At the beginning of the year	4,21,137	1.30	4,21,137	1.30
	Increase / Decrease	No Change			
	At the end of the year			4,21,137	1.30
5	Runner Marketing Pvt Ltd				
	At the beginning of the year	3,00,000	0.93	3,00,000	0.93
	Increase / Decrease	No Change			
	At the end of the year			3,00,000	0.92
6	Grandeur Peak International Opportunities Fund				
	At the beginning of the year	2,60,500	0.80	2,60,500	0.80
	06/11/2015 (Market Sale)	(2,300)	(0.01)	2,58,200	0.80
	At the end of the year			2,58,200	0.79
7	Grandeur Peak Emerging Markets Opportunities Fund				
	At the beginning of the year	2,89,337	0.89	2,89,337	0.89
	23/10/2015 (Market Sale)	(13,903)	(0.04)	2,75,434	0.85
	11/12/2015 (Market Sale)	(17,200)	(0.05)	2,58,234	0.79
	18/12/2015 (Market Sale)	(6,915)	(0.02)	2,51,319	0.77
	At the end of the year			2,51,319	0.77
8	Vibgyor Investors And Developers Pvt Ltd				
	At the beginning of the year	1,90,000	0.59	1,90,000	0.59
	31/03/2016 (Market Sale)	(5,000)	(0.02)	1,85,000	0.57
	At the end of the year			1,85,000	0.57
9	Amit Kumar Dugar				
	At the beginning of the year	97,274	0.30	97,274	0.30
	08/05/2015 (Market Purchase)	25,000	0.08	1,22,274	0.38
	22/05/2015 (Market Purchase)	25,000	0.08	1,47,274	0.45
	19/06/2015 (Market Purchase)	25,000	0.08	1,72,274	0.53
	At the end of the year			1,72,274	0.53
10	Hem Chand Jain				
	At the beginning of the year	1,94,971	0.60	1,94,971	0.60
	10/04/2015 (Market Purchase)	20,968	0.06	2,15,939	0.67
	29/05/2015 (Market Sale)	(69,782)	(0.22)	1,46,157	0.45
	05/06/2015 (Market Sale)	(42,144)	(0.13)	1,04,013	0.32

Sr. No.	Shareholding of Each of the Top 10 Shareholder of the Company	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	12/06/2015 (Market Purchase)	44,272	0.14	1,48,285	0.46
	19/06/2015 (Market Sale)	(23,227)	(0.07)	1,25,058	0.39
	03/07/2015 (Market Sale)	(16,273)	(0.05)	1,08,785	0.34
	10/07/2015 (Market Sale)	(30,817)	(0.10)	77,968	0.24
	17/07/2015 (Market Purchase)	27,209	0.08	1,05,177	0.32
	24/07/2015 (Market Purchase)	15,995	0.05	1,21,172	0.37
	31/07/2015 (Market Purchase)	32,086	0.10	1,53,258	0.47
	07/08/2015 (Market Purchase)	19,230	0.06	1,72,488	0.53
	14/08/2015 (Market Sale)	(26,923)	(0.08)	1,45,565	0.45
	21/08/2015 (Market Purchase)	10,605	0.03	1,56,170	0.48
	28/08/2015 (Market Purchase)	7,326	0.02	1,63,496	0.50
	09/10/2015 (Market Sale)	(844)	(0.00)	1,62,652	0.50
	16/10/2015 (Market Sale)	(23,762)	(0.07)	1,38,890	0.43
	23/10/2015 (Market Purchase)	18,754	0.06	1,57,644	0.49
	20/11/2015 (Market Sale)	(22,644)	(0.07)	1,35,000	0.42
	04/12/2015 (Market Purchase)	20,000	0.06	1,55,000	0.48
	15/01/2016 (Market Sale)	(7,350)	(0.02)	1,47,650	0.45
	22/01/2016 (Market Purchase)	712	0.00	1,48,362	0.46
	29/01/2016 (Market Purchase)	14,669	0.05	1,63,031	0.50
	At the end of the year			1,63,031	0.50

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMPs	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Sheela Agarwal, Director				
	At the beginning of the year	21,826	0.07	21,826	0.07
	Increase / Decrease	No Change			
	At the end of the year			21,826	0.07
2.	Rahimullah, Whole Time Director				
	At the beginning of the year	13,11,500	4.05	13,11,500	4.05
	07/08/2015 (Inter-se Tansfer)	(75,000)	(0.23)	12,36,500	3.81
	At the end of the year			12,36,500	3.80

Sr. No.	For Each of the Directors and KMPs	Shareholding at the beginning of the year		Cummulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3.	Nirmal Kumar Bardiya, Director				
	At the beginning of the year	17,91,628	5.53	17,91,628	5.53
	Increase / Decrease	No Change			
	At the end of the year			17,91,628	5.51
4.	Sunil Agrawal, Chairman & Managing Director				
	At the beginning of the year	28,140	0.09	28,140	0.09
	Increase / Decrease	No Change			
	At the end of the year			28,140	0.09
5.	Puru Aggarwal, Group CFO				
	At the beginning of the year	-	-	-	-
	Increase / Decrease	No Change			
	At the end of the year	-	-	-	-
6.	Brahm Prakash, Company secretary				
	At the beginning of the year	1,313	0.00	1,313	0.00
	08-09/04/15 (Market Sale)	(1,313)	(0.00)	0	0.00
	28/08/2015 (Allotment pursuant to exercise of stock option)	2,189	0.00	2,189	0.00
	09/10/2015 (Market Sale)	(589)	(0.00)	1,600	0.00
	At the end of the year			1,600	0.00

Note: The following directors did not hold any share during the financial year 2015-16:

1. Mr. Surendra Singh Bhandari 2. Mr. P.N. Bhandari 3. Mr. Pulak Chandan Prasad 4. Mr. Mahendra Kumar Duggar 5. Mr. Vikram Kaushik 6. Mr. Hemant Sultania 7. Mr. Santiago Roces Moran 8. Mr. Harsh Bahadur

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

Particulars	Secured Loans Excluding Deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	59,49,66,409	-	-	59,49,66,409
(ii) Interest due but not paid	-	-	-	
(iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	**59,49,66,409**	**-**	**-**	**59,49,66,409**

Particulars	Secured Loans Excluding Deposits	Unsecured loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
Addition	33,92,74,716	-	-	33,92,74,716
Reduction	-	-	-	-
Net Change	**33,92,74,716**	-	-	**33,92,74,716**
Indebtedness at the end of the financial year				
(i) Principal Amount	93,42,41,125	-	-	93,42,41,125
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**93,42,41,125**	-	-	**93,42,41,125**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (₹)
		Mr. Sunil Agrawal, Chairman & MD	Mr. Rahimullah, Whole Time Director	
1.	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	42,00,000	42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	**Stock Option**	-	-	-
3.	**Sweat Equity**	-	-	-
4.	**Commission** - as % of profit - others, specify	-	-	-
5.	**Others, please specify**	-	-	-
	Total (A)		**42,00,000**	**42,00,000**
	Ceiling as per the Act (Schedule V, Part-II, Section-II)		60,00,000	60,00,000

B. Remuneration to other Directors:

1. Independent Directors

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. S. S. Bhandari	Mr. Harsh Bahadur[1]	Mr. M. K. Doogar	Mr. P. N. Bhandari	Mr. Peter D. Whitford[2]	Mr. Vikram Kaushik[3]	Mr. Santigo Roces Moran[4]	
	· Fee for attending board/ committee meetings	8,25,000	2,25,000	8,60,000	10,10,000	-	5,25,000	-	34,45,000
	· Profit related Commission	3,75,000	3,89,795	-	-	-	6,75,000	25,23,706	39,63,501
	· Others, please specify	-		-	-	-	-		
	Total (1)								**74,08,501**

[1] Mr. Harsh Bahadur was appointed w.e.f. 26th September, 2015.
[2] Mr. Peter D. Whitford resigned w.e.f. 20th July, 2015.
[3] Mr. Vikram Kaushik resigned w.e.f. 19th May, 2016.
[4] Mr. Santigo Roces Moran was appointed w.e.f. 28th July, 2015.

2. Other Non - Executive Directors

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mrs. Sheela Agarwal	Mr. Pulak Chandan Prasad	Mr. Nirmal Kumar Bardiya	Mr. Hemant Sultania*	
	· Fee for attending board / committee meetings	4,50,000	-	4,30,000	75,000	9,55,000
	· Commission	-	-		-	-
	· Others, please specify	-	-		-	-
	Total (2)					**9,55,000**
	Total (B) = (B)(1)+(B)(2)					**83,63,501**

* Mr. Hemant Sultania was appointed w.e.f. 28th July, 2015 and resigned w.e.f. 12th May, 2016.

C. Remuneration to Key Managerial Personnel other Than MD/Manager/WTD :

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Hemant Sultania, Group CFO [1]	Mr. Puru Aggarwal, Group CFO [2]	Mr. Brahm Prakash, Company Secretary	
1.	**Gross salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37,52,450	56,87,310	10,57,250	1,04,97,010
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	**Stock Option**	-	-	7,68,086	7,68,086
3.	**Sweat Equity**	-	-		-
4.	**Commission** - as % of profit - others, specify	-	-	-	-
5.	**Others, please specify**	-	-	-	-
	Total	**37,52,450**	**56,87,310**	**18,25,336**	**1,12,65,096**

[1] Mr. Hemant Sultania resigned w.e.f. 27th July, 2015

[2] Mr. Puru Aggarwal was appointed w.e.f. 26th Aug, 2015

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers In Defaul					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE - 4

Secretarial Audit Report

For the financial year ended on 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Vaibhav Global Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vaibhav Global Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Vaibhav Global Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings; there was no FDI, ODI and ECBs during the period under review except the money received through Trust against issue of shares to Employees of Foreign subsidiaries of the Company under ESOP.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. There was no issue of securities during the period under review except issue of shares under ESOP.

(d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. Not applicable to the Company during the period under review.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. Not applicable to the Company during the period under review.

(h) The Securities and Exchange Board of India (Buy Back of securities) Regulations, 1998. Not applicable to the Company during the period under review.

(vi) As informed and certified by the management, there are no laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Members of the Company have approved the "Capital Reduction Scheme" through Postal Ballot for setting off of ₹264.27 Crores of Accumulated Losses against the Securities Premium Account. The National Stock Exchange of India Limited and BSE Limited have issued No Objection Letter/ Observation Letter to the Scheme of Reduction of Capital. The Capital Reduction Scheme of the Company is now under consideration of Hon'ble High Court of Rajasthan, Jaipur till the date of Report.

This Report is to be read with our letter of even date which is annexed as "Annexure A" and forms as an integral part of this report.

For **JAKS & Associates**
Company Secretaries
FRN - P2014RJ033600

B K Sharma
Partner
M. No. : FCS - 6206
COP No.: 12636

Place: Jaipur
Date: 19th May, 2016

'ANNEXURE A'

To,
The Members,
Vaibhav Global Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have relied upon the Report of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statements of the relevant Financial Year, which give a true and fair view of the state of the affairs of the Company.
4. We have relied upon the Report of Statutory Auditors regarding compliance of Fiscal Laws, like the Income Tax Act, 1961 & Finance Acts, the Customs Act, 1962, the Central Excise Act, 1944 and Service Tax.
5. Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
6. The compliances of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination is limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **JAKS & Associates**
Company Secretaries
FRN - P2014RJ033600

B K Sharma
Partner
M. No. : FCS - 6206
COP No.: 12636

Place: Jaipur
Date: 19th May, 2016

ANNEXURE - 5

Annual Report on Corporate Social Responsibility (CSR) Activities 2015-16

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and reference to the web-link to the CSR policy and projects or programs [Refer to CSR activities mentioned in Management Discussion and Analysis (MDA) Report]

CSR Policy is available at Company's website i.e.
http://www.vaibhavglobal.com/sites/default/files/articles/Corporate%20Social%20Responsibility%20%28CSR%29%20Policy.pdf

2. Composition of Corporate Social Responsibility Committee:

Sr. No.	Name of Director	Category	Position
1.	Mr. P. N. Bhandari	Non- Executive Independent Director	Chairman
2.	Mr. Nirmal Kumar Bardiya	Non-Executive Non Independent Director	Member
3.	Mr. Sunil Agrawal	Chairman & Managing Director	Member

3. Average net profit of the Company for last three financial years:

Average Net Profit/(Loss): ₹3,229.73 Lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹64.59 Lacs

5. Detail of CSR spends for the financial year:

a. Total amount spent for the financial year: ₹137.71 lacs

b. Amount unspent, if any: N.A.

c. Manner in which the amount spent during the financial year is detailed below: (₹ in lacs)

1	2	3	4	5	6	7	8
Sr. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programs (1) Local area or other, (2) Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Subheads: 1) Direct Expenditure on project or programs 2) Overheads:**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency**
1	Promoting education through schools and other organization	Support the schools for meeting the expenses relating to educational aids and other expenses	Jaipur, (Rajasthan)	10.04	10.04	10.04	Through implementing agency (Manav Seva Sangh Prem Niketan Bal Mandir, Jaipur)
2	Eradicating hunger, poverty and malnutrition	Providing mid-day meal through recognized trust & other institutions	Jaipur, Rajasthan	112.48	112.48	122.52	Through implementing agency (Akshya Patra Foundation, Jaipur)
3	Promoting health care including preventive health care facilities to the society through recognized trust or societies and hospitals	Taking care of mentally retarded children	Jaipur, Rajasthan	0.75	0.75	123.27	Through implimenting agency (Umang, Jaipur)
4	Eradicating hunger, poverty and malnutrition	Providing mid-day meal through recognized trust & other institutions	Jaipur, Rajasthan	3.00	3.00	126.27	Through implimenting agency (Hare Krishna Movement, Jaipur)
5	Promoting health care including preventive health care facilities to the society through recognized trust or societies and hospitals	Taking care of old age people.	Jaipur, Rajasthan	6.60	6.60	132.87	Through agency (Prem Niketan Hospital/ Ashram, Durgapura, Jaipur)

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other, (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: 1) Direct Expenditure on project or programs 2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
6	Promoting education through schools and other organization	Support the schools for meeting the expenses relating to educational aids and other expenses.	Jaipur, (Rajasthan)	0.78	0.78	133.65	through implementing agency (Akshar Society, Jaipur)
7	Promoting education through schools and other organization	Support the schools for meeting the expenses relating to educational aids and other expenses	Jaipur, (Rajasthan)	0.75	0.75	134.40	through implementing agency (Vidyalay Vikas Samiti Seth Anandilal Poddar Mook Badhir Vidyala, Jaipur)
8	Promoting gender equality and empowering women	Women centric training programs at Vocational Training Centers.	Sirohi, (Rajasthan)	3.00	3.00	137.40	through implementing agency (Jan Chetna Sansthan)
9	Promoting health care including preventive health care facilities to the society through recognized trust or societies and hospitals	Support for providing artificial limbs to physically disabled persons	Delhi	0.31	0.31	137.71	through implementing agency (Manav Kalyan Foundation)
	Grand Total				**137.71**		

6. Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is given below:

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitor the implementation of the CSR projects and activities in compliance with our CSR objectives.

Sunil Agrawal
Chairman & Managing Director
DIN: 00061142

P. N. Bhandari
Chairman (CSR Committee)
DIN: 00355178

ANNEXURE - 6

Particular of Employees

(a) Informatins as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Remuneration paid to Directors

Name of Director	Remuneration / Profit related commission in FY 2015-16	Remuneration in FY 2014-15	% Inc./(Dec) in Remuneration	Ratio to Remuneration to MRE
Mr. Rahimullah – Whole Time Director	₹42.00 Lacs	₹42.00 Lacs	0.00	24.14
Mr. Santiago Roces Moran – Independent director	₹25.24 Lacs	NA	NA	14.51
Mr. Surendra Singh Bhandari – Independent Director	₹3.75 Lacs	NA	NA	2.15
Mr. Harsh Bahadur – Independent Director	₹3.90 Lacs	NA	NA	2.24
Mr. Vikram Kaushik	₹6.75 Lacs	NA	NA	3.88

2. Remuneration paid to KMPs

Name of KMPs	Remuneration in FY 2015-16	Remuneration in FY 2014-15	% Inc./(Dec) in Remuneration	Ratio to Remuneration to MRE
Mr. Hemant Sultania - Group CFO (up to 27th July, 2015)	₹115.00 Lacs*	₹115.00 Lacs	NA	66.09
Mr. Puru Aggarwal - Group CFO (w.e.f. 26th August, 2015)	₹115.00 Lacs*	-	NA	66.09
Mr. Brahm Prakash – Company Secretary	₹13.24 Lacs	₹10.94 Lacs	21.00	7.61

* based on annualized salary, MRE – Median Remuneration of employees

3. The median remuneration of employees was ₹1,74,000 in financial year 2015-16 and ₹1,59,600 in financial year 2014-15. There was increase in MRE in financial year 2015-16 of 9.02% as compared to financial year 2014-15.

4. Number of permanent employees on the rolls of Company was 1105 employees as on 31st March, 2016.

5. The total revenue growth and net profit of the Company during the financial year 2015-16 as compared to financial year 2014-15 was declined by 11.48% and 43.36% respectively. While aggregate remuneration of the employees was increased by 13.5% over the previous financial year. The increase in remuneration was due to annual increment and

increase in number of employees. The decline in revenue and net profit is due to lower topline, higher depreciation and airtime cost.

6. The increase in total remuneration of KMPs including whole time director was 1.37% over the previous financial year. The total revenue growth and net profit of the Company during the financial year 2015-16 as compared to financial year 2014-15 was declined by 11.48 % and 43.36% respectively.

7. Our market capitalization decreased by 59.87% to ₹1041 Crores as on 31st March, 2016 from ₹2,595 Crores as on 31st March, 2015. The price earnings ratio was 60.55 as on 31st March, 2016 which was decreased by 29.69% as compared to 31st March, 2015. The closing price of the Company's Equity Share was at NSE and BSE as on 31st March, 2016 was ₹320.30 and ₹319.35 respectively. The Company has not made any Public issue or Right issue of securities in the last year, so comparison have not been made of current share price with public offer price.

8. Average Salary increase of non-managerial employees was 14.32% and that of managerial employees 1.37% in financial year 2015-16. There are no exceptional circumstances in increase in managerial remuneration.

9. There is no change in the remuneration of Whole time director and CFO in the current financial year as compared to previous financial year in view of the performance of the Company was declined. However annual increment has been given to Company Secretary of the Company.

10. No Director received any variable component of remuneration in the financial year 2015-16.

11. The Whole Time Director is the highest paid Director and his remuneration is Rs. 42 Lac p.a. In the category of employees, Group CFO is the highest paid employee and his remuneration is as follows:

    Former Group CFO: Rs. 1.15 Crore p.a.

    Present Group CFO : Rs. 1.15 Crore p.a.

    The ratio of remuneration of the highest paid Director to the highest paid employee is 0.36.

12. Remuneration paid during the year ended 31st March, 2016 is as per the Remuneration Policy of the Company.

(b) Informations as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of the Employee	Mr. Hemant Sultania	Mr. Puru Aggarwal
Remuneration (CTC)	₹37.10 Lacs (1st April, 2015 to 27th July, 2015)	₹68.94 Lacs (26th Aug, 2015 to 31st March, 2016)
Designation	Group CFO	Group CFO
Nature of employment	Permanent	Permanent
Qualifications and experience	CA, CS, CWA and 18 years of rich experience	CA, CS, CWA and 24 years of rich experience
Date of commencement of employment	2nd December, 2013 to 27th July, 2015	26th August, 2015
Age	44 years	49 years
The last employment held	Dr. Lal Pathlabs Pvt. Ltd. as Chief Financial Officer and Company Secretary	Teva Pharmaceuticals India as Board Director and Country CFO
The percentage of equity shares held	Nil	Nil
Whether any such employee is relative of any director or manager of the Company and if so name of such director or manager	NA	NA

Management Discussion and Analysis

INDUSTRY STRUCTURE AND DEVELOPMENTS

Retail has played a major role in supporting the global economy. In developed economies, retail is one of the most prominent industries. Improving GDP growth, greater disposable income, and increasing consumer spending are driving retail industry and offers opportunities for retail segment players.

Total retail sales in North America reached $ 5,254 billion in 2015, including $ 4,785 billion in the US alone. More than a fifth of the world's retail sales occurred in the US, making it a highly lucrative market to operate in. Retail sales tend to be driven by personal income, consumer confidence and interest rates, therefore retail sales trends tend to resemble that of the economy at large. In 2016, US retail sales are expected to grow to around $ 5 trillion in value.

The UK retail industry is valued at around £ 340 billion/$ 500 billion, representing 18% of the country's GDP. Consumer spending has been the main driver of UK economic growth, aided by high employment, low interest rates and benign inflation.

The US has well-established distribution channels for retailers operating varied formats. Significant opportunities for growth exist in the US retail market for online retailers. In 2015, retail e-commerce sales amounted to $ 340 billion, likely to grow to $ 400 billion in 2016 and further projected at $ 480 billion by 2018. E-commerce sales have been gaining market share, accounting for around 7% of total retail sales in 2015 as compared to 6.4% in 2014.

The jewelry segment in US grew 2% in 2015, at $ 63 billion and fashion/imitation jewelry outgrew this pace by growing 3%, highlighting its growing popularity. In UK, jewelry sales rose 1% to £3.2 billion in 2015 with imitation jewelry being major driver.

Online retailing has become increasingly attractive for a wide range of products as the internet search is comparatively user friendly with better bargains. Taking a cue, leading retailers, to increase consumer engagement, have been focusing on creating a strong presence through online sales channels, supplementing their existing stores. The increasing use of mobile technology is an additional factor in making online retailing attractive and convenient.

An increasing amount of website browsing is occurring through customers using mobile devices, both smartphones and tablets. In 2015, around 20% of online spending in Europe was done using mobiles. In UK, this number was higher with 28.6% of customers using their mobile devices. The major growth in online sales is the result of higher sales via mobiles/tablets as compared to using PCs and laptops. Vaibhav Global has a growing mobile commerce presence in the US and UK markets and is slated to benefit significantly from these evolving trends.

Overall, the retail industry is dependent on macroeconomic factors such as GDP, disposable income, and consumer spending. Consumers will continue to drive growth in organized retail by expanding the market and compelling retailers to widen their offerings in terms of brands and in terms of variety. Also discounted retailers will continue to be favored. As developed countries emerge from recessionary trends, and unemployment rates beginning to fall, the retail industry is experiencing signs of renewal in growth.

http://www.statista.com; http://www.emarketer.com ;

http://www.retail-week.com/multichannel/online-retail/uk-online-retail-sales-exceed-100bn-for-first-time-in-2014/5068051.article

http://www.retailresearch.org

http://www.retailresearch.org/onlineretailing.php

http://www.cdotsys.com/market-analysis-for-jewellery-industry/

BUSINESS OVERVIEW

Vaibhav Global is an electronic retailer of fashion and lifestyle products in the US, UK and Canada markets sold on our proprietary TV shopping and web platforms with direct access to 110 million TV households. The Company delivers deep value proposition to discount seeking customers and has developed a robust B2C franchise in its focus markets organically. This is an achievement very few Indian companies have been able to accomplish.

The Company has expanded its portfolio, focusing on adjacent product categories that target similar market segments. While fashion jewelry forms a large part of the portfolio, the Company also sells lifestyle accessories, home textiles and cosmetics all of which are targeted at the same customer and enable access to a larger part of the customer's shopping value pie.

Products sold in developed markets are either sourced from micro-markets across India, China, Thailand and Indonesia, or manufactured at the Company's facilities located at Jaipur, India.

During 2015-16, revenues were lower by 7% to ₹1276 crore. While rising competitive intensity and some key technology transitions undertaken over the last two years have had an impact on our volumes and topline, we have made several initiatives that we believe will help us consolidate our market position and enable us to resume on our growth path. Revenues in the retail segment declined by 4.9%. Wholesale revenues were lower by 25.1%, also due to our strategic decision to de-focus from opportunistic trading in loose gemstones. EBITDA margin during 2015-16 was at 6% of revenues compared to 10.7% of revenues in the previous year. This was the impact of larger organizational capacity created by the Company for growth, which did not materialize during the year. With the current capacities across functions, we can now deliver reasonable growth without having to make any significant investments over the medium term. Profit after tax (before exceptional items) was 3% of revenues.

In 2015-16, realizations were consciously increased to adjust for the additional customer benefits of Budget Pay and easy returns provided to customers. TV realizations increased to $24 compared with $23 in the previous year. Web realizations increased to $15 compared with $14. Going forward, our objective would be to maintain realizations at current levels across an expanded portfolio of products and categories as we believe we are in a sweet spot to serve our customers' demand and aspirations.

During the year, cash flows from operations were impacted due to additional working capital absorbed by the introduction of installment payment and easy returns for our customers. As a consequence, we have invested in additional working capital float, which is now in the system and is enabling us provide more beneficial terms of trade to our customers. We believe this investment to drive deeper engagement in the market and deliver positive returns in the medium term.

Over the last two years, we have invested in expanding our physical infrastructure, customer interface, technology platforms and people resources. We believe that these investments will allow us to meet our full potential to make deeper inroads within our targeted markets by delivering a deep value proposition from our portfolio of high quality fashion and lifestyle products.

CSR ACTIVITIES

The Company believes that corporate social responsibility delivered in the context of its business makes it more effective and sustainable. VGL is sensitive to the needs of local community and impact of operations on them. As a responsible corporate citizen, our Corporate Social Responsibility (CSR) Strategy complements our business philosophy and objectives. The Company ensures community ownership in all initiatives and helps to manage self-supportive community based institutions. We encourage collaboration with various NGOs to support in CSR activities at group level. During the period under review, VGL contributed a sum of ₹137.71 lacs to various social institutions in areas of mid-day meal, education, health and scholarship. The main beneficiary have been recipient Akshaya Patra, Umang, Manav Seva Sangh Prem Niketan , Jan Chetna Sansthan, and Hare Krishna Movement. At group level, the following major initiatives were undertaken :

- VGL sponsors one Akshaya Patra mid-day meal for every item sold at The Jewellery Channel, a step down subsidiary, UK and is currently feeding 14,186 students everyday.
- Programme spanning across 141 schools in Jaipur with 10+ vehicles providing logistics support.
- Donation of ₹75,000 to Umang that strives for an inclusive society that provides equal opportunity for all, by enhancing the quality of life of individuals with various disabilities.

SWOT ANALYSIS

Strengths

- Exclusive end-to-end business model covering the entire electronic retail industry across the US and the UK, delivering strong growth momentum, expanding market share, maintaining stable margins and generating robust cash flows.
- Low-cost operations at both retail and manufacturing levels.
- Efficient sourcing units that allow expansion in other product categories.
- Successful homegrown brands such as ILIANA, Rhapsody, J Francis, Karis, Elanza, Strada, Genoa and Eon 1962.
- Successful in-house curated collections such as Royal Jaipur; Tribal Jewels of India; Treasures of the Orient; Bali Legacy; D'Italia; Milaan, etc.,
- Exclusive designer brands such as Guiseppe Perez; Stefy by Stefania and Ivano; Jewel Studio by Prachi; Jewel Studio by Shweta; Rachel Galley; Lucy Q; Sugar by Gay Isber, etc.,
- Scalable business model with limited capex requirements.
- Strong managerial and talent pool across operations, technical and strategy functions.
- In-depth knowledge and vast experience in the jewelry and retail markets.
- Highly experienced senior management team and Board of Directors.
- ISO 9001-2008 certified world-class gems and jewelry manufacturing facility.

Weaknesses

- Exposure to foreign exchange and raw material price instabilities.
- Fewer cutting-edge technologies when compared with European jewelry manufacturing countries like Italy, Spain and France.

Opportunities

- Large potential of increasing revenue per household.
- Deeper penetration of adjacent product categories.
- Acquisition potential for an additional 40 million TV households in current markets.
- Launch of mobile commerce applications that add a new dimension to our customer engagement initiatives.
- Faster electronic retail segment growth vis-à-vis the overall retail segment (in target markets).
- Strengthening asset base with the latest manufacturing and product development technologies.
- Reinforcing the low price point 'discount' model in both the US and the UK markets, which should receive stronger traction as the 'value' retailers have always done well in any market cycle.
- Potential to replicate the end-to-end discount electronic retail business model in other developed and developing countries.

Threats

- Increase in rough and gemstones prices.
- Low cost end-to-end business model being adopted by existing or new competitors.
- Heightened competitive intensity with externally-funded players looking to drive aggressive strategies in the market.

OUTLOOK

Based on the growing visibility of our retailing platforms – Liquidation Channel in the US and the Jewellery Channel in UK – we believe that we are well-positioned to grow our market share in target markets and create customer loyalty by constantly delivering deep value to the discount seeking buyer. This has been augmented by ongoing focus on new product development and entering adjacent product categories targeting similar customer segments and following their buying behavior.

We have continued to invest in the business to improve our competitive positioning and value proposition to buyers. We have recently made several initiatives to further strengthen our competitive positioning. During 2015-16, we also operationalized new facilities at a Special Economic Zone (SEZ) in Jaipur that expand our annual manufacturing capacity to 6 million pieces. We expanded the outsourced call center to a facility in Mexico. We will continue to invest selectively in future growth opportunities and expect returns on these investments to follow in the coming years.

Currently, we believe that VGL is one of few Indian companies to successfully create a strong, respected and sizeable B2C franchise in developed markets globally. This also makes us unique from the consumer's perspective as our extreme cost consciousness translates into better value in our products, thereby deepening the relationship. Given that most of the initiatives have been completed successfully, we see strong reason to grow reasonably over a period of time and deliver value to our shareholders.

RISK AND CONCERNS

The Company is exposed to various risks which are normal in any business enterprise. Accordingly, the Company has a strong risk management policy in place which is developed by taking in account all possible risks. The risk management system enables it to recognize and analyze risks early and to take appropriate action to overcome or minimize the same. The business risks and opportunities so identified are integrated into the business plan and a detailed action plan to mitigate the identified business risks is thereafter drawn up and its implementation monitored.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control framework is designed to ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information and other data. This system is supplemented by internal audit, reviews by the management and documented policies, guidelines and procedures. The Company has a well-defined organization structure, authority levels, internal rules and guidelines for conducting the business transactions. The Company intends to undertake further measures as necessary in line with its intent to adhere to procedures, guidelines and regulations as applicable in a transparent manner.

M/s S.S. Surana & Co., Chartered Accountants , an external independent firm carries out the internal audit of the Company operations and reports its findings to the Audit Committee. Internal Audit also evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting. Internal Audit is carried out as per risk based internal audit plan which is reviewed by the Audit Committee of the Company. The Committee periodically reviews the findings and suggestions for improvement and is apprised on the implementation status in respect of the actionable items.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

On a consolidated basis, the Company recorded total operating revenues of ₹1276 crore in 2015-16, which represents decline by 7.2% compared with ₹1376 crore achieved in 2014-15. The Company registered a net profit of ₹40 crore in 2015-16 as compared with ₹103 crore for the financial year 2014-15. The decline in profits is mainly due to lower top-line, higher depreciation and airtime cost.

A. Retail via a 24x7 TV Shopping Network

TV home shopping sales comprises 73% of the total retail sales through live shows on all major cable, satellite and DTH platforms. Your Company sold 5.9 million pieces during the current year against 6.8 million pieces during the last year. Average selling price per piece was $ 24 as compared to $ 23 in the previous year.

B. Web Sales

Almost 18% of total sale came from the web which was decreased from ₹256 crore in 2014-15 to ₹223 crore in 2015-16. Web sales comprise catalogue sales, rising auction and live TV streaming. Volumes under this segment were decreased from 2.9 million pieces in 2014-15 to 2.3 million pieces in 2015-16. Average selling price per piece was $ 15 as compared to $ 14 in the previous year.

C. B2B Sales

B2B sales comprise wholesale distribution to various retail chains in the US and the UK as well as opportunistic sale of rough gemstones to various manufacturers. B2B sale was ₹121 crore for the current financial year as compared to ₹161 crore in previous financial year.

DEVELOPMENT PLANS

We are keen to invest in expanding marketing, operations, human capital, facilities and technologies to build the infrastructure that will enable us to meet customer expectations by delivering a deep value proposition to discount-seeking consumers.

HUMAN RESOURCES , MATERIAL DEVELOPMENTS AND INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

Your Company recognizes the importance of its human capital. VGL continues its focus on development of human resource which is one of the most critical asset. The Company firmly believes that engaged and competent employees are critical to fulfill its business objectives and hence all the HR initiatives were aimed at creating alignment and stimulation so that the employee can fulfill their potential and deliver value for the enterprise.

We continuously aim to provide career development and growth opportunities to our people. It provides dual opportunities for people to grow in the managerial and technical capabilities aligned with their career aspirations. The Company is committed to create an environment of learning and development, promote internal talent and develop cross functional expertise.

The Company has embarked on several human resource initiatives to enhance the productivity of the organization and each individual. VGL has laid down high emphasis on driving an effective and transparent performance culture. Top performers and high achievers are recognized for their exemplary performance as part of the rewards and recognition.

In order to enhance employee motivation and build a performance driven culture, the HR team pursued numerous employee engagement programs and cultural & sports initiatives. The people oriented best HR practices enables the Company to attract and retain the best of available talent. Some of these initiatives are:

i) Regular medical examination of all employees.

ii) SDMH Blood donation camp 30th April and 1st May, 2016

iii) Mehek Diya Foundation Blood Donation Camp – 13th May, 2016

iv) Employees Stock Option Plan (ESOP)

v) Performance-based incentive plan

vi) Suggestion-based reward program

vii) Succession planning through identification of second level of managers of all units, locations and functions

viii) Identifying potential talent and offering growth opportunities within the organization

ix) Reward program for employees who have obtained qualification while working in the Company

x) 360-degree appraisal system

xi) Training & employing specially abled people in association with Youth for Jobs(NGO)

xii) Weekly Quality awards to encourage employees

xiii) Annual Function – 20th March, 2016

xiv) Employee & Family engagement through celebrations of festivals like Christmas and functions like Children's Day, Women's Day

The Company continued to maintain amicable industrial relation footprint by focusing on increased worker level engagement through formal and informal communication and training forums.

As on 31st March, 2016, the Company had 3,711 employees which will increase in line with the growing business aspirations in the current fiscal year.

DISCLAIMER CLAUSE

Statements in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operation include among others, economic conditions affecting demand/supply and price conditions, variation in prices of raw materials, changes in Government regulations, tax regimes, economic developments and other incidental factors.

For and on behalf of the Board of Directors

Sunil Agrawal
Chairman & Managing Director
DIN: 00061142

Place: Jaipur
Date: 19th May, 2016

Corporate Governance Report

1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliances of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholder value and discharge of social responsibilities. Adopting high standards gives comfort to all existing and potential stakeholders including government and regulatory authorities, customers, suppliers, bankers, employees and shareholders.

Your Company believes in adopting and adhering to the best standards of Corporate Governance. Vaibhav Global Limited's philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability and equity in all spheres of its operations.

Your Company is committed towards transparency in all its dealings and places high emphasis on business principles and believes the good Corporate Governance goes beyond working results and financial priority and is pre-requisite for the attainment of excellent performance.

2. BOARD OF DIRECTORS COMPOSITION

The Board of Directors has an optimum combination of Executive and Independent Directors. The composition of the Board and category of Directors during the financial year 2015-16 are as follows :

Category	No. of Directors	Name of Directors	Promoter / Promoter Group
Executive Directors	2	Mr. Sunil Agrawal [1]	Yes
		Mr. Rahimullah [2]	Yes
Non – Executive Non – Independent Directors	4	Mr. Nirmal Kumar Bardiya	Yes
		Mrs. Sheela Agarwal	Yes
		Mr. Pulak Chandan Prasad	No
		Mr. Hemant Sultania [3]	No
Non – Executive Independent Directors	7	Mr. Surendra Singh Bhandari	No
		Mr. Vikram Kaushik [4]	No
		Mr. Mahendra Kumar Doogar	No
		Mr. P.N. Bhandari	No
		Mr. Peter Duncan Whitford [5]	No
		Mr. Santiago Roces Moran [6]	No
		Mr. Harsh Bahadur [7]	No
Total	13		

1. Mr. Sunil Agrawal is the Chairman and Managing Director of the Company.
2. Mr. Rahimullah is the Whole Time Director of the Company.
3. Mr. Hemant Sultania was appointed as a Non – Executive Non Independent Director w.e.f. 28th July, 2015 and resigned w.e.f. 12th May, 2016.
4. Mr. Vikram Kaushik resigned as a Non – Independent Director w.e.f. 19th May, 2016.
5. Mr. Peter Duncan Withford resigned as a Non – Executive Independent Director w.e.f 20th July, 2015.
6. Mr. Santiago Roces Moran was appointed as Director in the casual vacancy in the category of Non – Executive Independent Director w.e.f. 28th July, 2015.
7. Mr. Harsh Bahadur was appointed as an additional Director in the category of Non – Executive Independent Director w.e.f 26th September, 2015.

There is no inter-se relationship between our board members except Mrs. Sheela Agarwal who is the mother of Mr. Sunil Agrawal, Chairman and Managing Director.

CONDUCT OF BOARD PROCEEDINGS

The day to day matters concerning the business are conducted by the Executives of the Company under the direction of Executive Directors with the ultimate supervision of the Board. The Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING (AGM)

The Board meets once in every quarter to review the quarterly financial results and other items of the agenda and if necessary, additional meetings are held as and when required. The intervening gap between the meetings was within the period prescribed under regulation 17 of SEBI (LODR) Regulations, 2015.

Name of the Directors	Attendance at AGM Held on 28th July, 2015	Date of Board Meetings					
		21st May, 2015	28th July, 2015	8th August, 2015	4th November, 2015	9th December, 2015	25th January, 2016
Mr. Sunil Agrawal	√	√	√	√	√	Leave of Absence	√
Mr. Rahimullah	√	√	√	√	√	Leave of Absence	√
Mr. Nirmal Kumar Bardiya	Leave of Absence	√	Leave of Absence	√	Leave of Absence	Leave of Absence	Leave of Absence
Mrs. Sheela Agarwal	√	√	√	√	√	√	√
Mr. Pulak Chandan Prasad	√	√	√	Leave of Absence	Leave of Absence	Leave of Absence	√
Mr. Surendra Singh Bhandari	Leave of Absence	√	√	Leave of Absence	√	√	√
Mr. Vikram Kaushik	√	√	√	√	√	√	Leave of Absence
Mr. Mahendra Kumar Doogar	√	√	√	√	√	√	√
Mr. P.N. Bhandari	√	√	√	√	√	√	√
Mr. Hemant Sultania	NA	NA	√	Leave of Absence	√	√	Leave of Absence
Mr. Santiago Roces Moran	NA	NA	NA	Leave of Absence	√	Leave of Absence	√
Mr. Harsh Bahadur	NA	NA	NA	NA	√	√	√
Mr. Peter Duncan Whitford	NA	Leave of Absence	NA	NA	NA	NA	NA

OTHER RELEVANT DETAILS OF THE DIRECTORS:

Name of the Director	Number of Directorship(s) held in other Indian public Limited Companies*	Other Committee(s) Position**	
		Membership	Chairmanship
Mr. Sunil Agrawal	1	Nil	Nil
Mr. Rahimullah	2	Nil	Nil
Mr. Nirmal Kumar Bardiya	2	Nil	Nil
Mrs. Sheela Agarwal	Nil	Nil	Nil
Mr. Pulak Chandan Prasad	1	Nil	Nil
Mr. Surendra Singh Bhandari	1	1	Nil
Mr. Vikram Kaushik	1	1	Nil
Mr. Mahendra Kumar Doogar	8	2	5
Mr. P.N. Bhandari	Nil	Nil	Nil
Mr. Hemant Sultania	Nil	Nil	Nil
Mr. Santiago Roces Moran	Nil	Nil	Nil
Mr. Harsh Bahadur	1	1	Nil

* Excludes directorship in Foreign Companies and Private Limited Companies.

** For the purpose of considering the limit of the Committee, Membership and Chairmanship of a Director, the Audit Committee and the Stakeholders Relationship Committee of all Public Limited Companies have been considered.

BOARD COMMITTEES

The Board has four Committees namely Audit Committee, Nomination, Remuneration & Compensation Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee.

(A) Audit Committee

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by Companies Act, 2013 and Regulation 18 of the SEBI (LODR), Regulations, 2015. The primary objective of the Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, by Internal Auditors and Statutory Auditors and notes the processes and safeguards employed by each of them. In particular, these include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation of appointment, remuneration and terms of appointment of the auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section of Section 134 of the Companies Act, 2013.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgment by management.
   d. Significant adjustments made in the financial statements arising out of audit findings.

e. Compliance with listing and other legal requirements relating to financial statements.

f. Disclosure of any related party transactions.

g. Qualifications in the draft audit report.

5. Reviewing with the management, the quarterly financial statements before submission to the board for approval.

6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance and effectiveness of audit process.

8. Approval or any subsequent modification of transactions of the Company with related parties.

9. Scrutiny of inter-corporate loans and investments.

10. Valuation of undertakings or assets of the Company wherever it is necessary

11. Evaluation of internal financial controls and risk management systems.

12. Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors of any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

18. To review the Whistle Blower mechanism.

19. Approval of appointment of CFO after assessing the qualifications, experience & background etc. of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21 The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.

22. The Auditors of a Company and the Key Managerial Personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report.

Composition, name of the Chairperson and Members

Name of the Director	Category of the Director	Position Held in the Committee
Mr. Surendra Singh Bhandari	Non – Executive Independent Director	Chairman
Mr. Mahendra Kumar Doogar	Non – Executive Independent Director	Member
Mr. P.N. Bhandari	Non – Executive Independent Director	Member
Mr. Nirmal Kumar Bardiya	Non – Executive Non -Independent Director	Member

Attendance of Directors at Audit Committee's Meetings

Name of the Director	30th April, 2015	20th May, 2015	28th July, 2015	08th August, 2015	03rd November, 2015	25th January, 2016
Mr. Surendra Singh Bhandari	√	√	√	Leave of Absence	√	√
Mr. Mahendra Kumar Doogar	√	√	√	√	√	√
Mr. P.N. Bhandari	√	√	√	√	√	√
Mr. Nirmal Kumar Bardiya	√	√	Leave of Absence	√	Leave of Absence	Leave of Absence

(B) Nomination, Remuneration and Compensation Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013, Regulation 19 of SEBI (LODR) Regulations, 2015 and Regulation 5 of SEBI (Share Based Employee Benefits) Regulations, 2014.

(a) Terms of Reference

The broad terms of reference of the Committee are as follows:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:

   a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

   b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

4. The Chairperson of the said Committee or, in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the Company.

5. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made thereunder & SEBI Regulations.

(b) Remuneration to Whole-time / Executive / Managing Director

1. Remuneration

The Whole-time Director/Managing Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of the Companies Act, 2013.

3. **Provisions for excess remuneration**

   If any Whole-time Director/Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

(c) Remuneration to Non-executive / Independent Director

1. **Sitting Fees**

   The Non-executive / Independent Directors of the Company may receive remuneration by way of sitting fees for attending the meeting of the Board of Directors or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 and rules framed or such amount as may be prescribed by the Central Government.

2. **Profit-linked Commission**

   The profit-linked Commission may be paid within the monetary limit approved by the shareholders of the Company as percentage of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013 and rules framed thereunder. The criteria for making payment to Non-Executive Directors is available on the website of the Company.

3. **Stock Options**

   An Independent Director shall not be entitled to any stock option of the Company.

(d) Criteria for performance evaluation of Independent Directors and the Board

As per the provisions of SEBI (LODR), Regulations, 2015, the Nomination and Remuneration Committee (the "Committee") has laid down the evaluation criteria for performance evaluation of Independent Directors and the Board.

Further, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation.

The Board is committed to assess its own performance in order to identify its strengths and areas in which it may improve its functioning.

The Committee has established the processes for evaluation of performance of Independent Director and the Board. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organize the evaluation process and act on its outcome.

Accordingly, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of Independent Directors was also carried out by the entire board. The performance evaluation of the Chairman and Non-Independent Directors was also carried out by the Independent Directors.

(e) Remuneration to KMP, Senior Management Personnel and Other Employees

The KMP except Managing Director and Whole Time Director, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

This Remuneration Policy shall apply to all future/ continuing employment / engagement(s) with the Company.

The remuneration for KMP and Senior Managerial Personnel and other employees of the Company shall be approved by the Committee In case any of the relevant regulations require that remuneration of KMPs or any other officer is to be specifically approved by the Committee and / or the Board of Directors then such approval will be accordingly procured.

Details of Remuneration, Sitting fees, etc. paid/payable to all the Directors for the year ended 31st March, 2016 are given hereunder:

Name of the Director	Remuneration (₹)	Sitting Fees (₹)	Profit related Commission (₹)	Shares held as on 31st March, 2016
Mr. Sunil Agrawal	Nil	Nil	Nil	28,140
Mr. Rahimullah	42,00,000	Nil	Nil	12,36,500
Mr. Nirmal Kumar Bardiya	Nil	4,30,000	Nil	17,91,628
Mrs. Sheela Agarwal	Nil	4,50,000	Nil	21,826
Mr. Pulak Chandan Prasad	Nil	Nil	Nil	Nil
Mr. Hemant Sultania	Nil	75,000	Nil	Nil
Mr. Surendra Singh Bhandari	Nil	8,25,000	3,75,000	Nil
Mr. Vikram Kaushik	Nil	5,25,000	6,75,000	Nil
Mr. Mahendra Kumar Doogar	Nil	8,60,000	Nil	Nil
Mr. P.N. Bhandari	Nil	10,10,000	Nil	Nil
Mr. Peter Duncan Whitford	Nil	Nil	Nil	Nil
Mr. Santiago Roces Moran	Nil	Nil	25,23,706	Nil
Mr. Harsh Bahadur	Nil	2,25,000	3,89,795	Nil

Composition, name of the Chairperson and Members

Name of the Director	Category of the Director	Position Held in the Committee
Mr. P.N. Bhandari	Non – Executive Independent Director	Chairman
Mr. Vikram Kaushik*	Non – Executive Independent Director	Member
Mr. Surendra Singh Bhandari	Non – Executive Independent Director	Member
Mr. Nirmal Kumar Bardiya	Non – Executive Non - Independent Director	Member

The Company Secretary is also the Secretary to the Committee.

Attendance at the meetings of Nomination, Remuneration and Compensation Committee

Name of the Director	21st May, 2015	28th July, 2015	08th August, 2015
Mr. P.N. Bhandari	√	√	√
Mr. Vikram Kaushik*	√	√	√
Mr. Surendra Singh Bhandari	√	√	Leave of Absence
Mr. Nirmal Kumar Bardiya	√	Leave of Absence	√

*Mr. Vikram Kaushik resigned w.e.f. 19th May, 2016

(C) Stakeholders Relationship Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 which are given below:

Terms of reference:

1. The Stakeholders Relationship Committee shall consider and resolve the grievances of all stakeholders and security holders of the Company.
2. The Chairperson of the said Committee or, in his absence, any other member of the Committee authorized by him in this behalf shall attend the general meetings of the Company.
3. Review all Shareholder's grievances like non receipt of annual reports, non-receipt of dividend etc.
4. Issue of Duplicate Share Certificates, Transfer of Shares in Physical form & Share Transfer Work.
5. Any other work and policy related and incidental to the objectives of the Committee as per provisions of the Act and rules made thereunder.

Composition, name of the Chairperson and Members

Name of the Director	Category of the Director	Position Held in the Committee
Mr. Surendra Singh Bhandari	Non – Executive Independent Director	Chairman
Mr. Mahendra Kumar Doogar	Non – Executive Independent Director	Member
Mr. Rahimullah	Whole Time Director	Member

The Company Secretary also acts as a Secretary to the Committee.

Details of Complaints Received and Resolved

Name of the Director	No. of Complaints
Complaints pending as on 1st April, 2015	Nil
Complaints received during the period 1st April, 2015 to 31st March, 2016	49
Complaints disposed off during the period 1st April, 2015 to 31st March, 2016	49
Complaints outstanding as on 31st March, 2016	Nil

Name and Designation of the Compliance Officer

Name: Mr. Brahm Prakash

Designation: Company Secretary & Sr. Manager Legal

Address: E-69, EPIP, Sitapura, Jaipur - 302 022

(E) Corporate Social Responsibility (CSR) Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Section 135 of the Companies Act, 2013 which are given below :

Terms of reference :

1. Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Act.
2. Recommend the amount of expenditure to be incurred on the activities as specified above.
3. Monitor the Corporate Social Responsibility policy of the Company from time to time.
4. Such other activities as the Board of Directors may determine from time to time.

Composition, name of the Chairperson and Members

Name of the Director	Category of the Director	Position Held in the Committee
Mr. P. N. Bhandari	Non- Executive Independent Director	Chairman
Mr. Nirmal Kumar Bardiya	Non- Executive Non-Independent Director	Member
Mr. Sunil Agrawal	Chairman and Managing Director	Member

The Company Secretary is also the Secretary to the Committee.

(F) Independent Directors' Meeting

As per the requirement of Regulation 25(3) of SEBI (LODR) Regulations, 2015, the Independent Directors of the Company met on 30th March, 2016, inter alia to discuss:

1. Review the performance of non - Independent Directors and the Board of Directors as a whole;
2. Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non – Executive Directors;
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Attendance of Directors at Independent Directors Meeting

Name of the Director	30th March, 2016
Mr. Surendra Singh Bhandari	√
Mr. P. N. Bhandari	√
Mr. Vikram Kaushik	Leave of Absence
Mr. Mahendra Kumar Doogar	√
Mr. Santiago Roces Moran	Leave of Absence
Mr. Harsh Bahadur	Leave of Absence

3. GENERAL BODY MEETINGS

Date, time and venue of the last three Annual General Meetings:

Year	Date	Time	Venue	No. of Special Resolution(s) Passed
2012-13	14th August, 2013	11.00A.M.	E-69, EPIP, Sitapura, Jaipur – 302022 (Rajasthan)	Nil
2013-14	25th July, 2014	11.00A.M.	E-69, EPIP, Sitapura, Jaipur – 302022 (Rajasthan)	13
2014-15	28th July, 2015	10.00 A.M.	E-69, EPIP, Sitapura, Jaipur – 302022 (Rajasthan)	Nil

Special Resolutions through Postal ballot

The Company passed the following resolutions on 16th January, 2016 through postal ballot in accordance with the provisions of the Companies Act, 195/2013 read with the relevant rules made thereunder:

1. Reduction of Capital by setting off the Accumulated Losses against the Securities Premium Account.

Total Number of Shareholders	5,256		
Total Number of Shares	2,85,49,552*		
Receipts of Postal Ballot Forms (Physical and Electronic)	105		
	Number of Votes	**Number of Shares**	**% of Total Number of Valid Votes Cast**
Total Votes Cast through e –voting	100	1,99,35,976	99.9988
Total Votes Cast through Postal Ballot Forms Received	5	237	0.0012
Grand Total	105	1,99,36,213	100.00
Less: Invalid Votes	0	Nil	0
Net E-voting / Postal Ballot Forms	**105**	**1,99,36,213**	**100.00**

*Excluding 39,50,000 Non – voting right Shares held by Custodian underlying GDR.

Summary of Votes Cast:

Category	Mode of Voting	No. of Shares Held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – in against (5)	% of Votes favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	1,82,76,983	1,82,76,983	100.00	1,82,76,983	0	100.00	0.00
	Postal Ballot	-	-	-	-	-	-	-
	Total	1,82,76,983	1,82,76,983	100.00	1,82,76,983	0	100.00	0.00
Public -Institutions	E-Voting	15,65,787	15,65,787	100.00	15,65,787	0	100.00	0.00
	Postal Ballot	-	-	-	-	-	-	-
	Total	15,65,787	15,65,787	100.00	15,65,787	0	100.00	0.00
Public - Non Institutions	E-Voting	93,216	93,206	99.99	93,201	5	99.99	0.01
	Postal Ballot	237	237	100.00	236	1	99.58	0.42
	Total	93,453	93,443	99.99	93,437	6	99.99	0.01
Total		**1,99,36,223**	**1,99,36,213**	**99.99**	**1,99,36,207**	**6**	**99.99**	**0.00**

2. Approval of Remuneration to Non – Executive Directors

Total Number of Shareholders	5,256		
Total Number of Shares	2,85,49,552*		
Receipts of Postal Ballot Forms (Physical and Electronic)	105		
	Number of Votes	**Number of Shares**	**% of Total Number of Valid Votes Cast**
Total Votes Cast through e –voting	100	1,99,35,976	99.9988
Total Votes Cast through Postal Ballot Forms Received	5	237	0.0012
Grand Total	105	1,99,36,213	100.00
Less: Invalid Votes	0	Nil	0
Net E-voting / Postal Ballot Forms	**105**	**1,99,36,213**	**100.00**

*Excluding 39,50,000 Non – voting right Shares held by Custodian underlying GDR.

Summary of Votes Cast:

Category	Mode of Voting	No. of Shares Held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – in against (5)	% of Votes favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	1,82,76,983	1,82,76,983	100.00	1,82,76,983	0	100.00	0.00
	Postal Ballot	-	-	-	-	-	-	-
	Total	1,82,76,983	1,82,76,983	100.00	1,82,76,983	0	100.00	0.00
Public -Institutions	E-Voting	15,65,787	15,65,787	100.00	8,99,590	6,66,197	57.45	42.55
	Postal Ballot	-	-	-	-	-	-	-
	Total	15,65,787	15,65,787	100.00	8,99,590	6,66,197	57.45	42.55
Public - Non Institutions	E-Voting	93,216	93,206	99.99	93,119	87	99.91	0.09
	Postal Ballot	237	237	100.00	135	102	56.96	43.04
	Total	93,453	93,443	99.99	93,254	189	99.80	0.20
Total		**1,99,36,223**	**1,99,36,213**	**99.99**	**1,92,69,827**	**6,66,386**	**96.66**	**3.34**

Mr. B.K. Shama, Practicing Company Secretary was appointed as the scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. The resolutions in respect of the above said items passed as Special Resolutions.

No Special Resolution is proposed to be passed through Postal Ballot.

4. MEANS OF COMMUNICATION

i. Annual report containing Audited Annual Accounts, Consolidated Financial Statements, Board's Report, Management Discussion & Analysis (MD&A) Report, Auditor's Report and other informationare circulated to members and others who are entitled to it.

ii. Financial Results are published in leading Local & National newspapers such as Nafa Nuksan (Jaipur), Jansatta (New Delhi) and Financial Express (All Editions).

iii. All important information relating to Company and its performance including the financial results and shareholding pattern are displayed on the Company's website www.vaibhavglobal.com. The website also displays all official press releases issued by the Company, if any

iv. The Company puts all the price sensitive information's into public domain by way of intimating the same to Stock Exchange i.e. BSE Ltd. and National Stock Exchange of India Ltd. immediately. The same is also displayed on Company's website.

v. In case of any problem / query, Shareholders may write to: Mr. Brahm Prakash: Company Secretary at investor_relations@vaibhavglobal.com

vi. The Company has made quarterly presentations to analysts.

5. GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting :

Date and Time – 28th July 2016 at 10.00 a.m.

Venue - E-69, EPIP, Sitapura, Jaipur - 302022

(ii) Financial Year: 1st April, 2015 to 31st March, 2016

(iii) Date of Book Closure: 21st July, 2016 to 28th July, 2016 (both days inclusive)

(iv) Dividend Date : NA

(v) Stock Exchanges where Equity Shares are listed and Scrip code:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai- 400 001

Scrip Code: 532156

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot no. C-1, G Block, Bandra Kurla Complex,

Bandra (E), Mumbai - 400 051

Scrip Code: VAIBHAVGBL

ISIN Code : INE884A01019

(vi) Listing Fees to the Stock Exchanges

The Company has paid listing fees in respect of financial year 2016-2017 to BSE Limited and National Stock Exchange of India Limited.

(vii) Custodian Fees to the Depository

The Company has paid Annual Custodian fees in respect of financial year 2016-2017 to NSDL and CDSL on receipt of the invoice.

(viii) Registrar & Share Transfer Agent:

Karvy Computershare Pvt. Limited,

Karvy Selenium Tower B, Plot 31-32,

Gachibowli Financial District, Nanakramguda,

Hyderabad - 500 032

(ix) Share Transfer System

Registrar and Transfer Agents (the 'RTA'), on receipt of transfer deed with respective share certificates, scrutinizes the same and verify signatures of transferors on the transfer deed with specimen signatures registered with the Company. A list of such transfers is prepared and checked thoroughly and a transfer register is prepared. The transfer register is placed before the Stakeholders Relationship Committee for approval. Share transfers are registered and share certificates are returned within the prescribed time provided the documents submitted are valid and complete in all respects.

(x) Dematerialization of Shares

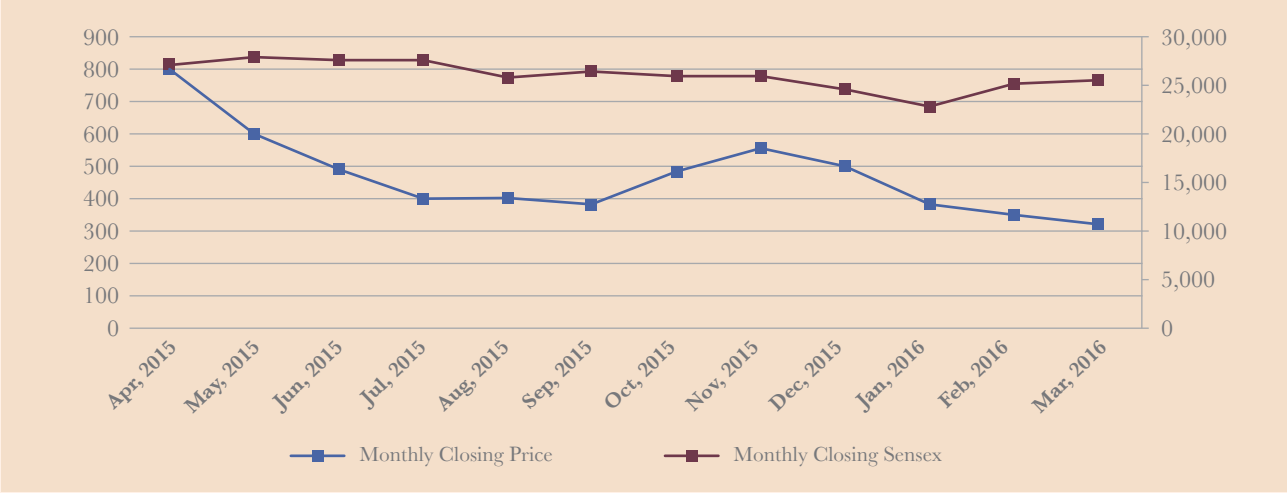
The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both of the Depositories. The status as on 31st March, 2016 is as under:

Mode	No. of Shares	%(Percentage)
Physical Form	40,373	0.12
NSDL	3,08,11,160	94.76
CDSL	16,63,598	5.12
Total	**3,25,15,131**	**100.00**

(xi) Market Price Data

Name of the Director	VGL Price at BSE (₹)		VGL Price at NSE (₹)	
	High Price	Low Price	High Price	Low Price
April, 2015	819.75	786.00	838.90	775.00
May, 2015	811.50	587.00	813.70	585.00
June, 2015	600.00	484.00	600.05	485.00
July, 2015	496.30	393.00	504.00	391.10
August, 2015	460.95	384.00	460.00	381.55
September, 2015	420.00	361.90	406.45	358.50
October, 2015	573.65	352.95	572.25	351.20
November, 2015	593.95	440.00	595.00	430.00
December, 2015	618.00	496.10	620.00	495.00
January, 2016	514.40	380.00	514.95	375.65
February, 2016	405.00	323.20	405.00	325.10
March, 2016	390.50	318.00	390.00	320.00

Performance of the Company's Share price in comparison to BSE Sensex



(xii) Distribution of Shareholding

i. Distribution of Shareholding as on 31st March, 2016

Sr. No	No. of Equity Shares	Number of Shares	% of Shareholding	No. of Shareholders
1.	1-5000	3,67,225	1.13	4,633
2.	5001-10000	1,57,517	0.48	206
3.	10001-20000	1,70,747	0.58	127
4.	20001-30000	1,73,186	0.53	68
5.	30001-40000	77,756	0.24	22
6.	40001-50000	59,792	0.18	13
7.	50001-100000	2,72,779	0.84	37
8.	100001 & Above	3,12,36,129	96.01	73
	Total	**3,25,15,131**	**100.00**	**5,179**

ii. Category of Shareholders as on 31st March, 2016

Category	No. of shares	% Holding
Indian Promoters	1,22,71,137	37.74
Foreign Promoters	60,05,846	18.47
FIIs including Foreign Portfolio Investors	61,52,219	18.92
Corporate Bodies	11,30,274	3.48
Individuals	2,215,561	6.81
NRIs	7,35,962	2.26
Mutual Funds	150	0.00
Financial Institution / Banks	3,095	0.01
Others		
(i) Clearing Member	5,545	0.02
Trusts	16,074	0.05
NBFC	29,268	0.09
GDRs (Underlying Shares)	39,50,000	12.15
Total	**3,25,15,131**	**100.00**

(xiii) Plant Locations

The Company's plants are located at the following addresses:

- K-6B, Fateh Tiba, Adarsh Nagar,Jaipur-302 004
- E-68 and E-69, EPIP, Sitapura, Jaipur – 302 022
- G1-33 EPIP, Sitapura, Jaipur – 302 022

- G1-39, EPIP, Sitapura, Jaipur - 302 022

- E-1 and E-2, SEZ – II, Sitapura - 302022

- Unit 186/A, SDF-VI, Andheri (E), SEEPZ-SEZ, Mumbai-400 096

(xiv) Branch Office

- 905, Panchratna, Opera House, Mumbai – 400001

- HW – 4070, H Tower, West Wing, 4th Floor, Bharat Diamond, Bourse Bandra Kurla Complex, Bandra (E) Mumbai – 400051

(xv) Address for Correspondence

Mr. Brahm Prakash, Company Secretary heads the Secretarial Department of the Company. In case of any problem/query, shareholders can contact at:

Address:
E-69, EPIP, Sitapura, Jaipur
Phone: 91-141-2771948/49
Fax: 91-141-2770510
Email: investor_relations@vaibhavglobal.com

(xvi) GDR holder converted 3,00,000 GDRs into 30,00,000 Equity Shares of ₹10 each on 23rd April, 2015. Pursuant to this conversion the aggregate shareholding of Promoter and Promoter Group increased to 1,82,76,983 Equity Shares of ₹10 each. As on 31st March, 2016 outstanding GDRs are 3,95,000.

(xvii) Other useful information to the Shareholders

- Shareholders/Beneficial Owners are requested to quote their Folio No. /DP & Client ID Nos., as the case may be, in all correspondence with the RTA/Company.
- Shareholders holding shares in physical form are requested to notify to the RTA/Company, change in their address/ Pin Code number and Bank Account details promptly by written request under the signatures of sole / first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their DP as the same are maintained by the DPs.
- To prevent fraudulent encashment of dividend instruments, members are requested to provide their Bank Account Details (if not provided earlier) to the Company (if shares are held in physical form) or to DP (if shares are held in D-mat form), as the case may be.
- Non-resident members are requested to immediately notify change in their residential status on return to India for permanent settlement and particulars of their NRE Bank Account with a bank in India, if not furnished earlier.
- In case of loss/misplacement of shares, investors should immediately lodge a FIR/Complaint with the police and inform to RTA/Company along with original or certified copy of FIR/acknowledged copy of the complaint.
- For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed.
- Shareholders are requested to keep record of their specimen signature before lodgment of shares with the RTA/Company to obviate possibility of difference in signature at a later date.
- Shareholders(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificates in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company/RTA.
- Section 72 Companies Act, 2013 extends nomination facility to individuals holding shares in physical form in Companies. Shareholders, in particular those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Nomination Form.
- Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
- Shareholders are requested to quote their e-mail Ids, telephone / fax numbers for prompt reply to their communication.

6. DISCLOSURES

(i) The details of related party transactions are given in the notes to accounts. None of the transaction with any of the related party was in conflict with the interest of the Company.

(ii) There were no non-compliance / strictures, penalty imposed on the Company by Stock Exchange (s) or SEBI or any statutory authority on any matters related to capital market during the last three years.

(iii) Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI(LODR) Regulations, 2015, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees. The policy has been hosted on the website of the Company at http://vaibhavglobal.com/vaibhav2/investorsection/Policy-of-Whistle-Blower-Vigil-

Mechanism.pdf. We affirm that no personnel has been denied access to the Audit Committee.

(iv) The Company has fully complied with all the mandatory requirements prescribed under SEBI (LODR) Regulations, 2015

(v) The terms and conditions for the appointment of Independent Directors are available on the website of the Company.

7. RISK MANAGEMENT

The Company follows well - established risk assessment and minimization procedures which are periodically reviewed by the Board.

8. MANAGEMENT DISCUSSION AND ANALYSIS

A management discussion and analysis report forms part of the Annual Report and includes discussion on various matters.

9. SUBSIDIARIES

All the Subsidiary Companies are managed by their respective Boards who have the rights and obligations to manage the Company in the best interest of the stakeholders. As a majority stakeholder, the Company monitors the performance of such Companies.

For the purpose of determining Material Subsidiaries, the Company has formulated a policy on Material Subsidiaries as required under regulation 16 (c) of the SEBI (LODR) Regulations, 2015 and the policy is available on the Company's website i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Policy%20for%20determination%20of%20Materiality%20of%20events%20or%20information_0.pdf. Also, the policy on dealing with the Related Party Transactions is available on the website of the Company i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Policy-on-Related-Party-Transactions.pdf.

10. RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by the Securities Exchange Board of India, a qualified Practicing Company Secretary has carried out the reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL, total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

11. COMPLIANCE CERTIFICATE

The Compliance Certificate on the financial statements for the financial year ended 31st March, 2016 is enclosed at the end of this report.

12. AUDITORS' REPORT ON CORPORATE GOVERNANCE

As required by Part E of Schedule V of Regulation 34(3) of the SEBI(LODR) Regulations, 2015, the Auditors' certificate is enclosed at the end of this report.

13. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

The Company conducts the familiarization programme for Independent Director as required under regulation 25(7) of the SEBI (LODR) Regulations, 2015 and details are available on Company's website i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Familiarisation%20Programme%20for%20Independent%20Directors_2.pdf.

14. CODE FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Company has laid down a code of conduct for the members of the board and senior management personnel of the Company. The code of conduct has been posted on the Company's website i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Code-of-Conduct-for-Directors-and-senior-management-personnel.pdf. The code of conduct has been circulated to all the members of the Board and Senior Management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended 31st March, 2016. A declaration to this effect signed by Mr. Sunil Agrawal, Chairman and Managing Director of the Company is appended at the end of this report.

15. CODE FOR THE INDEPENDENT DIRECTORS

The Company has laid down a code of conduct for the Independent Directors of the Company and the same is available on the Company's website i.e. http://www.vaibhavglobal.com/sites/default/files/articles/Code-of-conduct-for-Independent-Director.pdf.

Compliance Certificate

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

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief :

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2015-2016 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee that :

   1. There are no significant changes in internal control over financial reporting during the year;
   2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   3. There are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sunil Agrawal
Chairman & Managing Director
DIN: 00061142

Puru Aggarwal
Group Chief Financial Officer

Date: 19th May, 2016
Place: Jaipur

Declaration for Compliance with Code of Conduct

I hereby confirm and declare that all the Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2015-16

Sunil Agrawal
Chairman & Managing Director
DIN-00061142

Place : Jaipur
Date : 19th May, 2016

Auditors' Certificate on Corporate Governance

To
The Members of
Vaibhav Global Limited

We have examined the compliance of conditions of Corporate Governance by Vaibhav Global Limited, for the year ended on March 31, 2016, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation').

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulation.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Sandeep Mundra
Partner
Membership No.: 75482

Jaipur
May 19, 2016

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

Chetan Desai
Partner
Membership No.: 17000

Jaipur
May 19, 2016

Independent Auditor's Report

To the Members of Vaibhav Global Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Vaibhav Global Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its profit & loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in the notes to the standalone financial statements:

Accounting Policy 8c with regard to identification of specific item of inventory and determination of net realizable value which is based on judgement of the management which is supported by evaluation of independent expert. This is relied upon by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 26 on Contingent Liabilities to the standalone financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B. Khosla & Co.**
Chartered Accountants
ICAI Firm Regn. No. 000205C

Sandeep Mundra
Partner
Membership No.: 75482

Jaipur
19th May, 2016

For **Haribhakti & Co.LLP**
Chartered Accountants
ICAI Firm Regn. No. 103523W

Chetan Desai
Partner
Membership No.: 17000

Jaipur
19th May, 2016

Annexure 1 to the Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Vaibhav Global Limited on the standalone financial statements for the year ended 31st March, 2016]

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act.

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii) (c) of the Order.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The central Government has not prescribed the maintenance of cost records for any of the products of the country under sub section (I) of section 148 of the Act and the rules framed there under

(vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	28,80,370	2007-08	ITAT
		6,89,937	2008-09	CIT (A)
Central Excise Act	Custom Duty	14,07,610	2002-03 to 2009-10	CESTAT
	Penalties & Fines	29,00,000		

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution(s), bank(s), government(s) or dues to debenture holder(s).

(ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **B. Khosla & Co.**
Chartered Accountants
ICAI Firm Regn. No. 000205C

Sandeep Mundra
Partner
Membership No.: 75482

Jaipur
19th May, 2016

For **Haribhakti & Co.LLP**
Chartered Accountants
ICAI Firm Regn. No. 103523W

Chetan Desai
Partner
Membership No.: 17000

Jaipur
19th May, 2016

Annexure 2 to the Independent Auditor's Report

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Vaibhav Global Limited on the standalone financial statements for the year ended 31st March, 2016]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Vaibhav Global Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **B. Khosla & Co.**
Chartered Accountants
ICAI Firm Regn. No. 000205C

Sandeep Mundra
Partner
Membership No.: 75482

Jaipur
19th May, 2016

For **Haribhakti & Co.LLP**
Chartered Accountants
ICAI Firm Regn. No. 103523W

Chetan Desai
Partner
Membership No.: 17000

Jaipur
19th May, 2016

Balance Sheet as at 31st March, 2016

Particulars	Notes	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	32,49,90,570	32,38,02,060
Reserves and Surplus	3	4,43,59,20,967	4,21,18,29,158
		4,76,09,11,537	**4,53,56,31,218**
Share application pending allotment		-	-
Non-Current Liabilities			
Long-Term Borrowings		-	-
Long-Term Provisions	4	2,29,70,950	2,38,98,882
		2,29,70,950	**2,38,98,882**
Current Liabilities			
Short-Term Borrowings	5	93,42,41,124	59,49,66,408
Trade Payables:- Dues of MSME	6	-	-
Dues of other than MSME	6	50,58,94,242	28,12,46,367
Other Current Liabilities	7	6,56,83,319	3,92,82,802
Short-Term Provisions	8	4,05,16,940	8,55,61,873
		1,54,63,35,625	**1,00,10,57,450**
Total		**6,33,02,18,112**	**5,56,05,87,550**
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	40,91,52,446	22,52,61,978
Intangible Assets	10	71,26,652	1,03,75,045
Capital Work-In-Progress	10	2,82,05,679	1,15,87,721
Non-Current Investments	9	2,92,56,30,831	2,40,06,90,824
Deferred Tax Assets (Net)	11	1,84,60,059	61,97,605
Long-Term Loans and Advances	12	18,50,96,945	68,86,77,066
		3,57,36,72,612	**3,34,27,90,239**
Current Assets			
Inventories	13	1,33,00,92,969	84,86,42,819
Trade Receivables	14	1,21,96,70,847	74,59,17,117
Cash and Bank Balances	15	9,17,77,561	40,00,98,643
Short-Term Loans and Advances	16	10,88,55,408	14,27,43,296
Other Current Assets	17	61,48,715	8,03,95,436
		2,75,65,45,500	**2,21,77,97,311**
Total		**6,33,02,18,112**	**5,56,05,87,550**
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
DIN :00061142

CHETAN DESAI
Partner
M.No.: 17000

SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Statement of Profit & Loss for the year ended 31st March, 2016

Particulars	Notes	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
REVENUE			
Revenue from Operations	18	3,60,60,46,377	4,03,78,39,228
Other Income	19	7,39,13,256	12,03,94,279
Total		**3,67,99,59,633**	**4,15,82,33,507**
EXPENSES			
Cost of Materials Consumed	20	2,27,15,11,799	2,69,84,79,225
Purchases of Stock-In-Trade	21	12,81,99,694	8,97,44,939
Changes in Stock-In-Trade	22	(5,38,33,199)	(4,71,59,075)
Employee Benefits Expense	23	35,78,13,296	31,73,03,707
Finance Costs	24	4,42,21,847	5,33,22,428
Depreciation and Amortization	10	5,49,81,981	5,58,33,307
Other Expenses	25	59,41,25,314	59,31,81,365
Total		**3,39,70,20,732**	**3,76,07,05,896**
Profit Before Tax		**28,29,38,901**	**39,75,27,611**
Tax Expense:			
(1) Current Tax		11,23,22,368	10,37,00,000
(2) Short/(Excess) Provision of Earlier Years Tax		13,25,773	-
(3) Deferred Tax Charges/(Credits)	11	(1,22,62,454)	(59,39,255)
		10,13,85,687	**9,77,60,745**
Profit for the Year		**18,15,53,214**	**29,97,66,866**
Earnings Per Equity Share of ₹10 Each (Refer Note No.38)			
Basic (₹)		5.59	9.30
Diluted (₹)		5.59	9.22
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
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CHETAN DESAI
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SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Cash Flow Statement for the year ended 31st March, 2016

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
A. Cash Flow from Operating Activities		
Net Profit before Tax and Exceptional Items	28,29,38,901	39,75,27,610
Adjustment for :		
Depreciation	5,49,81,981	5,58,33,307
Unrealised Foreign Exchange Difference	1,72,24,832	4,03,34,965
Exchange difference on loans transferred from FCTR	-	(5,47,86,566)
Employee Compensation Expenses	-	4,21,405
Loss/(Profit) on sale of Fixed Assets (Net)	(17,73,565)	81,214
Loss/(Profit) on sale of Investments	-	(1,54,106)
Gratuity and Compensated Absences Provision	(3,46,461)	1,69,41,388
Liability No Longer required	(12,94,791)	5,00,502
Interest and Dividend Earned	(1,50,25,365)	(3,26,73,889)
Interest paid on borrowings	4,42,21,847	5,33,22,428
Operating Profit before working Capital Changes	**38,09,27,379**	**47,73,48,258**
Adjustment for :		
Trade and other Receivables	(39,11,87,289)	12,46,12,112
Trade payables, Provisions, Other Current Liabilities	26,65,56,605	(9,74,89,194)
Stock-in-Trade	(48,14,50,151)	7,27,65,110
Cash Generated from Operations	**(22,51,53,456)**	**57,72,36,286**
Direct Taxes paid - Current Year	8,54,15,611	3,08,57,308
- Earlier Year	8,30,00,000	2,00,00,000
Net Cash from Operating Activities	**(39,35,69,067)**	**52,63,78,978**
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(25,39,57,155)	(12,77,31,510)
Sale of Fixed Assets	34,88,706	4,47,046
Movement in Long term advances	1,56,75,789	2,67,01,415
Movement of Loan to Subsidiaries	-	18,59,18,585
Movement in deposits	(1,97,127)	18,49,04,639
Interest and Dividend received	1,50,25,365	3,26,73,889
Net Cash used in Investing Activities	**(21,99,64,422)**	**30,29,14,064**

Cash Flow Statement *(contd.)* for the year ended 31st March, 2016

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
C. Cash flow from Financing Activities		
Proceeds from / (Repayment of) Long Term Borrowings	-	(45,93,85,581)
Proceeds from / (Repayment of) Short Term Borrowings	34,25,45,695	4,89,33,855
Proceeds from Issuance of Share Capital/ Premium	66,91,432	1,11,85,498
Dividend and Tax on Dividend paid	-	(9,34,06,912)
Interest Paid on Borrowings	(4,42,21,847)	(5,33,22,428)
Net Cash used in Financing Activities	**30,50,15,280**	**(54,59,95,568)**
Net Increase in Cash and Cash Equivalents	**(30,85,18,209)**	**28,32,97,474**
Opening Balance of Cash and Cash Equivalents	39,10,73,123	10,77,75,649
Closing Balance of Cash and Cash Equivalents	**8,25,54,914**	**39,10,73,123**
Cash and Cash Equivalents Comprises		
Cash, cheques and drafts in hand	12,41,209	10,54,757
Balance with scheduled bank in current accounts	8,13,13,705	9,00,18,366
Liquid Mutual Fund	-	30,00,00,000
	8,25,54,914	**39,10,73,123**

Notes:

The Cash Flow Statement has been prepared under the "Indirect Method " as set out in 'Accounting Standard-3 Cash Flow Statement '.

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
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CHETAN DESAI
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SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Notes accompanying financial statements for the year ended 31st March, 2016

Note No.1 Significant Accounting Policies

1. Basis of Preparation of Financial Statements

a. The financial statements have been prepared in compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncement of Institute of Chartered Accountant of India, with relevant provisions of Companies Act, 2013; applicable guidelines issued by the Securities Exchange Board of India (SEBI) and generally accepted accounting principles applicable in India (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires changes in the accounting policy hitherto in use.

b. The financial statements have been prepared under historical cost convention on an accrual basis.

c. All the assets and liabilities have been classified as current or noncurrent as per Company`s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – noncurrent classification of assets & liabilities.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes the assumption used in the estimates is prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

3. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses. Cost includes capital cost, freight, duties, taxes and other incidental expense incurred during the construction / installation stage attributable to bringing the asset to working condition for its intended use.

4. Depreciation and Amortization

a. Depreciation on Fixed Assets, other than assets acquired on lease, is being provided over the useful life of an asset on written down value method and in the manner specified in Schedule II of the Companies Act, 2013.

b. Assets acquired on lease are amortized over the period of lease in equal installments.

c. Intangible Assets are amortized over their respective individual estimated useful lives on WDV basis.

5. Intangible Assets

Intangible assets are recognized if it is probable that future economic benefits that are attributable to the asset will flow to the company and the cost of the assets can be measured reliably.

6. Impairment of Assets

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine

a. the provision for impairment loss, if any, required or

b. the reversal, if any, required for impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined

a. in the case of an individual asset, at the higher of net selling price and the value in use.

b. in the case of a cash-generating unit (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's selling price and the value in use.

Value in use is determined as the present value of estimated future cash flow from the continuing use of an asset and from its disposal at the end of its useful life.

7. Borrowing Cost

Borrowing Costs attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. All other borrowing costs are charged to revenue.

8. Inventories

a. Inventories are valued at lower of cost and estimated net realizable value. Cost is determined on 'First-in First-out', 'Specific Identification', or "Weighted Averages' basis as applicable. Cost of Inventories Comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of semi finished and finished goods are determined on absorption costing method.

b. All raw materials purchased are simultaneously issued for production. Accordingly material-in-process includes such raw materials as well. Semi Finished Goods are goods manufactured and pending for pre-shipment inspection. Materials consumed are materials used in production of semi finished and finished goods only.

c. Identification of a specific item and determination of estimated net realizable value involve technical judgment of the management. The valuation is further supported by certificate from an independent approved valuer, which has been relied upon by the Auditors.

9. Investments

Long-term investments including those held through nominees are stated at cost. Provision for diminution in the value of long-term investments (including Loans and Advances to Subsidiaries considered as a part of net investment) is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at lower of cost and fair value.

10. Revenue Recognition

Sale of Goods:

Revenue from sales of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of returns, trade discounts, claims etc.

Dividend on Investment:

Revenue is recognized when the right to receive payment is established.

Interest Income:

Interest Income is recognized on time proportionate basis.

Export Incentives:

Export Incentive including duty drawback is recognized on accrual basis in the year of export.

11. Foreign Currency Transactions:

a. **Initial Recognition:**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

b. **Conversion:**

Monetary items denominated in foreign currencies at the year-end are translated at closing rates. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction and investment in foreign companies are recorded at the exchange rates prevailing on the date of making the investments. Contingent Liabilities are translated at closing rate.

Exchange difference arising on translation of Loan and Advances to non – integral wholly owned subsidiaries and forming part of net investment, are recognized in foreign currency translation reserve. Such accumulated exchange differences are taken to statement of profit and loss account on liquidation or on proportionate basis on partial liquidation of such loans and advances.

c. **Exchange Differences:**

Exchange differences arising on the settlement of monetary items or on restatement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

d. **Forward Exchange Contract not intended for trading or speculation purposes:**

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of contract. Exchange differences on such contract are recognized in the statement of profit and loss in the year in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense.

12. Employee Benefits

a. Short term and other long term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

b. Employee's Retirement benefits and long term Compensated Absences are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable, determined using actuarial valuation by an independent actuary using the projected unit credit method. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.

c. In respect of Employee Stock Options, the excess of market price of shares as at the date of grant of option granted to employee (including certain employees' of subsidiaries) over the exercise price is treated as Employee Compensation Cost and amortized on a straight – line basis over the vesting period.

13. Provision for Current and Deferred Taxation

a. Income tax expense for the year, comprising current tax and deferred tax is included in determining the net profit for the Year.

b. A provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and Tax laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future Taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable Income will be available against which such deferred tax assets can be realized.

c. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

14. Earnings per Share

The basic earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per shares, net profit after tax for the year and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares)

15. Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

16. Lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease or other systematic basis more representative of the time pattern of the user's benefits.

17. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a. the Company has a present obligation as a result of past event,

b. a probable outflow of resources is expected to settle the obligation and

c. the amount of the obligation can be reliably estimated

Contingent Liability is disclosed in case of

a. a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation

b. a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

Notes accompanying financial statements for the year ended 31st March, 2016

Note
No. SHAREHOLDERS' FUND

2 Share Capital

a The details of Authorised, Issued, Subscribed and Paid up Capital are as under :-

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ₹10/- each	4,10,00,000	41,00,00,000	4,10,00,000	41,00,00,000
Unclassified Shares of ₹100/- each	45,00,000	45,00,00,000	45,00,000	45,00,00,000
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹10/- each	3,25,15,131	32,51,51,310	3,24,02,383	32,40,23,830
Less: Loan to VGL ESOP Welfare Trust	16,074	1,60,740	22,177	2,21,770
		32,49,90,570		**32,38,02,060**

b The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as under:-

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	Equity Shares	Preference shares	Equity Shares	Preference shares
Shares outstanding at the beginning of the year	3,24,02,383	-	3,21,75,618	-
Shares Issued on exercise of ESOP	1,12,748	-	2,26,765	-
Shares redeemed during the year	-	-	-	-
Shares outstanding at the end of the year	3,25,15,131	-	3,24,02,383	-

c The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held except those held as underlying for GDR. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d The details of shareholders holding more than 5% equity shares as at reporting date are as under :-

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Sonymike`s Holdings Ltd.#	39,50,000	12.15	69,50,000	21.45
Shivram Global Pvt Ltd.	53,11,865	16.34	53,11,865	16.39
Nalanda India Fund Limited	41,10,600	12.64	41,10,600	12.78
Sonymike`s Holdings Ltd.	59,68,640	18.36	29,68,640	9.16
Brett Plastics Pvt Ltd.	28,54,516	8.78	28,54,516	8.81
Nirmal Kumar Bardiya	17,91,628	5.51	17,91,628	5.53

Held through Global Depositories Receipt (GDR). The beneficiaries details is based on the information available with the management.

e **Employee Stock Option Scheme:**

For details of Employee Stock Options Plan (ESOP) Scheme, refer to note no. 32

f There are no bonus shares, shares issued for consideration other than cash or shares bought back during the period of five years immediately preceding the reporting date.

Notes accompanying financial statements for the year ended 31st March, 2016

3 Reserves & Surplus

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
A. Capital Reserve				
As per last Balance Sheet		8,12,63,600		8,12,63,600
B. Capital Redemption Reserve				
As per last Balance Sheet		44,00,00,000		44,00,00,000
C. Securities Premium Account				
Opening Balance	5,89,72,28,735		5,88,76,84,265	
Add: Security Premium received on share issue	63,73,716		1,04,53,613	
Add: Transfer from Employee stock option outstanding	1,45,441		4,02,099	
	5,90,37,47,892		5,89,85,39,977	
Less : Loan to VGL ESOP Welfare Trust	8,70,795		13,11,242	
		5,90,28,77,097		5,89,72,28,735
D. Employee Stock Option Outstanding				
Options granted till date	4,21,405		4,02,099	
Add : Additional Compensation on account of revival	-		4,21,405	
	4,21,405		8,23,504	
Less :Transfer to Security premium on allotment	1,45,441		4,02,099	
Less : Written off	-		-	
		2,75,964		4,21,405
E. General Reserve				
Opening Balance	12,96,47,256		7,96,47,256	
Add: Transferred from Profit and Loss Account	-		5,00,00,000	
		12,96,47,256		12,96,47,256
F. Foreign Currency Translation Reserve				
Opening Balance	30,59,86,672		32,71,29,052	
Add : Current year transfer	3,70,35,674		3,36,44,186	
	34,30,22,346		36,07,73,238	
Less : Transfer to Statement of Profit & Loss	-		5,47,86,566	
		34,30,22,346		30,59,86,672
G. Surplus/ (Deficit)				
Opening balance	(2,64,27,18,510)		(2,79,92,48,911)	
Net Profit for the year	18,15,53,214		29,97,66,865	
Transfer to General Reserve	-		(5,00,00,000)	
Interim dividend & tax thereon (PY @ ₹2.89 per share)	-		(9,32,36,464)	
		(2,46,11,65,296)		(2,64,27,18,510)
		4,43,59,20,967		**4,21,18,29,158**

4 Long Term Provisions

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Provision For Employee Benefits:				
Provision for Gratuity (Refer Note no.31B)	1,64,29,725		1,73,79,770	
Provision for Compensated Absences (Refer Note no.31B)	65,41,225	2,29,70,950	65,19,112	2,38,98,882
		2,29,70,950		**2,38,98,882**

Notes accompanying financial statements for the year ended 31st March, 2016

CURRENT LIABILITIES

5 Short Term Borrowings

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Secured:				
Loan Repayable on demand from Banks				
Pre-shipment Credit	59,64,12,056		39,79,86,832	
Post-shipment Credit	33,78,29,068	93,42,41,124	19,69,79,576	59,49,66,408
		93,42,41,124		**59,49,66,408**

Nature of Security

Working Capital Facilities:-

(i) Above Loans are secured by hypothecation of Stock-in-trade and Book Debts on pari-passu basis.

(ii) Further Secured, on parri-passu basis, by :-

a. Equitable Mortgage of Land and Buildings situated at K-6A & K-6B, Adarsh Nagar, E-68 & E-69, EPIP Zone, Sitapura, E-1 & E-2, SEZ-II, Sitapura, Jaipur and Office No.HW4070,BKC Mumbai.

b. First charge on block of assets of the company (excluding Land & Building and vehicles) situated at K-6A & K-6B, Adarsh Nagar and E-68, Sitapura, Jaipur

(iii) Pledge of 200 common shares with no par value of STS Jewels Inc.

(iv) Pledge of 87,500 Ordinary Shares of HK $100 each of STS Gems Limited, HKK.

(v) Pledge of 1,25,80,000 equity shares of US $ 1 each and assignment of loan to Genoa Jewelers Limited, BVI which is now converted into equity investment of Genoa Jewelers Ltd

(vi) Personal Guarantee of Mr. Sunil Agrawal, Chairman of the Company.

6 Trade Payables

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
(a) Total outstanding dues of MSME		-		-
(b) Total outstanding dues of creditors other than MSME		50,58,94,242		28,12,46,367
		50,58,94,242		**28,12,46,367**

The Company does not owe any amount to Micro, Small & Medium enterprises. These enterprises have been identified on the basis of information available to the Company. In view of the above no details relating to MSME is disclosed.

7 Other Current Liabilities

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Unclaimed Dividend*		76,258		1,70,448
Employee benefits payable		2,36,54,875		1,97,25,265
Statutory Dues (including PF,TDS etc.)		1,17,53,318		84,70,774
Other Payables		3,01,98,868		1,09,16,315
		6,56,83,319		**3,92,82,802**

* Investor Education and Protection Fund to be credited by the amount as and when required.

Notes accompanying financial statements for the year ended 31st March, 2016

8 Short Term Provisions

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Provision for employee benefits:				
Provision for Gratuity (Refer Note no.31B)	95,15,899		93,10,497	
Provision for Compensated Absences (Refer Note no.31B)	10,84,753	1,06,00,652	7,08,684	1,00,19,181
Other Provisions				
Provision for Taxation (Net of Advance Tax/TDS)		2,99,16,288		7,55,42,692
		4,05,16,940		**8,55,61,873**

NON CURRENT ASSETS

9 Non Current Investments

(Long Term - at Cost less provision for other than temporary diminution)

Amount in ₹

	Particulars	Gross Amount		Diminution in Value of Investment		Net Amount	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
A.	**Trade Investment (Unquoted) in Equity Instruments**						
	Investment in wholly owned Subsidiaries (Fully Paid up) :						
1	4,68,21,633 (Previous year -3,88,76,633) Ordinary Shares of US $ 1 each Genoa Jewelers Limited	2,28,41,48,839	1,75,92,08,832	-	-	2,28,41,48,839	1,75,92,08,832
2	3,50,000 (Previous year - 3,50,000) Ordinary Shares of Baht 100 each STS Gems Thai Limited	1,11,25,99,043	1,11,25,99,043	1,11,25,99,043	1,11,25,99,043	-	-
3	200 (Previous year 200) Common Shares with No par value of STS Jewels Inc.	1,99,50,79,632	1,99,50,79,632	1,51,10,97,632	1,51,10,97,632	48,39,82,000	48,39,82,000
4	1,500 (Previous year - 1,500) Ordinary Shares of Yen 50,000 each STS Gems Japan Limited	1,99,18,042	1,99,18,042	1,99,18,042	1,99,18,042	-	-
5	87,500 (Previous year - 87,500) Ordinary Shares of HK $100 each STS Gems Limited, Hong Kong	15,74,99,992	15,74,99,992			15,74,99,992	15,74,99,992
	Total (A)	**5,56,92,45,548**	**5,04,43,05,541**	**2,64,36,14,717**	**2,64,36,14,717**	**2,92,56,30,831**	**2,40,06,90,824**
B.	**Other than Trade Investments**						
	(i) Unquoted Investment in Equity Instrument (Fully Paid up) :						
	3,60,000 (Previous year - 3,60,000) Equity Shares of ₹10 each of VGL Softech Limited	52,07,000	52,07,000	52,07,000	52,07,000	-	-
	Extent of holding 19.78 %						
	Total (B)	**52,07,000**	**52,07,000**	**52,07,000**	**52,07,000**	**-**	**-**
C.	**Total (A+B)**	**5,57,44,52,548**	**5,04,95,12,541**	**2,64,88,21,717**	**2,64,88,21,717**	**2,92,56,30,831**	**2,40,06,90,824**
	Notes:-						
	1. Aggregate amount of Quoted Investment					-	-
	2. Market value of Quoted Investment					-	-
	3. Aggregate amount of Non Quoted Investment					5,57,44,52,548	5,04,95,12,541
	4. Aggregate amount of provision for diminution in value of Investment					2,64,88,21,717	2,64,88,21,717

Notes accompanying financial statements for the year ended 31st March, 2016

NON CURRENT ASSETS

10. Fixed Assets

Amount in ₹

Name of Assets		GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
		As at 01.04.2015	Additions	Deductions	As at 31.03.2016	Up to 31.03.2015	Depreciation for the year	Deductions	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
A.	**Tangible Assets**										
	Freehold Land	48,94,908	-		48,94,908		-		-	48,94,908	46,03,950
	Leasehold Land	3,51,56,343	-		3,51,56,343	16,35,525	3,55,115		19,90,640	3,31,65,703	3,38,11,776
	Building	9,91,70,002	11,58,77,891		21,50,47,894	4,29,85,127	75,69,302		5,05,54,429	16,44,93,464	5,61,84,876
	Plant & Machinery	15,86,55,307	4,21,95,223	1,29,00,085	18,79,50,445	5,86,64,722	2,06,01,054	1,12,82,515	6,79,83,261	11,99,67,184	9,99,90,585
	Electric Installation	2,29,45,145	5,26,32,460		7,55,77,605	1,76,64,332	33,14,036		2,09,78,368	5,45,99,237	52,80,813
	Furniture & Fixtures	1,70,53,264	48,77,313		2,19,30,577	98,31,200	22,50,009		1,20,81,208	98,49,368	72,22,064
	Office Equipment	1,00,91,656	53,50,546	2,39,956	1,52,02,246	63,84,265	19,70,897	1,42,385	82,12,776	69,89,469	37,07,391
	Computer	4,40,96,856	1,14,75,014		5,55,71,870	3,31,62,680	96,29,239		4,27,91,919	1,27,79,951	1,09,34,176
	Vehicles	85,46,685	-		85,46,685	50,20,338	11,13,187		61,33,524	24,13,160	35,26,347
B.	**Intangible Assets**										
	Computer Softwares	1,47,96,602	49,30,749	-	1,97,27,351	44,21,557	81,79,142		1,26,00,699	71,26,652	1,03,75,045
	Total (A+B)	**41,54,06,768**	**23,73,39,196**	**1,31,40,041**	**63,96,05,924**	**17,97,69,746**	**5,49,81,981**	**1,14,24,900**	**22,33,26,824**	**41,62,79,096**	**23,56,37,023**
C.	**Capital Work In Progress**	1,15,87,721	1,66,17,958		2,82,05,679	-	-	-	-	2,82,05,679	1,15,87,721
	Total	**42,69,94,489**	**25,39,57,154**	**1,31,40,041**	**66,78,11,603**	**17,97,69,746**	**5,49,81,981**	**1,14,24,900**	**22,33,26,824**	**44,44,84,775**	**24,72,24,744**
	Previous Year	30,05,04,600	12,77,31,509	12,41,621	42,69,94,488	12,46,49,949	5,58,33,307	7,13,513	17,97,69,744	24,72,24,744	17,58,54,651

Notes accompanying financial statements for the year ended 31st March, 2016

11 Deferred Tax Assets

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Add: Deferred Tax Assets				
Provision for Gratuity & Compensated Absences	1,16,18,460		1,15,28,750	
Timing Difference on Tax on FCTR	32,46,083		-	
Timing Difference on Depreciation	35,95,516	1,84,60,059	-	1,15,28,750
Less: Deferred Tax Liability:				
Timing Difference on Depreciation	-	-	53,31,145	53,31,145
		1,84,60,059		**61,97,605**

Net deferred tax charge/(credit) for the year of ₹(1,22,62,454) (Previous year credit of ₹59,39,255) has been recognized in the Statement of Profit and Loss for the year.

12 Long Term Loans & Advances

(Unsecured and considered good unless otherwise stated)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Capital Advances		55,85,339		76,95,897
Loans & Advances to subsidiaries		16,62,63,414		65,41,67,746
Security Deposits		1,32,48,192		2,68,13,423
		18,50,96,945		**68,86,77,066**

CURRENT ASSETS

13 Inventories*

(At lower of cost and net realisable value)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Materials-in-process		1,14,71,78,872		72,68,15,922
Semi Finished Goods		9,48,14,854		6,42,88,774
Finished Goods		6,18,62,091		3,85,54,972
Stores and Consumables		2,62,37,152		1,89,83,151
		1,33,00,92,969		**84,86,42,819**

*Inventory is taken by management and valued by management which is supported by a certificate from an Independent Approved Valuer.

14 Trade Receivables

(Unsecured and considered good unless otherwise stated)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Outstanding for a period exceeding six months from the due date		-		-
Others (Refer Note No. 34)		1,21,96,70,847		74,59,17,117
		1,21,96,70,847		**74,59,17,117**

15 Cash & Bank Balances

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Balance with Banks & Liquid funds		8,13,13,705		39,00,18,366
Unpaid Dividend account		76,258		1,70,448
Bank Deposits- Pledged (Maturity within 12 months ₹71,44,657)		84,44,657		81,95,072
Bank Deposits- Un Pledged (Maturity within 12 months ₹7,01,732)		7,01,732		6,60,000
Cash on hand		12,41,209		10,54,757
		9,17,77,561		**40,00,98,643**
Cash and Cash Equivalents as per AS-3		**8,25,54,914**		**39,10,73,123**

Notes accompanying financial statements for the year ended 31st March, 2016

16 Short Term Loans and Advances

(Unsecured and considered good unless otherwise stated)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Loan/Advance To Staff		28,31,037		34,65,764
Advance To Suppliers		1,02,96,086		1,16,14,808
Prepaid Expenses		1,06,38,256		81,48,949
Balances with Tax Authorities		8,50,90,029		11,95,13,775
		10,88,55,408		**14,27,43,296**

17 Other Current Assets

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Interest Accrued on Bank FDR		7,66,007		7,17,950
Amount recoverable from Subsidiaries		53,82,708		7,96,77,486
		61,48,715		**8,03,95,436**

18 Revenue from Operations

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Sale of Products:				
Export Sales	3,23,27,84,983		3,52,00,16,346	
Domestic Sales	36,95,49,715	3,60,23,34,698	51,54,37,304	4,03,54,53,650
Other Operating income		37,11,679		23,85,578
		3,60,60,46,377		**4,03,78,39,228**

18.1 Particulars of Sale of Products

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Gem Stones		56,25,10,299		1,27,45,16,493
Jewellery		2,86,46,93,753		2,62,05,37,186
Life Style Products		14,98,67,046		10,89,32,414
Diamonds		2,52,63,600		3,14,67,557
		3,60,23,34,698		**4,03,54,53,650**

19 Other Income

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Interest		29,41,448		99,88,261
Interest/Fees from Subsidiaries		1,20,83,917		2,26,85,628
Liability No Longer required		12,94,791		5,00,502
Profit on Sale of Mutual Fund		90,56,295		-
Other Income		1,09,70,343		74,94,315
Exchange Fluctuation (Net)		3,75,66,462		7,97,25,573
		7,39,13,256		**12,03,94,279**

Notes accompanying financial statements for the year ended 31st March, 2016

20 a Cost of Materials Consumed

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Materials Consumed				
Opening Material-in-process	72,68,15,922		85,98,29,113	
Add: Purchases	2,69,18,74,749		2,56,54,66,034	
	3,41,86,90,671		3,42,52,95,147	
Less: Closing Material-in-process	1,14,71,78,872	2,27,15,11,799	72,68,15,922	2,69,84,79,225
		2,27,15,11,799		**2,69,84,79,225**

* Consumption disclosed above is on the basis of derived figures rather than actual records of issues.

b Particulars of Material Consumed

Gem Stones		1,46,47,89,128		1,89,38,87,649
Alloys		55,98,204		46,24,761
Diamond		12,57,03,250		15,72,00,141
Gold		14,06,08,480		14,97,70,571
Platinum		69,98,367		1,04,44,906
Silver		41,34,12,926		40,75,45,669
Parts & Findings		9,36,19,065		4,30,43,597
Others Metal		2,07,82,379		3,19,61,931
		2,27,15,11,799		**2,69,84,79,225**

21 a Purchases of Stock-in-Trade

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Purchases of Finished Goods		12,81,99,694		8,97,44,939
		12,81,99,694		**8,97,44,939**

b Particulars of purchase of Finished Goods

Jewelry Product		70,78,962		75,87,153
Life Style Product		12,11,20,732		8,21,57,786
		12,81,99,694		**8,97,44,939**

22 Decrease/(Increase) of Stock-in-Trade

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Finished Goods:				
Opening Stocks				
Semi Finished Goods	6,42,88,774		1,56,57,833	
Finished Goods	3,85,54,972		4,00,26,838	
	10,28,43,746		5,56,84,671	
Less: Closing Stocks				
Semi Finished Goods	9,48,14,854		6,42,88,774	
Finished Goods	6,18,62,091		3,85,54,972	
	15,66,76,945	(5,38,33,199)	10,28,43,746	(4,71,59,075)
		(5,38,33,199)		**(4,71,59,075)**

Notes accompanying financial statements for the year ended 31st March, 2016

23 Employees Benefit Expenses

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Salaries, Wages, Bonus etc.		31,23,81,834		27,67,98,395
Contributions to Provident and Other Funds		2,32,39,775		2,13,14,151
Staff Welfare Expenses		1,77,66,227		1,70,53,684
Employee Compensation Expenses under ESOP (Refer Note No.32a)		-		4,21,405
Recruitment and Training		44,25,460		17,16,072
		35,78,13,296		**31,73,03,707**

24 Finance Cost

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Interest				
- On Term Loans	-		1,59,37,091	
- On Working Capital Facilities	2,66,70,160	2,66,70,160	2,40,76,378	4,00,13,469
Finance Charges		93,30,804		1,06,08,959
Interest on Income Tax		82,20,883		27,00,000
		4,42,21,847		**5,33,22,428**

25 Other Expenses

a Manufacturing Expenses

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Job Work Charges		29,71,74,362		29,33,79,904
Stores and Consumables		5,64,85,051		6,43,89,124
Power and Fuel		3,57,87,155		3,18,51,363
Repairs and Maintenance #		1,22,48,322		1,54,35,574
Other Manufacturing Expenses		1,32,81,415		1,41,30,466
		41,49,76,305		**41,91,86,431**

Repair and Maintenance includes Repairs to Building ₹7,37,876 (Previous Year ₹23,90,855) and Repairs to Plant and Machinery ₹39,04,870 (Previous Year ₹38,98,633)

b Administrative & Selling Expenses

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Rent		72,02,600		75,78,348
Rates and Taxes		51,10,863		38,41,085
Insurance		1,04,53,873		1,00,85,175
Travelling and Conveyance		4,35,70,761		3,92,02,907
Legal and Professional		1,31,40,594		1,60,09,407
Postage and Telephone		76,39,070		65,02,052
Printing and Stationery		19,68,185		31,14,758
Advertisement and Business Promotion		9,25,443		5,67,767
Packing and Forwarding		4,30,27,230		4,23,22,661
Misc. Expenses		1,62,00,938		2,43,08,420
Corporate Social Responsibility Expenses		1,37,71,514		1,06,48,002
Auditors' Remuneration				
-Statutory Audit Fees	18,00,000		18,00,000	
- Taxation Matters	3,73,000		2,92,000	
- for Other services	12,85,900		8,13,000	
- Reimbursement of Expenses	75,299	35,34,199	1,08,138	30,13,138
Directors' Remuneration		81,63,501		42,00,000
Loss on sale of Fixed Assets		40,238		81,214
Directors' Sitting Fees		44,00,000		25,20,000
		17,91,49,009		**17,39,94,934**
Total Other Expenses		**59,41,25,314**		**59,31,81,365**

Notes accompanying financial statements for the year ended 31st March, 2016

26 Contingent Liabilities and Commitments

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
COMMITMENTS				
(a) **Capital Commitment:**				
Estimated amount of contracts remaining to be executed on capital account and not provided for:		1,50,18,412		4,19,52,663
(b) **Other Commitments**				
(i) For Lease Commitments refer Note No. 36				
CONTINGENT LIABILITIES NOT PROVIDED FOR				
(a) **Guarantees**				
Guarantees given by bank on behalf of the Company		8,61,00,000		5,71,00,000
Guarantees given to bank & others by the Company		30,66,59,445		29,81,83,500
(b) **Claims Against the Company not acknowledged as debt**				
(i) **Disputed Tax Matters:**				
Excise Duty		43,07,610		19,83,26,582
Income tax *		3,25,03,857		38,80,370
*Company has filed an Appeal to CIT (A) against penalty order of Assessment Year 2009-10 & 2010-11.				
(ii) **Pursuant to Payment of Bonus (Amendment Act) 2015 with retrospective effect from 1st April 2014, the additional liability for bonus for FY 2014-15 amounts to ₹ 29.57 lakhs. However, pending outcome of the stay granted by certain Courts to other entities against such retrospective amendment and as legally advised, no provision has been made for such amount.**				

27 Value of Import on CIF basis

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Raw Material		1,20,90,29,370		1,54,95,41,220
Components & Spare Parts		3,53,78,716		3,91,89,015
Capital Goods		2,52,11,629		2,93,96,837
		1,26,96,19,715		**1,61,81,27,072**

28 Value and % of Material Consumption

Particulars	Year ended 31st March, 2016		Year ended 31st March, 2015	
	%	(₹)	%	(₹)
Raw Materials and Components:				
Imported	45.00	1,02,21,80,310	38.00	1,02,54,22,107
Indigenous	55.00	1,24,93,31,489	62.00	1,67,30,57,118
		2,27,15,11,799		2,69,84,79,225
Consumables, Stores & Spares:				
Imported	55.00	3,10,66,778	51.00	3,28,38,453
Indigenous	45.00	2,54,18,273	49.00	3,15,50,671
		5,64,85,051		**6,43,89,124**

29

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
a **Expenditure in Foreign Currency**				
Travelling Expenses		30,89,899		37,34,577
Legal & Professional fees		2,27,538		7,91,026
Others		3,49,228		22,71,834
b **Dividend remitted in foreign exchange**				
Dividend paid during the year		-		3,92,94,842
Number of Non resident shareholder		-		166
Number of equity share held by non resident shareholders		-		1,63,72,851
Year to which dividend relate to		-		2014-15

30 Earnings in Foreign Currency

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Export of goods calculated on F.O.B. basis		3,19,69,42,662		3,48,31,64,366
Interest		1,20,83,917		2,26,85,628
Guarantee fees		-		12,24,558

31 The Company has classified various benefits provided to employees as under:

A. Defined Contribution Plans

a. Provident Fund

b. State Defined Contribution Plan

i. Employers' Contribution to Employees' State Insurance

The Company has recognised the following amounts in Profit and Loss Account:

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Employer's contribution to Provident Fund		1,69,04,331		1,49,68,750
Employer's contribution to Employees State Insurance		63,34,904		63,44,825
		2,32,39,235		**2,13,13,575**

B. a. Contribution to Gratuity Fund (Funded Scheme) & Compensated Absences (Unfunded Scheme)

In accordance with the Accounting Standard (AS 15) (Revised 2005), actuarial valuation was performed in respect of the Gratuity Liability based on the following assumptions:

Particulars	Year ended 31st March, 2016		Year ended 31st March, 2015	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Discount Rate (per annum)	7.70%	7.70%	7.80%	7.80%
Rate of increase in compensation levels (per annum)	10.00%	10.00%	10.00%	10.00%
Rate of return on Plan Assets (for Funded Scheme)	8.18%	0.00%	8.88%	0.00%
Expected Average remaining working lives of the employees (years)	11 Years		19 Years	
Attrition Rate	12.52%	12.52%	5%	5%

I. Change in the Present Value of Obligation

The Scheme is funded with an insurance company in the form of qualifying insurance policy

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Present value of defined benefit obligation as at beginning of the year	4,06,56,991	72,27,796	2,80,10,419	48,57,346
Interest cost	31,71,245	5,63,768	25,48,948	4,42,018
Past Service cost	NIL	NIL	NIL	NIL
Current service cost	64,76,073	25,23,242	71,70,358	25,58,799
Benefits paid	(22,03,053)	(5,85,942)	(19,12,611)	(8,86,533)
Actuarial (gain) / loss on obligations	(51,79,113)	(21,02,886)	48,39,877	2,56,166
Present value of defined benefit obligation as at the end of the year	**4,29,22,143**	**76,25,978**	**4,06,56,991**	**72,27,796**

II. Changes in the Fair Value of Plan Assets

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Present value of plan assets as at beginning of the year	1,39,66,724	NIL	1,26,47,516	NIL
Expected return on plan assets	12,39,547	NIL	11,06,658	NIL
Contributions	40,86,594	NIL	21,67,107	NIL
Benefits paid	(22,03,053)	NIL	(19,12,611)	NIL
Actuarial gains / (losses)	(1,13,293)	NIL	(41,946)	NIL
Fair value of plan assets as at end of the year *	**1,69,76,519**	**NIL**	**1,39,66,724**	**NIL**

* All the funds under the Plan Assets are managed by insurer.

31 The Company has classified various benefits provided to employees as under: *(contd.)*

III. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Present value of funded obligation as at end of the year	4,29,22,143	76,25,978	4,06,56,991	72,27,796
Fair value of plan assets as at end of the year	1,69,76,519	-	1,39,66,724	-
Liability recognised in the Balance Sheet Shown as	2,59,45,624	76,25,978	2,66,90,267	72,27,796
Long term provision (refer note no.4)	1,64,29,725	65,41,225	1,73,79,770	65,19,112
Short term provision (refer note no.8)	95,15,899	10,84,753	93,10,497	7,08,684

IV. Amount recognised in the Balance Sheet

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Present value of defined benefit obligation as at the end of the Year	4,29,22,143	76,25,978	4,06,56,991	72,27,796
Fair value of plan assets as at end of the year	1,69,76,519	-	1,39,66,724	-
Liability / (Net Asset) recognised in the Balance Sheet	2,59,45,624	76,25,978	2,66,90,267	72,27,796

V. Expenses recognised in Profit and Loss Account

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Current service cost	64,76,073	25,23,242	71,70,358	25,58,799
Past service cost	-	-	-	-
Interest cost	31,71,245	5,63,768	25,48,948	4,42,018
Expected Return on Plan Assets	(12,39,547)	-	(11,06,658)	-
Net Actuarial (gain) / Loss recognised in the period	(50,65,820)	(21,02,886)	48,81,823	2,56,166
Total Expenses recognised in the Profit and Loss Account*	**33,41,951**	**9,84,124**	**1,34,94,471**	**32,56,983**

* included in Salaries, wages, bonus etc. in Note No.23

VI. Actual Return on Plan Assets

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Expected Return on Plan Assets	12,39,547	NIL	11,06,658	NIL
Actuarial gain / (losses) on Plan Assets	(1,13,293)	NIL	(41,946)	NIL
Actual Return on Plan Assets	**11,26,254**	**NIL**	**10,64,712**	**NIL**

The 100% Plan Assets of the Company as on balance sheet date are invested with Life Insurance Corporation through Group Gratuity Policy.

The expected rate of return on plan assets is based on market expectations at the beginning of the period. The rate of return on long-term government bonds is taken as reference for this purpose.

b. Compensated Absences (Non – Funded Scheme)

Compensated Absences has been provided based on valuation, as at the balance sheet date, made by independent actuaries .

Notes accompanying financial statements for the year ended 31st March, 2016

31 The Company has classified various benefits provided to employees as under: *(contd.)*

c. Disclosures pursuant to Accounting Statndard-15 "Employee Benefits"

Amount in ₹

Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Gratuity					
Present value of defined benefit obligation as at the end of the Year	4,29,22,143	4,06,56,991	2,80,10,419	2,55,98,437	1,90,85,584
Fair value of plan assets as at end of the year	1,69,76,519	1,39,66,724	1,15,54,697	1,05,62,468	64,97,836
Liability / (Net Asset) recognised in the Balance Sheet	2,59,45,624	2,66,90,267	1,64,55,722	1,50,35,969	1,25,87,748
Experience adjustments on plan liabilities - (Loss)/Gain	(2,65,286)	8,09,695	(8,04,241)	(1,47,087)	5,32,565
Experience adjustments on plan assets - (Loss)/Gain	(1,13,293)	(41,946)	(96,207)	-	-
Compensated absences					
Present value of defined benefit obligation as at the end of the Year	76,25,978	72,27,796	48,57,346	35,89,353	29,21,143
Fair value of plan assets as at end of the year	-	-	-		
Liability / (Net Asset) recognised in the Balance Sheet	76,25,978	72,27,796	48,57,346	35,89,353	29,21,143
Experience adjustments on plan liabilities - (Loss)/Gain	13,46,193	5,34,469	1,63,923	7,64,991	7,34,380

32 Employee Stock Option Scheme:

a VGL ESOP (As amended)-2006

The Company has constituted " Vaibhav Global Employee Stock Option Welfare Trust" to administer & implement various VGL ESOP schemes . Out of stock option granted, 20% stock option will vest at the end of one year from the date of Grant, 30% at the end of the second year and balance 50% at the end of third year. The exercise period for all the options under various tranches has been increased to 7 years from the date of vesting as approved by the shareholders in the AGM held on 25th July,2014.

The details of the Grant under the aforesaid schemes are as under:-

2015-16

Particulars	Original/ (Revised) Exercise Price	Date of Grant	Date of Vesting	Options outstanding as on 01.04.15	Options granted/ revived during the year	Options exercised during the year	Options lapsed during the year	Options granted and outstanding as on 31.03.16 *
A	240 (45.30)	06.01.07	06.01.08	2,018	-	747	-	1,271
D	26.75	29.01.10	29.01.11	9,000	-	-	-	9,000
E	33.75	30.09.10	30.09.11	-	-	-	-	-
F	45.30	23.07.12	23.07.13	1,71,560	-	1,00,373	-	71,187
G	119.05	09.04.13	09.04.14	44,161	-	17,731	12,500	13,930
H	126.35	25.05.13	25.05.14	41,181	-	-	14,075	27,106
I	418.40	11.12.13	11.12.14	47,793	-	-	38,837	8,956
J	743.95	16.04.14	16.04.15	25,726	-	-	2,097	23,629
K	734.65	14.05.14	14.05.15	3,579	-	-	3,579	-
L	742.50	18.10.14	18.10.15	4,64,130	-	-	1,03,440	3,60,690
M	752.60	22.01.15	22.01.16	21,690	-	-	7,864	13,826
N	374.60	25.09.15	25.09.16	-	76,570	-	7,240	69,330
				8,30,838	**76,570**	**1,18,851**	**1,89,632**	**5,98,925**

* Includes 16074 equity shares allotted to Trust not exercised by employees

32 Employee Stock Option Scheme: *(contd.)*

2014-15

Particulars	Original/ (Revised) Exercise Price	Date of Grant	Date of Vesting	Options outstanding as on 01.04.14	Options granted/ revived during the year	Options exercised during the year	Options lapsed during the year	Options granted and outstanding as on 31.03.15 *
A	240 (45.30)	06.01.07	06.01.08	-	2,018	-	-	2,018
D	26.75	29.01.10	29.01.11	64,000	5,000	60,000	-	9,000
E	33.75	30.09.10	30.09.11	10,000	-	10,000	-	-
F	45.30	23.07.12	23.07.13	3,02,728	1,452	1,17,537	15,083	1,71,560
G	119.05	09.04.13	09.04.14	65,572	-	8,631	12,780	44,161
H	126.35	25.05.13	25.05.14	43,329	-	2,148	-	41,181
I	418.40	11.12.13	11.12.14	64,029	-	6,272	9,964	47,793
J	743.95	16.04.14	16.04.15	-	25,726	-	-	25,726
K	734.65	14.05.14	14.05.15	-	3,579	-	-	3,579
L	742.50	18.10.14	18.10.15	-	4,85,560	-	21,430	4,64,130
M	752.60	22.01.15	22.01.16	-	21,690	-	-	21,690
				5,49,658	**5,45,025**	**2,04,588**	**59,257**	**8,30,838**

The excess of market price per share as on the date of grant of option, over the exercise price for the Stock Option granted to employees (including certain employees of the Subsidiaries), is amortized by the Company over the vesting period. The amortized value for the year of stock options to its employees (including certain employees of the Subsidiaries) amounting to ₹ Nil (Previous year charged ₹421,405) has been debited under employee benefit during the year.

b A Summary of movement in respect of the shares held by ESOP Trust is as follows :

Particulars	31st March,2016
Opening balance of equity shares not exercised by employee and available with the ESOP Trust	22,177
Add: Shares allotted by Company	1,12,748
Less : Shares exercised by employee :	1,18,851
Closing balance of equity shares not exercised by employee and available with the ESOP Trust	16,074

33 Un-hedged foreign currency exposures as at 31st March, 2016 are as under:

Particulars	Euro	USD	Pound	Year ended 31st March, 2016 (₹)	Euro	USD	Pound	Year ended 31st March, 2015 (₹)
Receivables (Net of Hedge)	-	$1,49,33,156	£19,80,233	1,17,88,56,391		$1,74,33,650	£14,55,859	1,22,49,50,728
Payables	€ 669	$1,74,64,667	£71,581	1,16,53,38,794	€ 2,148	$1,12,04,782	£3,33,105	73,22,59,890
Guarantees given			£32,25,000	30,66,59,445			£32,25,000	29,81,83,500

34 Related Party Disclosures:

A. List of related parties with whom transactions have taken place and relationships:

Subsidiaries (Direct and Step down)

1. Jewel Gem USA Inc.;(Step down)
2. STS Gems Japan Limited;
3. STS Gems Limited, Hong Kong;
4. STS Jewels Inc., USA;
5. STS Gems Thai Limited, Thailand;
6. Genoa Jewelers Limited, BVI;
7. The Jewellery Channel Inc., USA (Step down)
8. The Jewellery Channel Ltd., United Kingdom; (Step down)
9. PT STS Bali (Step down)

Enterprises in which Key management personels are interested :

1. VGL Softech Limited
2. Brett Plastic Pvt. Limited
3. Shivram Global Private Limited
4. Emerald Creation Inc.
5. Anubhav Gems (P) Ltd
6. Reengus Exim Private Limited
7. STP Exim Private Limited
8. Sony Mikes holdings Ltd
9. Ganpati Chambers Pvt Ltd.
10. Jaipur Gem Bourse Limited

Key Management Personnel (KMP):

1. Shri Sunil Agrawal –Chairman & Managing Director
2. Shri Rahimullah – Whole time Director

Relative of Key Management Personnel

1. Smt. Deepti Agrawal
2. Shri Ghanshyam Agrawal
3. Smt. Sheela Agarwal
4. Hursh Agrawal
5. Neil Agrawal
6. Smt.Fatima Be
7. Shri Azizullah
8. Smt.Batool Begum
9. Shri Inamullah
10. Shri Imranullah
11. Shri Rizwanullah
12. Shri Arifullah
13. Shri Asifullah
14. Ms.Amrin
15. Shri Ikramullah
16. Renu Raniwala
17. Sanjeev Agrawal

Notes accompanying financial statements for the year ended 31st March, 2016

34 Related Party Disclosures: *(contd.)*

B. Related Party Transactions

Amount in ₹

Nature of transaction	Subsidiary		Key Managerial Personnnel		Relative of Key Managerial Person & Enterprises over which significant influence exercised by Key Managerial Personnel	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
(i) Transactions During the year						
a. Sales of Goods	3,18,54,77,750	3,08,10,45,130			-	-
b. Purchases of Goods	59,47,42,920	44,44,23,272			-	-
c. Loan Given/(Repaid)	-	(12,66,60,205)				
d. Expense Reimbursed	2,40,41,400	1,76,11,497			-	4,50,787
e. Purchase of fixed assets	16,71,896	1,68,39,784				
f. Remuneration	-	-	42,00,000	42,00,000		
g. Interest Income	1,20,83,917	2,26,85,628			1,48,065	3,85,200
h. Repayment of Unsecured Loan	-				-	(2,10,00,000)
i. Issue of shares (by conversion of loan)	52,49,40,007	27,80,58,600				
(ii) Balances at the end of the year						
a. Amount Receivable	98,89,10,548	55,04,80,811			7, 09,811	
b. Amount Payable	15,68,24,206	6,09,13,047				
c. Interest Receivable	53,82,708	7,96,77,486			-	-
d. Loan Receivable	16,62,63,414	65,41,67,746				
e. Investments	5,56,92,45,548	5,04,43,05,541			52,07,000	52,07,000
f. Guarantee	30,66,59,445	29,81,83,500				

Notes :

a Loans to subsidiaries are given for general business purpose and have been utilised for the same.

b Guarantee provided to the lenders of subsidiary is for availing term loans and working capital facility from the lender bank.

c Loans to employees are for specific purpose as per Company's policies

Notes accompanying financial statements for the year ended 31st March, 2016

34 Related Party Disclosures: *(contd.)*

C. Details of Material Related Party Transactions

Amount in ₹

Nature of Transcations	Subsidiaries																Total Subsidiaries	
	TJC UK		TJC USA		Genoa Jewelers Limited		Jewel Gem USA Inc.		STS Jewels Inc. USA		STS Gems Japan Limited		STS Gems Limited, Hongkong		STS Gems Thai Limited		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
(i) Transaction during the year																		
a. Sales of Goods	61,55,65,626	58,64,07,549	1,86,78,05,193	2,09,18,71,837	-	-	10,24,28,567	-	46,61,14,670	27,64,11,510	-	-	12,66,35,042	12,16,26,052	69,28,652	47,28,182	3,18,54,77,750	3,08,10,45,130
b. Purchases of Goods	37,39,972	-	11,06,176	-		-		-	25,58,00,492	15,63,07,851		-	24,43,77,554	22,12,79,256	8,97,18,726	6,68,36,165	59,47,42,920	44,44,23,272
c. Advance Given		-		-	-	(12,62,09,580)		-		-		-		(2,32,75,000)		2,28,24,375.00	-	(12,66,60,205)
d. Purchase of Fixed Assets			16,12,396.20	1,13,55,062		-		-		-		-	59,500	54,84,722		-	16,71,896	1,68,39,784
e. Expenses Reimbursement	74,35,656	60,50,589	1,75,55,333	1,15,40,302		-		-	1,73,427	4,53,518		-	(7,77,385)	(4,32,912)	(3,45,631)	-	2,40,41,400	1,76,11,497
f. Expenses		-		-		-		-		-		-		-		-	-	-
g. Interest/fees/Rent Recived		-		-	77,76,513	1,81,46,867		-		-		-	-	6,77,218	43,07,403	38,61,543	1,20,83,917	2,26,85,628
h. Unsecured Loan taken		-		-		-		-		-		-		-		-	-	-
i. Repayment of Unsecured Loan		-		-		-		-		-		-		-		-	-	-
j. Remuneration		-		-		-		-		-		-		-		-	-	-
K. Sale of Investments		-		-		-		-		-		-		-		-	-	-
L. Issue of shares (by Loan conversion)		-		-	52,49,40,007	27,80,58,600		-		-		-		-		-	52,49,40,007	27,80,58,600
(ii) Balances as at year end																	-	-
a. Amount Receivable	19,13,71,434	15,10,28,423	47,16,99,362	31,59,06,974	-	-	10,16,60,150	-	19,64,51,445	4,19,88,561	-	-	2,32,05,430	4,17,03,684	45,22,727	(1,46,830)	98,89,10,548	55,04,80,811
b. Amount Payable	-	-	32,896	-	-	-	-	-	5,50,11,193	1,81,99,469	-	-	9,83,33,072	4,14,43,769	34,47,044	12,69,809	15,68,24,206	6,09,13,047
c. Loan Receivable		-		-	-	49,72,83,906		-		-		-		-	16,62,63,414	15,68,83,840	16,62,63,414	65,41,67,746
d. Interest Receivable		-		-	9,44,705	6,81,43,272		-		-		-		7,01,351	44,38,003	1,08,32,863	53,82,708	7,96,77,486
e. Investment		-		-	2,28,41,48,839	1,75,92,08,832		-	1,99,50,79,632	1,99,50,79,632	1,99,18,042	1,99,18,042	15,74,99,992	15,74,99,992	1,11,25,99,043	1,11,25,99,043	5,56,92,45,548	5,04,43,05,541
f. Guarantee	30,66,59,445	29,81,83,500		-		-		-		-		-				-	30,66,59,445	29,81,83,500

Notes accompanying financial statements for the year ended 31st March, 2016

34 Related Party Disclosures: *(contd.)*

C. Details of Material Related Party Transactions *(contd.)*

Amount in ₹

Nature of Transcations	Key Managarial Persons						Enterprises over which significant influence exercised by Key Managerial Persons												Total Enterprises over which significant influence exercised by Key Managerial Persons	
	Mr Sunil Agrawal		Mr Rahimullah		Total		VGL Softech Limited		Emreald Creations		Brett Plastics Pvt. Ltd.		Reengus Exim Pvt Ltd.		Stp Exim Pvt Ltd.		Shivram Properties Private Limited		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15		2014-15	2015-16	2014-15	2015-16	2014-15
(i) Transaction during the year																				
a. Sales of Goods		-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
b. Purchases of Goods		-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
c. Advance Given		-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
d. Purchase of Fixed Assets		-		-	-	-		-			-	-	-	-	-	-	-	-	-	-
e. Expenses Reimbursement		-		-	-	-		-	-	-	-	-		-	-	-	-	-	-	-
f. Expenses		-		-	-	-		-			-	2,07,583	-	44,482	-	1,98,722	-	-	-	4,50,787
g. Interest/fees/Rent Recived		-		-	-	-		-			-	-	16,065	61,200	-	-	1,32,000	3,24,000	1,48,065	3,85,200
h. Unsecured Loan taken		-		-	-	-		-			-	-	-	-	-	-	-	-	-	-
i. Repayment of Unsecured Loan		-		-	-	-		-			-	(82,00,000)	-	(49,50,000)	-	(78,50,000)	-	-	-	(2,10,00,000)
j. Remuneration		-	42,00,000	42,00,000	42,00,000	42,00,000		-			-	-	-	-	-	-	-	-	-	-
K. Sale of Investments		-		-	-	-		-			-	-	-	-	-	-	-	-	-	-
L. Issue of shares (by Loan conversion)		-		-	-	-		-			-	-	-	-	-	-	-	-	-	-
(ii) Balances as at year end																			-	-
a. Amount Receivable		-		-	-	-		-	7,09,811	-	-	-	-	-	-	-	-	-	7,09,811	-
b. Amount Payable		-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
c. Loan Receivable		-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
d. Interest Receivable		-		-	-	-		-			-	-	-	-	-	-			-	-
e. Investment		-		-	-	-	52,07,000	52,07,000	-	-	-	-	-	-	-	-	-	-	52,07,000	52,07,000
f. Guarantee		-		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-

Notes accompanying financial statements for the year ended 31st March, 2016

35 Segment Reporting

The Company, on standalone basis, operates in only one business segment – "Wholesale Business"- as a downstream manufacturing facilities. In view of this, no further disclosure is required as per Accounting Standard "AS-17".

36 Lease Commitments

With respect to non cancellable operating leases,the future minimum lease payments as at balance sheet date is as under :

Amount in ₹

Particulars	2015-16	2014-15
Not later than one year	56,80,500	57,90,000
Later than one year & not later than five year	20,15,000	27,00,000
Later than five years	-	-

37 Particulars in respect of Loans & Advances given to Subsidiaries as required by LODR

Amount in ₹

Name of Company	Type	Balance as at		Maximum amount outstanding during the year	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
Genoa Jewelers Limited	Loan	-	49,72,83,906	49,72,83,906	87,41,51,591
STS Gems Ltd. HKK	Loan	-	-	-	3,00,49,900
STS Gems Thai Ltd.	Loan	16,62,63,414	15,68,83,840	15,68,83,840	18,02,99,400

38 Earning Per Share (EPS)

Particulars		Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
a.	Profit after Tax (₹)	18,15,53,214	29,97,66,865
b.	Profit attributable to Equity Shareholders for Basic and Diluted EPS (₹)	18,15,53,214	29,97,66,865
c.	i) Weighted average number of Equity Shares outstanding during the year for Basic EPS	3,24,59,898	3,22,31,081
	ii) No of Stock Option Outstanding	5,98,925	8,61,845
	iii) No of Dilutive Potential Equity Shares	-	2,69,357
d.	Weighted average number of Equity Shares outstanding during the year for Diluted EPS (c(i)+c(iii))	3,24,59,898	3,25,00,438
e.	**Basic Earning Per Share**	5.59	9.30
f.	**Diluted Earning Per Share**	5.59	9.22

39 The Board in its meeting held on 28th July, 2015 had approved a Scheme of Capital Reduction under section 100 to 104 of the Companies Act 1956 read with section 52 of the Companies Act 2013 for setting off of accumulated losses as on 31st March, 2015 of ₹264.3 crores against the Share Premium Account. The Shareholder have approved Scheme via postal ballot on 16th Jan, 2016 & Scheme is filed with High Court for its approval.

40 Previous year's figure have been regrouped/ rearranged wherever necessary.

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
DIN :00061142

CHETAN DESAI
Partner
M.No.: 17000

SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Independent Auditor's Report

To the Members of Vaibhav Global Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Vaibhav Global Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the consolidated financial statements:

a) Accounting Policy 9b with regard to inventory of holding company. The identification of specific items and determination of net realizable value is based on judgement of the management which is supported by evaluation of an independent expert. This is relied upon by us.

b) Certain financial information, including stock reserve as on 31st March, 2016 used for the purposes of consolidation has been compiled by the management and relied upon by us.

Our opinion is not modified in respect of these matters.

Other Matter

(a) We did not audit the financial statements of eight (8) subsidiaries, whose financial statements reflects total assets of ₹4,02,55,77,499/- as at 31st March, 2016, total revenues of ₹15,19,99,97,756/- and net cash flows amounting to ₹(3,04,65,371) lacs for the year ended on that date, as considered in the consolidated financial statements. Further, financial statements of one (1) subsidiary, whose financial statements reflects total assets of ₹1,69,07,99,047/-, total revenue of ₹3,40,73,857 and net cash flows amounting to ₹(5,99,22,534)/- for the year ended on 31st March, 2016 has been audited by one of us. These financial statements have been audited by respective auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group, since none of the subsidiaries are incorporated in India, no separate report on internal financial controls over financial reporting and the operating effectiveness of such controls, for the Group is being issued.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 27 on Contingent Liabilities to the consolidated financial statements;

(ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **B. Khosla & Co.**
Chartered Accountants
ICAI Firm Regn. No. 000205C

Sandeep Mundra
Partner
Membership No.: 75482

Jaipur
19th May, 2016

For **Haribhakti & Co.LLP**
Chartered Accountants
ICAI Firm Regn. No. 103523W

Chetan Desai
Partner
Membership No.: 17000

Jaipur
19th May, 2016

Consolidated Balance Sheet as at 31st March, 2016

Particulars	Notes	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	32,49,90,570	32,38,02,060
Reserves and Surplus	3	3,34,86,31,992	2,95,55,26,882
		3,67,36,22,562	**3,27,93,28,942**
Share application pending allotment		-	-
Minority Interest		84,621	8,908
Non-Current Liabilities			
Long-Term Borrowings	4	2,13,68,006	-
Long-Term Provisions	5	2,33,38,450	2,42,25,507
		4,47,06,456	**2,42,25,507**
Current Liabilities			
Short-Term Borrowings	6	1,07,02,41,455	76,19,73,905
Trade Payables:- Dues of MSME	7	-	-
Dues of other than MSME	7	93,35,22,468	74,31,97,897
Other Current Liabilities	8	39,58,84,524	31,12,15,225
Short-Term Provisions	9	7,46,58,316	18,19,18,016
		2,47,43,06,763	**1,99,83,05,043**
Total		**6,19,27,20,402**	**5,30,18,68,400**
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	86,94,63,300	46,13,98,296
Intangible Assets	10	38,85,20,633	29,72,06,916
Capital Work-In-Progress	10	2,82,05,679	1,15,87,721
Non-Current Investments	11	2,87,99,279	3,07,56,779
Deferred Tax Assets (Net)	12	6,71,58,754	61,97,605
Long-Term Loans and Advances	13	19,05,65,808	35,29,73,668
		1,57,27,13,453	**1,16,01,20,985**
Current Assets			
Inventories	14	2,97,48,46,481	2,28,29,27,518
Trade Receivables	15	66,48,36,286	47,51,36,299
Cash and Bank Balances	16	56,38,85,847	96,25,94,834
Short-Term Loans and Advances	17	41,37,33,581	42,03,70,814
Other Current Assets	18	27,04,754	7,17,950
		4,62,00,06,949	**4,14,17,47,415**
Total		**6,19,27,20,402**	**5,30,18,68,400**
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
DIN :00061142

CHETAN DESAI
Partner
M.No.: 17000

SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Consolidated Statement of Profit & Loss for the year ended 31st March, 2016

Particulars	Notes	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
REVENUE			
Revenue from Operations	19	12,75,84,82,450	13,75,51,99,792
Other Income	20	17,72,48,152	12,93,03,049
Total		**12,93,57,30,602**	**13,88,45,02,841**
EXPENSES			
Cost of Materials Consumed	21	2,27,15,11,799	2,69,84,79,225
Purchases of Stock-In-Trade	22	1,90,92,33,987	2,20,26,14,067
Decrease/(Increase) of Stock-In-Trade	23	(26,43,02,009)	(44,13,33,297)
Employees Benefit Expenses	24	2,33,69,83,714	2,16,41,81,278
Financial Costs	25	6,82,18,450	7,33,33,839
Depreciation and Amortization Expense	10	23,64,55,475	11,88,31,050
Other Expenses	26	5,92,96,35,395	5,79,16,97,695
Total		**12,48,77,36,811**	**12,60,78,03,857**
Profit Before Tax		**44,79,93,791**	**1,27,66,98,984**
Tax Expense:			
(1) Current Tax		10,88,97,136	25,09,83,070
(2) Earlier Years Tax		12,41,567	-
(3) Deferred Tax Charges/(Credits)	12	(6,03,89,722)	(59,39,255)
		4,97,48,981	**24,50,43,815**
Profit for the Year Before Minority Interest		**39,82,44,810**	**1,03,16,55,169**
Less : Minority Interests		75,713	8,908
Profit for the Year		**39,81,69,097**	**1,03,16,46,261**
Earnings Per Equity Share of ₹10 Each (Refer Note No.32)			
Basic (₹)		12.27	32.01
Diluted (₹)		12.27	31.74
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
DIN :00061142

CHETAN DESAI
Partner
M.No.: 17000

SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Consolidated Cash Flow Statement for the year ended 31st March, 2016

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before tax	44,79,93,791	1,27,66,98,984
Adjustment for :		
Depreciation	23,64,55,475	11,88,31,050
Unrealised Foreign Exchange Difference	1,72,24,832	4,03,34,965
Employee compensation Expenses	-	4,21,405
(Profit)/Loss on sales of Investment	(1,06,50,233)	(1,54,106)
Loss/(Profit) on sale of Fixed Assets	(17,73,565)	81,214
Liability No Longer required	(12,94,791)	5,00,503
Leave Encashment & Gratuity Expenses	(3,46,461)	1,69,41,388
Interest and Dividend earned	(3,55,19,122)	(4,70,97,240)
Interest paid on borrowings	6,82,18,450	7,33,33,839
Operating Profit before working Capital Changes	**72,03,08,376**	**1,47,98,92,002**
Adjustment for :		
Trade and other Receivables	(36,95,69,256)	37,93,11,123
Trade payables, Provisions, Other Current Liabilities	27,00,83,573	(21,37,73,842)
Stock- in - Trade	(69,19,18,963)	(32,14,09,109)
Cash Generated from Operations	**(7,10,96,270)**	**1,32,40,20,174**
Direct Taxes paid	(17,48,56,696)	(17,25,31,259)
Net Cash from Operating Activities	**(24,59,52,966)**	**1,15,14,88,915**
B. Cash Flow from Investing Activities		
Purchase/(Sale of Fixed Assets)	(49,06,62,501)	(22,75,64,581)
Sales/(Purchases) of Shares/Mutual Fund	19,57,500	(12,15,862)
Profit/(Loss) on sale of investment	1,06,50,233	1,54,106
Movement in deposit	3,06,96,163	15,41,66,744
Interest and Dividend received	3,55,19,122	4,70,97,240
Net Cash used in Investing Activities	**(41,18,39,483)**	**(2,73,62,353)**

Consolidated Cash Flow Statement *(contd.)* for the year ended 31st March, 2016

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
C. Cash flow from Financing Activities		
Proceeds from /(Repayment of) Long Term Borrowings	4,98,58,681	(45,93,85,581)
Proceeds from /(Repayment of) Short Term Borrowings	31,15,38,529	(2,18,48,441)
Dividend and Tax on Dividend paid	94,190	(9,34,06,912)
Proceeds from Issuance of Share Capital	66,91,431	1,11,85,497
Interest Paid on Borrowings	(6,82,18,450)	(7,33,33,839)
Net Cash used in Financing Activities	**29,99,64,381**	**(63,67,89,276)**
D. Impact of movement of exchange rates		
Movement in FCTR	(1,05,66,909)	(94,590)
	-	-
	(1,05,66,909)	**(94,590)**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)	**(36,83,94,977)**	**48,72,42,696**
Openning Balance of Cash and Cash Equivalents	91,35,25,387	42,62,82,691
Closing Balance of Cash and Cash Equivalents	**54,51,30,410**	**91,35,25,387**
Cash and Cash Equivalents comprises		
Cash, cheques and drafts in hand	1,19,61,485	64,77,457
Balance with bank in current accounts	53,31,68,925	60,70,47,930
Liquid Mutual Fund	-	30,00,00,000
	54,51,30,410	**91,35,25,387**

Notes:

The Cash Flow Statement has been prepared under the "Indirect Method " as set out in 'Accounting Standard-3'-Cash Flow Statement'.

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
DIN :00061142

CHETAN DESAI
Partner
M.No.: 17000

SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

Note No.1 Significant Accounting Policies for Consolidated Financial Statements

1. Basis for Preparation of Consolidated Financial Statements (CFS)

The CFS relates to Vaibhav Global Limited ('the holding Company') and it's Subsidiaries (together referred to as 'VGL Group') have been prepared in compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 ('The Act') and other pronouncement of Institute of Chartered Accountant of India, on relevant provisions of the Act; applicable guidelines issued by the Securities Exchange Board of India (SEBI) and generally accepted accounting principles applicable in India (GAAP). The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires changes in the accounting policy hitherto in use.

The CFS has been prepared under historical cost convention on an accrual basis.

2. Principles of consolidation

a. The Subsidiaries considered in the CFS are:

Name of the Subsidiaries	Country of incorporation	Ownership Interest/ voting power (%)	Financial Year ends on
Direct Subsidiaries			
Genoa Jewelers Limited	British Virgin Islands	100%	31st March
STS Gems Japan Limited.	Japan	100%	31st March
STS Gems Limited.	Hong Kong	100%	31st March
STS Gems Thai Limited.	Thailand	100%	31st March
STS Jewels Inc.	USA	100%	31st March
Step-down Subsidiaries			
The Jewelry Channel Limited UK.	United Kingdom	100%	31st March
The Jewelry Channel Inc.	USA	100%	31st March
PT STS Bali	Indonesia	99%	31st March
Jewel Gems USA, Inc.	USA	100%	31st March

b. The CFS has been prepared on the following basis:

(i) The CFS has been prepared in accordance with the Accounting Standard –21, "Consolidated Financial Statements".

(ii) The CFS of VGL Group have been consolidated on a line-by-line basis by adding together the book values of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in un-realized profits or losses.

(iii) The exchange differences on elimination of intra group balances & transactions are taken to consolidated statement of profit and loss.

(iv) The CFS have been prepared by using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as those of the parent company's independent financial statements unless stated otherwise.

(v) The operations of foreign subsidiaries have been considered by the management, as non integral operations as described in Accounting Standard –AS 11 (revised) "Accounting for the effects of changes in foreign exchange rates"

(vi) The difference between the cost to the Company of its investments in the subsidiaries and its portion of equity of subsidiaries at the dates they became subsidiaries, is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be. This is based upon determination of pre-acquisition profits\losses and of net worth on the date of the acquisition determined by the management on the basis of certain estimates which have been relied upon by the auditors.

(vii) Minority Interest in the consolidated financial statements is identified and recognized after taking into consideration;

- The minorities' share of movement in equity since the date parent-subsidiary relationship came into existence.
- The profits/losses attributable to the minorities are adjusted against the income of the group in order to arrive at the net income attributable to the Company

(viii) The goods lying in inventory of any entity may include certain goods which have been processed in and transferred from one or more group entity. For the purpose of consolidation, the amount of unrealized profits included in the value of such goods lying in the inventory of any entity as at the end of the financial period, have been eliminated to the extent of % of net profit of the same financial period of the entity from whom these goods have been procured.

3. Use of Estimates

The preparation of financial statements in conformity with (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes the assumption used in the estimates is prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

4. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses. Cost includes capital cost, freight, duties, taxes and other incidental expense incurred during the construction / installation stage attributable to bringing the asset to working condition for its intended use.

5. Depreciation and Amortization

For Parent Company

Depreciation on Fixed Assets, other than assets acquired on lease, is being provided over the useful life of an asset on written down value method and in the manner specified in Schedule II of the Act.

For Subsidiaries

Depreciation on Fixed Assets, other than assets acquired on lease, is being provided over the estimated useful life of an asset on Straight Line Method.

Assets acquired on lease are amortized in equal installments over the period of lease or estimated useful life, whichever is lower.

6. Intangible Assets

Intangible assets are recognized if it is probable that future economic benefits that are attributable to the asset will flow to the company and the cost of the assets can be measured reliably.

Intangible Assets are amortized over their respective individual estimated useful lives on a straight line basis.

7. Impairment of Assets

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine

a. the provision for impairment loss, if any, required or

b. the reversal, if any, required for impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined

a. in the case of an individual asset, at the higher of net selling price and the value in use.

b. in the case of a cash-generating unit (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's selling price and the value in use.

Value in use is determined as the present value of estimated future cash flow from the continuing use of an asset and from its disposal at the end of its useful life.

8. Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. All other borrowing costs are charged to revenue.

9. Inventories

a. Inventories are valued at lower of cost and estimated net realizable value. Cost is determined on 'First-in First-out', 'Specific Identification', or "Weighted Averages' basis as applicable. Cost of Inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of semi-finished and finished goods are determined on absorption costing method. The Group periodically makes provisions on slow moving inventory, inventory held for melting or repair, and returned items.

b. In case of the Holding Company, Identification of a specific item and determination of estimated net realizable value involve technical judgments of the management The valuation is further supported by a certificate from an independent approved valuer, which has been relied upon by the Auditors.

10. Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

11. Investments

Long-term investments including those held through nominees are stated at cost. Provision for diminution in the value of long-term investments (including Loans and Advances to Subsidiaries considered as a part of net investment) is made only if such decline is other than temporary in the opinion of the management.

Current investments are carried at lower of cost and fair value.

12. Revenue Recognition

Sale of Goods:

Revenue from sales of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of returns, trade discounts, claims etc.

Provision is also made for anticipated returns.

Dividend on Investment:

Revenue is recognized when the right to receive payment is established.

Interest Income:

Interest income is recognized on time proportionate basis.

Export Incentives:

Export Incentive including duty drawback is recognized on accrual basis.

13. Foreign Currency Transactions:

a. Initial Recognition:

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

b. Conversion:

Monetary items denominated in foreign currencies at the year-end are translated at closing rates. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction and investment in foreign companies are recorded at the exchange rates prevailing on the date of making the investments. Contingent Liabilities are translated at closing rate.

c. Exchange Differences:

Exchange differences arising on the settlement of monetary items or on restatement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Exchange difference arising on translation of Loan and Advances to non – integral wholly owned subsidiaries and forming part of net investment in parent company, are recognized in foreign currency translation reserve. Such accumulated exchange differences are taken to statement of profit and loss account on consolidation..

d. Translation

For the purpose of Consolidation, the amount appearing in foreign currencies in the financial statements of the foreign subsidiaries are translated at the following rates of exchange:

- Average rates for income & expenditure
- The yearend rates for assets & liabilities

Resulting difference due to differential rates is accumulated as foreign currency translation reserve.

14. Employee Benefits

a. Short term and other long term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

b. Employee's retirement benefits and long term Compensated Absences are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable, determined using actuarial valuation by an independent actuary using the projected unit credit method. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the statement of profit and loss.

c. In respect of Employee Stock Options, the excess of market price of shares as at the date of grant of option granted to employee (including certain employees' of subsidiaries) over the exercise price is treated as Employee Compensation Cost and amortized on a straight – line basis over the vesting period.

d. In respect of foreign subsidiaries, retirement benefits are governed and accrued as per local statutes.

15. Provision for Current and Deferred Taxation

a. Income tax expense for the year, comprising current tax and deferred tax is included in determining the net profit for the Year.

b. A provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and Tax laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future Taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable Income will be available against which such deferred tax assets can be realized

c. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The carrying amount of a deferred tax asset is written down to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

16. Earnings per Share

The basic earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per shares, net profit after tax for the year and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares).

17. Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

18. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a. the Company has a present obligation as a result of past event,

b. a probable outflow of resources is expected to settle the obligation and

c. the amount of the obligation can be reliably estimated

Contingent Liability is disclosed in case of

a. a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation

b. a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

NOTE : 1 General Information

1 The Consolidated Financial Statements Present the Consolidated Accounts of Vaibhav Global Limited with its following Subsidiaries, Joint Ventures (and its Subsidiaries and Joint Ventures), Associates (and it's Subsidiaries and Joint Ventures) :

		Country of Incorporation	Subsidiary of	As on 31st March 2016	As on 31st March 2015
A.	**Subsidiaries**				
	Indian Subsidiaries				
	The Company do not have any Indian Subsidiaries.				
	Foreign Subsidiaries				
	STS Jewels Inc., USA	USA	Vaibhav Global Limited.	100%	100%
	STS Gems Thai Limited, Thailand	Thailand	Vaibhav Global Limited.	100%	100%
	STS Gems Limited	HongKong	Vaibhav Global Limited.	100%	100%
	STS Gems Japan Limited	Japan	Vaibhav Global Limited.	100%	100%
	Genoa Jewellers Limited, BVI	British Virgin Islands	Vaibhav Global Limited.	100%	100%
	Step down Subsidiary				
	Pt. STS Bali	Indonasia	STS Gems Limited	99%	99%
	Jewel Gem USA Inc.	USA	Genoa Jewellers Limited	100%	100%
	The Jewellery Channel limited, UK	United Kingdom	Genoa Jewellers Limited	100%	100%
	The Jewelery Channel Inc. USA	USA	Genoa Jewellers Limited	100%	100%

B. Joint Ventures and Jointly Controlled entities

The Company do not have any Joint Ventures/ Jointly Controlled entitites.

C. Asssociates and Their Subsidiary and Joint Venture :

The Company do not have any Associates company.

D. Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information

	Net Assets i.e. Total Assets net of Total Liabilities		Share in Profit/(loss)	
	As a % of Consolidated Net Assets	Amount (in ₹)	As a % of Consolidated Profit	Amount (in ₹)
Parent				
Vaibhav Global Limited	129.60%	4,76,09,11,540	45.59%	18,15,53,218
Subsidiary				
Foreign				
STS Jewels Inc., USA	2.82%	10,34,28,621	13.46%	5,36,17,750
STS Gems Thai Limited, Thailand	0.51%	1,86,21,954	3.06%	1,21,67,977
STS Gems Limited, Hong Kong	8.62%	31,66,28,089	-15.10%	(6,01,38,024)
STS Gems Japan Limited	-0.01%	(3,62,282)	-0.01%	(33,557)
Genoa Jewellers Limited, BVI	43.95%	1,61,45,61,390	5.65%	2,24,91,772
Step down foreign Subsidiary				
Pt. STS Bali	0.42%	1,53,69,287	1.90%	75,71,322
Jewel Gem USA Inc.	-6.12%	(22,47,20,042)	8.83%	3,51,83,528
The Jewellery Channel limited, UK	-0.21%	(77,77,444)	27.15%	10,81,40,766
The Jewelery Channel Inc. USA	13.21%	48,53,59,781	-3.16%	(1,25,68,651)
Sub Total		7,08,20,20,894		34,79,86,101
Inter Company Elimination & Consolidation Adjustments	-92.78%	(3,40,83,98,289)	12.62%	5,02,58,709
Grand Total		3,67,36,22,605		39,82,44,810
Minority Interest in Subsidiaries		(75,713)		(75,713)
Share in Profit of Associates				-

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

Note
No. SHAREHOLDER'S FUND

2 Share Capital

a The details of Authorised, Issued, Subscribed and Paid up Capital are as under :-

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ₹10/- each	4,10,00,000	41,00,00,000	4,10,00,000	41,00,00,000
Unclassified Shares of ₹100/- each	45,00,000	45,00,00,000	45,00,000	45,00,00,000
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹10/- each	3,25,15,131	32,51,51,310	3,24,02,383	32,40,23,830
Less: Loan to VGL ESOP Welfare Trust	16,074	1,60,740	22,177	2,21,770
		32,49,90,570		**32,38,02,060**

b The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as under:-

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	Equity Shares	Preference shares	Equity Shares	Preference shares
Shares outstanding at the beginning of the year	3,24,02,383	-	3,21,75,618	-
Shares Issued on exercise of ESOP	1,12,748	-	2,26,765	-
Shares redeemed during the year	-	-	-	-
Shares outstanding at the end of the year	3,25,15,131	-	3,24,02,383	-

c The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held except those held as underlying for GDR. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d The details of shareholders holding more than 5% equity shares as at reporting date are as under :-

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Sonymike`s Holdings Ltd.#	39,50,000	12.15	69,50,000	21.45
Shivram Global Pvt Ltd.	53,11,865	16.34	53,11,865	16.39
Nalanda India Fund Limited	41,10,600	12.64	41,10,600	12.78
Sonymike`s Holdings Ltd.	59,68,640	18.36	29,68,640	9.16
Brett Plastics Pvt Ltd.	28,54,516	8.78	28,54,516	8.81
Nirmal Kumar Bardiya	17,91,628	5.51	17,91,628	5.53

Held through Global Depositories Receipt (GDR). The benefeciaries details is based on the information available with the management.

e **Employee Stock Option Scheme:**

For details of Employee Stock Options Plan (ESOP) Scheme, refer to note no.28a

f There are no bonus shares, shares issued for consideration other than cash or shares bought back during the period of five years immediately preceding the reporting date.

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

3 Reserves & Surplus

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
A. Capital Reserve:				
Opening Balance	9,54,74,890		9,54,74,890	
Add: Transfer During The Year	-		-	
	9,54,74,890		9,54,74,890	
Less : Written back during year	-		-	
		9,54,74,890		9,54,74,890
B. Capital Redemption Reserve:				
Opening Balance	44,00,00,000		-	
Add: Transfer on redemption of preference shares	-		44,00,00,000	
	44,00,00,000		44,00,00,000	
Less : Utilised during year	-	44,00,00,000	-	44,00,00,000
C. Securities Premium Account :				
Opening Balance	5,89,72,28,733		5,88,76,84,263	
Add: Security Premium received on share issue	63,73,716		1,04,53,613	
Add: Transfer from Employee stock option outstanding	1,45,441		4,02,099	
	5,90,37,47,890		5,89,85,39,975	
Less : Loan to VGL ESOP Welfare Trust	8,70,795		13,11,242	
		5,90,28,77,095		5,89,72,28,733
D. Employee Stock Option Outstanding				
Options granted till date	4,21,405		4,02,099	
Add : Additonal Compensation on account of repricing	-		4,21,405	
	4,21,405		8,23,504	
Less :Transfer to Security premium on allotment	1,45,441		4,02,099	
Less : Written off during year	-		-	
		2,75,964		4,21,405
E. General Reserve:				
Opening Balance	12,96,47,256		7,96,47,256	
Add: Transferred from Profit and Loss Account	-		5,00,00,000	
	12,96,47,256		12,96,47,256	
Less: Utilised	-	12,96,47,256	-	12,96,47,256
F. Foreign Currency Translation Reserve				
Opening Balance	(62,07,11,494)		(62,06,16,904)	
Add/less : Movement during the year	(1,05,66,909)		(94,590)	
		(63,12,78,403)		(62,07,11,494)
H. Surplus/ (Deficit)				
Opening balance	(2,98,65,33,907)		(3,87,49,43,704)	
Add:				
Net Profit For the current year	39,81,69,097		1,03,16,46,261	
Interim dividend & tax thereon (PY @ ₹2.89 per share)	-		(9,32,36,464)	
Transfer to General Reserve	-		(5,00,00,000)	
Surplus/ (Deficit)		(2,58,83,64,810)		(2,98,65,33,907)
		3,34,86,31,992		**2,95,55,26,882**

NON CURRENT LIABILITIES

4 Long Term Borrowings

The details of Secured or unsecured Long Term Borrowings outstanding are as under :-

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Secured:				
Term Loan from Banks				
Term Loan #		2,13,68,006		-
		2,13,68,006		**-**

Current maturities are disclosed under other current liabilities

Long Term Loan in respect of TJC,UK for ₹4,98,58,681 (Previous year ₹ NIL) is secured by :-

(i) First charge on EPG Licence on Sky.

(ii) Additionally secured by Corporate guarantee of the immediate parent company as well as ultimate parent company.

5 Long Term Provisions

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Provision For Employee Benefits:				
Provision for Gratuity	1,64,29,725		1,73,79,770	
Provision for Compensated Absences	65,41,225	2,29,70,950	65,19,112	2,38,98,882
Other provisions				
Provision for Income Tax		3,67,500		3,26,625
		2,33,38,450		**2,42,25,507**

CURRENT LIABILITIES

6 Short Term Borrowings

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Secured:				
Loan Repayable on demand from Banks				
Pre-shipment Credit *		59,64,12,056		39,79,86,832
Post-shipment Credit *		33,78,29,068		19,69,79,576
Bank Overdraft #		13,60,00,331		16,70,07,497
		1,07,02,41,455		**76,19,73,905**

Nature of Security

A. * Working Capital Facilities in India :-

(i) Above Loans are secured by hypothecation of Stock-in-trade and Book Debts on pari-passu basis.

(ii) Further Secured, on parri-passu basis, by :-

a. Equitable Mortgage of Land and Buildings situated at K-6A & K-6B, Adarsh Nagar, E-68 & E-69, EPIP Zone, Sitapura, E-1 & E-2, SEZ-II, Sitapura,Jaipur and Office No.HW4070,BKC Mumbai."

b. First charge on block of assets of the company (excluding Land & Building and vehicles) situated at K-6A & K-6B, Adarsh Nagar and E-68, Sitapura, Jaipur

(iii) Pledge of 200 common shares with no par value of STS Jewels Inc.

(iv) Pledge of 87,500 Ordinary Shares of HK $100 each of STS Gems Limited, HKK.

(v) Pledge of 1,25,80,000 equity shares of US $ 1 each and assignment of loan to Genoa Jewelers Limited, BVI which is now converted into equity investment of Genoa Jewelers Ltd .

(vi) Personal Guarantee of Mr. Sunil Agrawal, Chairman of the Company.

B. #Overdraft facilities in respect of The Jewellery Channel Limited,UK for ₹13,60,00,331 (Previous year ₹16,70,07,497) :-

(i) First ranking charge over the inventory of raw materials, finished goods including stock in transit and counter idemnity of the company for NFB(BG) limit.

(ii) Additionally secured by Corporate guarantee of the immediate parent company as well as ultimate parent company.

7 Trade Payables

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
(a) Total outstanding dues of MSME		-		-
(b) Total outstanding dues of creditors other than MSME		93,35,22,468		74,31,97,897
		93,35,22,468		**74,31,97,897**

The Company does not owe any amount to Micro, Small & Medium enterprises. These enterprises have been identified on the basis of information available to the Company. In view of the above no details relating to MSME is disclosed.

8 Other Current Liabilities

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Current Maturities of Long Term Borrowings		2,84,90,675		-
Unclaimed Dividend*		76,258		1,70,448
Employee Benefits Payable		2,36,54,875		1,97,25,265
Statutory Dues Payable		5,43,05,963		6,59,96,340
Advance from customers		6,53,58,094		3,82,32,302
Other Payables		22,39,98,659		18,70,90,870
		39,58,84,524		**31,12,15,225**

* Investor Education and Protection Fund to be credited by the amount as and when required.

9 Short Term Provisions

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Provision for employee benefits:				
Provision for Gratuity	95,15,899		93,10,497	
Provision for Compensated Absences	10,84,753	1,06,00,652	7,08,684	1,00,19,181
Other Provisions				
Provisions for warranties and returns		3,41,26,455		6,11,18,497
Provision for Taxation (Net of Advance Tax/TDS)		2,99,31,209		11,07,80,338
		7,46,58,316		**18,19,18,016**

10 Please refer to page no. 129

NON CURRENT ASSETS

11 Non Current Investments

(Long Term - at Cost less provision for other than temporary diminution)

Amount in ₹

Particulars	Gross Amount		Diminution in Value of Investment		Net Amount	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
A **Trade Investments**						
(i) Quoted Investment in Equity Instrument (Fully Paid up) :						
78,14,530 (88,23,530) shares of US $ 0.0003 each fully paid up of Richland Resources Limited	2,87,69,879	3,07,30,649	-	-	2,87,69,879	3,07,30,649
B **Other than Trade Investments**						
(i) Unquoted Investment in Equity Instrument of Associate (Fully Paid up) :						
3,60,000 (Previous year - 3,60,000) Equity Shares of ₹10 each of VGL Softech Limited	52,07,000	52,07,000	52,07,000	52,07,000	-	-
Extent of holding 19.78 %						
(ii) Quoted Investment in Equity (Fully Paid up) :						
1,000 (Previous year -1,000) Equity Shares of Yen 50 each Asahi Shinkin Bank Stock	29,400	26,130			29,400	26,130
Total (A+B)	**3,40,06,279**	**3,59,63,779**	**52,07,000**	**52,07,000**	**2,87,99,279**	**3,07,56,779**
Notes:-						
1. Aggregate amount of Quoted Investment					2,87,99,279	3,07,56,779
2. Market value of Quoted Investment					2,22,67,687	2,48,54,220
3. Aggregate amount of Non Quoted Investment					52,07,000	52,07,000
4. Aggregate amount of provision for diminution in value of Investment					52,07,000	52,07,000

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

NON CURRENT ASSETS

10. Fixed Assets

Amount in ₹

Name of Assets		GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK	
		As at 01.04.2015	Additions	Deductions	Currency Realinemnet	As at 31.03.2016	Up to 31.3.2015	Depreciation for the year	Deductions	Currency Realinemnet	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
A.	**Tangible Assets**												
	Freehold Land	48,94,908	-	-	-	48,94,908	-	-	-	-	-	48,94,908	48,94,908
	Leasehold Land	3,51,56,343	-	-	-	3,51,56,343	16,35,525	3,55,115	-	-	19,90,640	3,31,65,703	3,35,20,818
	Lease Hold Improvement	13,11,33,848	39,19,905	-	63,13,011	14,13,66,764	8,97,61,202	95,76,429	-	49,47,403	10,42,85,034	3,70,81,730	4,13,72,646
	Building	9,91,70,002	11,58,77,891	-	-	21,50,47,894	4,29,85,127	75,69,302	-	-	5,05,54,429	16,44,93,464	5,61,84,876
	Plant & Machinery	32,74,60,270	6,34,78,939	1,77,57,927	68,55,339	38,00,36,621	16,39,60,919	4,81,49,973	1,55,19,027	37,68,939	20,03,60,804	17,96,75,818	16,34,99,351
	Electric Installation	2,29,45,145	5,26,32,461	-	-	7,55,77,606	1,76,64,332	33,14,036	-	-	2,09,78,368	5,45,99,238	52,80,813
	Furniture & Fixtures	11,51,92,548	1,40,57,529	-	49,94,187	13,42,44,263	6,44,53,365	1,40,61,148	-	27,29,254	8,12,43,767	5,30,00,496	5,07,39,183
	Office Equipment	1,49,01,020	77,00,841	2,39,956	2,42,813	2,26,04,718	84,27,195	29,84,851	1,42,385	97,709	1,13,67,370	1,12,37,348	64,73,825
	Computer	32,15,57,398	36,03,24,750	-	1,34,15,962	69,52,98,110	22,79,17,594	13,01,07,682	-	94,87,043	36,75,12,320	32,77,85,790	9,36,39,803
	Vehicles	1,08,25,046	-	-	-48,273	1,07,76,773	57,03,216	15,59,123	-	-14,469	72,47,870	35,28,805	51,21,830
	Total	**1,08,32,36,528**	**61,79,92,315**	**1,79,97,883**	**3,17,73,039**	**1,71,50,03,999**	**62,25,08,475**	**21,76,77,659**	**1,56,61,412**	**2,10,15,879**	**84,55,40,602**	**86,94,63,300**	**46,07,28,053**
B.	**Intangible Assets**												
	Goodwill on Consolidation	28,68,31,871		-	-	28,68,31,871	-	-	-	-	-	28,68,31,871	28,68,31,871
	Broadcast Rights	7,42,05,602	10,44,65,808	-	17,69,532	18,04,40,941	7,42,05,602	1,04,46,581	-	17,69,532	8,64,21,714	9,40,19,227	-
	Software	1,62,76,223	49,52,310	-	3,617	2,12,32,151	52,30,935	83,31,234	-	442	1,35,62,612	76,69,535	1,10,45,288
	Total	**37,73,13,696**	**10,94,18,118**	**-**	**17,73,149**	**48,85,04,963**	**7,94,36,537**	**1,87,77,815**	**-**	**17,69,974**	**9,99,84,326**	**38,85,20,633**	**29,78,77,159**
C.	**Capital Work In Progress**	1,15,87,721	1,66,17,958	-	-	2,82,05,679	-	-	-	-	-	2,82,05,679	1,15,87,721
	Total	1,15,87,721	1,66,17,958	-	-	2,82,05,679	-	-	-	-	-	2,82,05,679	1,15,87,721
	Grand Total (A+B+C)	**1,47,21,37,945**	**74,40,28,391**	**1,79,97,883**	**3,35,46,188**	**2,23,17,14,641**	**70,19,45,012**	**23,64,55,475**	**1,56,61,412**	**2,27,85,853**	**94,55,24,927**	**1,28,61,89,612**	**77,01,92,933**
	Previous Year	1,24,83,98,071	22,75,64,581	39,85,698	1,60,992	1,47,21,37,946	59,56,54,893	11,88,31,050	27,84,783	-97,56,148	70,19,45,013	77,01,92,933	65,27,43,178

12 Deferred Tax Assets

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Deferred Tax Assets				
On Inventory (Uniform) and Allowances for doubtfull accounts (refer note no 31)	4,37,34,205		-	
On Provision for Gratuity and compensated absences	1,48,64,543		1,15,28,750	
Depreciation	85,60,006	6,71,58,754	-	1,15,28,750
Less: Deferred Tax Liability:				
Depreciation	-	-	53,31,145	53,31,145
		6,71,58,754		61,97,605

Net deferred tax charge/(credit) for the year of ₹(6,03,89,722) (Previous year ₹(59,39,255)) has been recognized in the Statement of Profit and Loss for the year. This includes Foreign exchange translation adjustment of ₹5,71,427.

13 Long Term Loans & Advances

(Unsecured and considered good unless otherwise stated)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Capital Advances		9,32,15,638		26,77,11,985
Security Deposits		9,73,50,170		8,52,61,683
		19,05,65,808		**35,29,73,668**

CURRENT ASSETS

14 Inventories*

(At lower of cost and net realisable value)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Materials-in-process		1,14,71,78,872		72,68,15,922
Semi Finished Goods		9,48,14,854		6,42,88,774
Finished Goods (includes GIT ₹11.9 crore , PY ₹18.8 crore)		1,70,66,15,603		1,47,28,39,671
Stores and Consumables		2,62,37,152		1,89,83,151
		2,97,48,46,481		**2,28,29,27,518**

*Inventory is taken and valued by management.

15 Trade Receivables

(Unsecured and considered good unless otherwise stated)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Outstanding for a period exceeding six months from the due date		-		
Others				
Unsecured, Considered good	66,48,36,286		47,51,36,299	
Unsecured, Considered doubtful	2,73,22,972		-	
	69,21,59,258		47,51,36,299	
Less: Provision for doubtful trade receivable	2,73,22,972	66,48,36,286	-	47,51,36,299
		66,48,36,286		**47,51,36,299**

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

16 Cash & Bank Balances

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Cash & Cash Equivalents				
Balance with Banks & Liquid Fund		53,31,68,925		90,70,47,930
Cash on hand		1,19,61,485		64,77,457
		54,51,30,410		**91,35,25,387**
Other Bank Balances				
Unpaid Dividend account		76,258		1,70,448
Bank Deposits- Pledged (maturity within 12 months)		1,79,77,447		1,75,01,104
Bank Deposits- Un Pledged (maturity within 12 months)		7,01,732		3,13,97,895
		1,87,55,437		**4,90,69,447**
		56,38,85,847		**96,25,94,834**

17 Short Term Loans and Advances

(Unsecured and considered good unless otherwise stated)

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Advance To Staff		59,51,995		51,20,503
Advance To Suppliers		3,60,26,835		5,62,49,836
Prepaid Expenses		22,07,49,144		21,67,23,920
Balances with Tax Authorities		11,90,67,092		12,75,82,734
Others		3,19,38,515		1,46,93,821
		41,37,33,581		**42,03,70,814**

18 Other Current Assets

Particulars	As at 31st March, 2016 (₹)		As at 31st March, 2015 (₹)	
Interest Accrued on Bank FDR		27,04,754		7,17,950
		27,04,754		**7,17,950**

19 Revenue from Operations

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Sale of Products:				
Sales		12,75,47,70,771		13,75,28,14,214
Other Operating revenue		37,11,679		23,85,578
		12,75,84,82,450		**13,75,51,99,792**

20 Other Income

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Interest		3,55,18,472		4,70,96,125
Dividend Received		650		1,115
Liability No Longer required		12,94,791		5,00,503
Gain on sale of investment		1,06,50,233		-
Miscellaneous Income		9,77,01,698		5,58,81,445
Exchange Fluctuation (Net)		3,20,82,308		2,58,23,861
		17,72,48,152		**12,93,03,049**

21 Cost of Materials Consumed

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Materials Consumed				
Opening Material-in-process	72,68,15,922		85,98,29,113	
Add: Purchases	2,69,18,74,749		2,56,54,66,034	
	3,41,86,90,671		3,42,52,95,147	
Less: Closing Material-in-Process	1,14,71,78,872	2,27,15,11,799	72,68,15,922	2,69,84,79,225
		2,27,15,11,799		**2,69,84,79,225**

Consumption disclosed above is on the basis of derived figures rather than actual records of issues.

22 Purchases of Stock-in-Trade

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Purchases of Finished Goods		1,90,92,33,987		2,20,26,14,067
		1,90,92,33,987		**2,20,26,14,067**

23 Decrease/(Increase) of Stock-in-Trade

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Finished Goods:				
Opening Stocks				
Semi Finished Goods	6,42,88,774		1,56,57,833	
Finished Goods	1,47,28,39,674		1,08,01,37,318	
	1,53,71,28,448		1,09,57,95,151	
Less: Closing Stocks				
Semi Finished Goods	9,48,14,854		6,42,88,774	
Finished Goods	1,70,66,15,603		1,47,28,39,674	
	1,80,14,30,457	(26,43,02,009)	1,53,71,28,448	(44,13,33,297)
		(26,43,02,009)		**(44,13,33,297)**

24 Employees Benefit Expenses

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Salaries, Wages, Bonus etc.		1,99,23,83,206		1,86,26,15,009
Contributions to Employees Funds		27,60,10,909		23,96,65,721
Staff Welfare Expenses		4,08,25,663		3,99,50,931
Employee Compensation Expenses under ESOP (Refer Note No.28a)		-		4,21,405
Recruitment and Training		2,77,63,936		2,15,28,212
		2,33,69,83,714		**2,16,41,81,278**

25 Finance Cost

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Interest		4,12,91,462		4,99,63,051
Finance Charges		1,87,06,105		2,06,70,788
Interest on Income Tax		82,20,883		27,00,000
		6,82,18,450		**7,33,33,839**

26 Other Expenses

a Manufacturing/Direct Expenses

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Job Work Charges		29,71,74,362		29,33,79,904
Stores and Consumables		5,64,85,051		6,43,89,124
Power and Fuel		3,57,87,155		3,18,51,363
Freight, taxes and duties		21,56,38,246		31,13,81,532
Repairs and Maintenance#		1,22,48,322		1,54,35,574
Other Manufacturing/Direct Expenses		18,82,44,203		20,37,75,695
		80,55,77,339		**92,02,13,192**

Repair and Mainteneance includes Repairs to Building ₹7,37,876 (Previous Year ₹23,90,855) and Repairs to Plant and Machinery ₹39,04,870 (Previous Year ₹38,98,633)

b Administrative & Selling Expenses

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
Rent		9,98,74,437		8,49,09,724
Rates and Taxes		4,49,06,050		3,82,66,094
Insurance		4,24,14,794		4,07,18,671
Travelling and Conveyance		11,76,68,821		8,20,50,336
Legal and Professional		10,44,63,591		10,48,11,948
Postage and Telephone		11,58,67,971		11,56,49,969
Printing and Stationery		1,18,76,691		1,37,81,610
Repair Expenses		1,30,00,377		1,36,21,436
Advertisement and Business Promotion		22,31,02,898		25,37,22,608
Security Expenses		3,82,98,445		3,68,65,649
Packing and Forwarding		13,85,10,151		15,46,20,788
Misc. Expenses		12,65,41,262		13,75,22,430
Donation (Including CSR)		2,09,99,665		1,06,48,002
Auditors' Remuneration		1,03,38,506		1,12,67,792
Directors' Remuneration		91,52,114		51,95,083
Directors' Sitting Fees		44,00,000		25,20,000
Loss on Sale of Assets		40,238		81,214
Bad Debts		2,96,37,180		23,19,462
TV Channel Expenses				
Content & Broadcasting		2,62,11,62,773		2,41,31,80,541
Call handling & Collection Charges		47,61,69,585		48,20,23,317
Packing & Distribution Charges		75,15,12,362		75,90,98,491
Information Technology Expenses		12,41,20,145		10,86,09,337
		5,12,40,58,056		**4,87,14,84,502**
Total Other Expenses		**5,92,96,35,395**		**5,79,16,97,694**

27 Contingent Liabilities and Commitments

Particulars	Year ended 31st March, 2016 (₹)		Year ended 31st March, 2015 (₹)	
(a) **Capital Commitment:**				
Commitments		1,50,18,412		13,28,53,837
(b) **Contingent Liabilities:**				
Guarantees given by bank on behalf of the Company		8,61,00,000		5,71,00,000
Guarantees given to bank & others by the Company		30,66,59,445		29,81,83,500
*Pursuant to Payment of Bonus (Amendment Act) 2015 with retrospective effect from 1st April 2014, the additional liability for bonus for FY 2014-15 amounts to ₹29.57 lakhs. However, pending outcome of the stay granted by certain Courts to other entities against such retrospective amendment and as legally advised, no provision has been made for such amount.				
Disputed Tax Matters:				
Excise Duty		43,07,610		19,83,26,582
Income tax*		3,25,03,857		38,80,370

*Company has filled an Appeal to CIT (A) against penalty order of Assessment Year 2009-10 & 2010-11.

28 Employee Stock Option Scheme:

a VGL ESOP (As amended)-2006

The Company has constituted " Vaibhav Global Employee Stock Option Welfare Trust" to administer & implement various VGL ESOP schemes . Out of stock option granted, 20% stock option will vest at the end of one year from the date of Grant, 30% at the end of the second year and balance 50% at the end of third year. The exercise period for all the options under various tranches has been increased to 7 years from the date of vesting as approved by the shareholders in the AGM held on 25th July, 2014.

The details of the Grant under the aforesaid schemes are as under:-

2015-16

Particulars	Original/ (Revised) Exercise Price	Date of Grant	Date of Vesting	Options outstanding as on 01.04.15	Options granted/ revived during the year	Options exercised during the year	Options lapsed during the year	Options granted and outstanding as on 31.03.16 *
A	240 (45.30)	06.01.07	06.01.08	2,018	-	747	-	1,271
D	26.75	29.01.10	29.01.11	9,000	-	-	-	9,000
E	33.75	30.09.10	30.09.11	-	-	-	-	-
F	45.30	23.07.12	23.07.13	1,71,560	-	1,00,373	-	71,187
G	119.05	09.04.13	09.04.14	44,161	-	17,731	12,500	13,930
H	126.35	25.05.13	25.05.14	41,181	-	-	14,075	27,106
I	418.40	11.12.13	11.12.14	47,793	-	-	38,837	8,956
J	743.95	16.04.14	16.04.15	25,726	-	-	2,097	23,629
K	734.65	14.05.14	14.05.15	3,579	-	-	3,579	-
L	742.50	18.10.14	18.10.15	4,64,130	-	-	1,03,440	3,60,690
M	752.60	22.01.15	22.01.16	21,690	-	-	7,864	13,826
N	374.60	25.09.15	25.09.16	-	76,570	-	7,240	69,330
				8,30,838	**76,570**	**1,18,851**	**1,89,632**	**5,98,925**

* Includes 16074 equity shares alloted to Trust not exercised by employees

28 Employee Stock Option Scheme: *(contd.)*

2014-15

Particulars	Original/ (Revised) Exercise Price	Date of Grant	Date of Vesting	Options outstanding as on 01.04.14	Options granted/ revived during the year	Options exercised during the year	Options lapsed during the year	Options granted and outstanding as on 31.03.15*
A	240 (45.30)	06.01.07	06.01.08	-	2,018	-	-	2,018
D	26.75	29.01.10	29.01.11	64,000	5,000	60,000	-	9,000
E	33.75	30.09.10	30.09.11	10,000	-	10,000	-	-
F	45.30	23.07.12	23.07.13	3,02,728	1,452	1,17,537	15,083	1,71,560
G	119.05	09.04.13	09.04.14	65,572	-	8,631	12,780	44,161
H	126.35	25.05.13	25.05.14	43,329	-	2,148	-	41,181
I	418.40	11.12.13	11.12.14	64,029	-	6,272	9,964	47,793
J	743.95	16.04.14	16.04.15	-	25,726	-	-	25,726
K	734.65	14.05.14	14.05.15	-	3,579	-	-	3,579
L	742.50	18.10.14	18.10.15	-	4,85,560	-	21,430	4,64,130
M	752.60	22.01.15	22.01.16	-	21,690	-	-	21,690
				5,49,658	**5,45,025**	**2,04,588**	**59,257**	**8,30,838**

The excess of market price per share as on the date of grant of option, over the exercise price for the Stock Option granted to employees (including certain employees of the Subsidiaries), is amortized by the Company over the vesting period. The amortized value for the year amounting to ₹ NIL (Previous year credited ₹4,21,405) has been debited under employee benefit during the year.

b A Summary of movement in respect of the shares held by ESOP Trust is as follows :

Particulars	31st March,2016
Opening balance of equity shares not excercised by employee and available with the ESOP Trust	22,177
Add: Shares alloted by Company	1,12,748
Less : Shares exercised by employee :	1,18,851
Closing balance of equity shares not excercised by employee and available with the ESOP Trust	16,074

29 Lease Commitments

Some of the subsidiaries have lease agreements towards office and other premises. These non-cancelable operating leases have various expiry dates. The total future minimum lease payments (excluding certain escalations) in this respect are as follows:

Amount in ₹

Particulars	2015-16	2014-15
Not later than one year	49,53,68,644	15,29,39,787
Later than one year & not later than five year	34,44,43,348	63,26,54,246
Later than five years	6,83,89,934	1,37,56,527

30 Related Party Disclosures:

A. List of related parties with whom transactions have taken place and relationships:

Enterprises in which Key management personels are interested :

1. VGL Softech Limited
2. Brett Plastic Pvt. Limited
3. Shivram Global Private Limited
4. Emerald Creation Inc.
5. Anubhav Gems (P) Ltd
6. Reengus Exim Private Limited
7. STP Exim Private Limited
8. Sony Mikes holdings Ltd
9. Jaipur Gem Bourse Limited
10. Ganpati Chambers Pvt Ltd.

Key Management Personnel (KMP):

1. Shri Sunil Agrawal –Chairman & Managing Director
2. Shri Rahimullah – Whole time Director

Relative of Key Management Personnel

1. Smt. Deepti Agrawal
2. Shri Ghanshyam Agrawal
3. Smt. Sheela Agarwal
4. Hursh Agrawal
5. Neil Agrawal
6. Smt.Fatima Be
7. Shri Azizullah
8. Smt.Batool Begum
9. Shri Inamullah
10. Shri Imranullah
11. Shri Rizwanullah
12. Shri Arifullah
13. Shri Asifullah
14. Ms.Amrin
15. Shri Ikramullah
16. Renu Raniwala
17. Sanjeev Agrawal

B. Related Party Transactions

Amount in ₹

Particulars	Key Managerial Personnel		Relative of Key Managerial Personnel		Enterprises over which significant influence exercised by Key Managerial Person	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
(i) Transactions During the year						
a. Interest/fees/Rent Recived	-	-	-	-	1,48,065	3,85,200
b. Expenses	-	-	-	-	-	4,50,787
c. Repayment of Unsecured Loan	-	-	-	-	-	(2,10,00,000)
d. Remuneration	2,18,46,054	2,41,18,785	99,35,295	79,56,311	-	-
(ii) Balances as the end of the year						
a. Amount Receivable	-	-	-	-	7,09,811	6,71,511
b. Unsecured Loans	-	-	-	-	-	-
c. Investment	-	-	-	-	52,07,000	52,07,000
d. Guarantee	-	-	-	-	-	-

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

30 Related Party Disclosures: *(contd.)*

C. Details of Material Related Party Transactions

Amount in ₹

Nature of Transcations	Key Managarial Persons				Total Key Managarial Persons		Relative of Key Managerial				Total Relative of Key Managarial Persons	
	Mr Sunil Agrawal		Mr Rahimullah				Hursh Agrawal		Sanjeev Agrawal			
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
(i) Transaction during the year												
a. Sales of Goods	-	-	-	-	-	-					-	-
b. Purchases of Goods	-	-	-	-	-	-					-	-
c. Advance Given	-	-	-	-	-	-					-	-
d. Purchase of Fixed Assets	-	-	-	-	-	-						
e. Expenses Reimbursement	-	-	-	-	-	-						
f. Expenses	-	-	-	-	-	-						
g. Interest/fees/Rent Recived	-	-	-	-	-	-						
h. Unsecured Loan taken	-	-	-	-	-	-						
i. Repayment of Unsecured Loan	-	-	-	-	-	-						
j. Remuneration	1,76,46,054	1,99,18,785	42,00,000	42,00,000	2,18,46,054	2,41,18,785	7,83,880	7,32,530	3,93,991	10,83,309	11,77,871	18,15,839
K. Sale of Investments	-	-	-	-	-	-						
L. Issue of shares (by Loan conversion)	-	-	-	-	-	-						
(ii) Balances as at year end												
a. Amount Receivable	-	-	-	-	-	-						
b. Amount Payable	-	-	-	-	-	-						
c. Loan Receivable	-	-	-	-	-	-						
d. Loan Payable	-	-	-	-	-	-						
e. Investment	-	-	-	-	-	-						
f. Guarantee	-	-	-	-	-	-						

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

30 Related Party Disclosures: *(contd.)*

C. Details of Material Related Party Transactions *(contd.)*

Amount in ₹

Nature of Transcations	Enterprises over which significant influence exercised by Key Managerial Persons												Total Enterprises over which significant influence exercised by Key Managerial Persons	
	VGL Softech Limited		Emreald Creations		Brett Plastics Pvt. Ltd.		Reengus Exim Pvt Ltd.		Stp Exim Pvt Ltd.		Shivram Global Private Limited			
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
(i) Transaction during the year														
a. Sales of Goods	-	-	-	-	-	-		-	-	-	-	-	-	-
b. Purchases of Goods	-	-	-	-	-	-		-	-	-	-	-	-	-
c. Advance Given	-	-	-	-	-	-		-	-	-	-	-	-	-
d. Purchase of Fixed Assets	-	-			-	-		-	-	-	-	-	-	-
e. Expenses Reimbursement	-	-	-	-	-	-		-	-	-	-	-	-	-
f. Expenses	-	-			-	2,07,583	-	44,482	-	1,98,722	-	-	-	4,50,787
g. Interest/fees/Rent Recived	-	-					16,065	61,200	-	-	1,32,000	3,24,000	1,48,065	3,85,200
h. Unsecured Loan taken	-	-				-	-	-	-	-	-	-	-	-
i. Repayment of Unsecured Loan	-	-			-	(82,00,000)	-	(49,50,000)	-	(78,50,000)	-	-	-	(2,10,00,000)
j. Remuneration	-	-			-	-		-		-	-	-	-	-
K. Sale of Investments	-	-			-	-		-		-	-	-	-	-
L. Issue of shares (by Loan conversion)	-	-			-	-		-		-	-	-	-	-
(ii) Balances as at year end													-	
a. Amount Receivable	-	-	7,09,811	6,71,511	-	-		-		-	-	-	7,09,811	6,71,511
b. Amount Payable	-	-	-	-	-	-		-		-	-	-	-	-
c. Loan Receivable	-	-	-	-	-	-		-		-	-	-	-	-
d. Loan Payable	-	-			-	-		-		-			-	-
e. Investment	52,07,000	52,07,000	-	-	-	-		-		-	-	-	52,07,000	52,07,000
f. Guarantee	-	-	-	-	-	-		-		-	-	-	-	-

Notes accompanying consolidated financial statements for the year ended 31st March, 2016

31 One of the subsidiaries in USA have recognised net aggregate Deferred Tax Assets of ₹369.56 lacs as at 31/03/2016. As virtual certainty supported by convincing evidence (as required under Accounting Standards 22 – "Accounting for Taxes on Income") is yet to be established, no effect of such Deferred Tax Asset has been given in the Consolidated financial statements.

32 Earning Per Share (EPS)

Particulars		Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
a	Profit after Tax (₹)	39,81,69,097	1,03,16,46,261
b.	Profit attributable to Equity Shareholders for Basic and Diluted EPS (₹)	39,81,69,097	1,03,16,46,261
c.	i) Weighted average number of Equity Shares outstanding during the year for Basic EPS	3,24,59,898	3,22,31,081
	ii) No of Stock Option Outstanding	5,98,925	8,61,845
	iii) No of Dilutive Potential Equity Shares	-	2,69,357
d.	Weighted average number of Equity Shares outstanding during the year for Diluted EPS (c(i)+c(iii))	3,24,59,898	3,25,00,438
e.	**Basic Earning Per Share**	12.27	32.01
f.	**Diluted Earning Per Share**	12.27	31.74

33 The Group in earlier period had identified wholesale and retail as a reportable business segments. Over the recent past, the wholesale segment has started predominantly catering to the Groups retail segment as downstream manufacturing facility. In view of this, now the Group has only one reportable segment viz. 'retail of fashionable & life style products'. Consequently, no segment results are being published for the year.

34 Previous year's figure have been regrouped/ rearranged wherever necessary.

For and on behalf of the Board

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
F.R. No.: 103523W

For **B. KHOSLA & CO.**
Chartered Accountants
F.R. No.: 000205C

PURU AGGARWAL
Group CFO

SUNIL AGRAWAL
Chairman & Managing Director
DIN :00061142

CHETAN DESAI
Partner
M.No.: 17000

SANDEEP MUNDRA
Partner
M.No.: 075482

BRAHM PRAKASH
Company Secretary

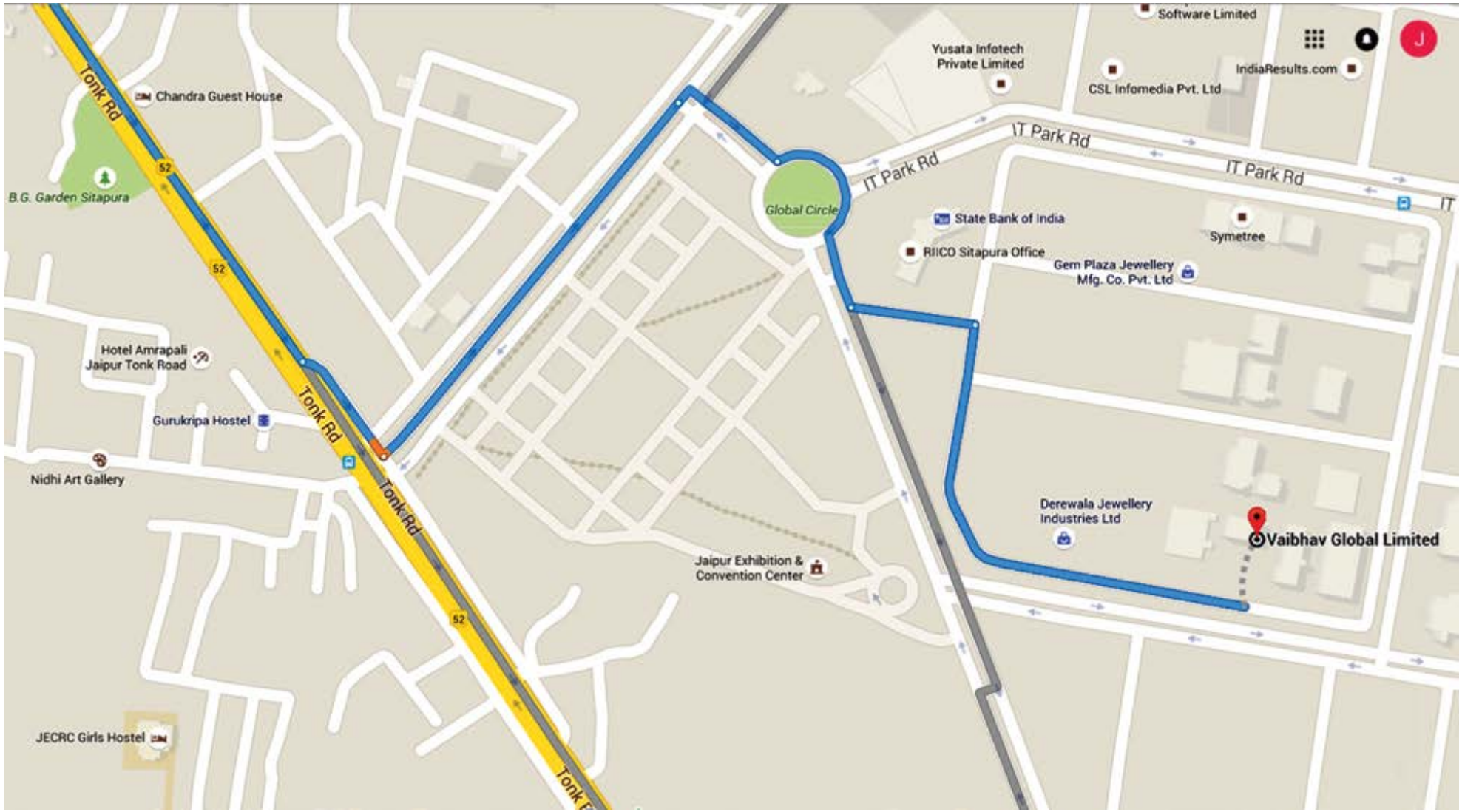
RAHIMULLAH
Whole Time Director
DIN :00043791

Jaipur, 19th May, 2016

Route map to the AGM

Vaibhav Global Limited

E-69, EPIP, Sitapura, Jaipur - 302022



VAIBHAV GLOBAL LIMITED
Registered Office : K-6B, Fateh Tiba, Adarsh Nagar, Jaipur – 302004
CIN : L36911RJ1989PLC004945 • Tele No.: 91-141-2601020 • Fax No : 91-141-2605077
Email: investor_relations@vaibhavglobal.com • Website : www.vaibhavglobal.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

27th Annual General Meeting – 28th July, 2016

Name of the Member (s) : ……

Registered address : ……

Email ID : ……

Folio No./Client ID : ……

DP ID : ……

I/We, being the member(s) of …….....shares of Vaibhav Global Limited, hereby appoint:

Name : ..... Email Id: .....

Address: .....

Signature: …… or failing him / her;

Name : ..... Email Id: .....

Address: .....

Signature: …… or failing him / her;

Name : ..... Email Id: .....

Address: .....

Signature: ……

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 27th Annual General Meeting of the Company, to be held on Thursday, 28th July, 2016 at 10.00 a.m. at E-69, EPIP Sitapura, Jaipur - 302022 and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions
	Ordinary Business :
1.	To receive, consider and adopt the Audited Financial Statements of the Company along with Consolidated Financial Statements for the financial year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Rahimullah (holding DIN: 00043791) who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.
3.	To re-appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next Annual General Meeting (AGM) and to fix their remuneration.
	Special Business :
4.	Appointment of Mr. Santiago Roces Moran as an Independent Director.
5.	Appointment of Mr. Harsh Bahadur as an Independent Director.

Affix Revenue Stamp

Signed this ..... day of ..... 2016. Signature of Shareholder

Signature of first proxy holder Signature of second proxy holder Signature of third Proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

VAIBHAV GLOBAL LIMITED
Registered Office : K-6B, Fateh Tiba, Adarsh Nagar, Jaipur – 302004
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Email: investor_relations@vaibhavglobal.com • Website : www.vaibhavglobal.com

ATTENDANCE SLIP

DP ID		Regd. Folio No.	
Client ID		No. of Shares Held	

I / we hereby record my / our presence at the 27th Annual General Meeting of the Company on Thursday, the 28th July, 2016 at 10.00 A.M. at E-69, EPIP, Sitapura, Jaipur - 302022

Name of the Shareholder (in block letters) Signature

Name of the proxy (in block letters) Signature

NOTE: PLEASE COMPLETE THIS ATTANDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Awards and certifications, 2015-16

- Received an award for ranking first in the silver jewellery category for 2014-15 at the India Gem and Jewellery Awards, 2016
- Received a Certificate of Excellence in October 2015 for the 'Best EOU (other than SME) in the gems and jewellery category for outstanding export performance in 2012-13' from the Export Promotion Council for EOUs and SEZs
- Received an award for ranking first in the 'Most Socially Responsible Company' category for 2014-15 at the India Gem and Jewellery Awards, 2016
- Recognized as the third highest wealth creator company on the basis of a three-year market capitalization CAGR, fourth highest wealth creator company on the basis of five-year market capitalization CAGR and ranked 234th on the basis of revenues by Fortune India (The Next 500)

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Vaibhav Global Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Vaibhav Global Limited Annual Report 2015-16.

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info@trisyscom.com

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