



VAIBHAV GEMS LIMITED

September 30, 2010

The Manager,
Listing Deptt.
National Stock Exchange of India Limited
"Exchange Plaza", Bandra Kurla Complex,
Bandra (E),
Mumbai 400 051

Code No. VAIBHAVGEM

Sub: Copy of proceedings of Annual General Meeting

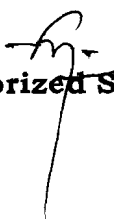
Dear Sir,

Please find enclosed herewith a copy of minutes/proceedings of 21st Annual General Meeting held on 30th September 2010.

Thanking You,

Yours faithfully,

For Vaibhav Gems Limited


Authorized Signatory

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VAIBHAV GEMS LIMITED

Minutes of the 21st Annual General Meeting held on Thursday, 30th September 2010 at 11.00 A.M. at E-69, EPIP, Sitapura, Jaipur – 302022.

PRESENT

- | | | |
|----|-------------------------|-------------------------|
| 1. | Shri Sunil Agarwal | Chairman of the Meeting |
| 2. | Shri Anandi Lal Roongta | Director |
| 3. | Shri M.L. Mehta | Director |
| 4. | Shri S.S. Bhandari | Director |
| 5. | Shri Rahimullah | Managing Director |

In attendance of 16 members.

1. CHAIRMAN OF THE MEETING

Shri Sunil Agarwal, Chairman of the Company, took the chair.

Shri S.S. Bhandari, Chairman of the Audit Committee, Shri M.L. Mehta, Chairman of the Remuneration Committee and Shri Anandi Lal Roongta, Chairman of the Shareholders and Investors Grievance Committee were present at the meeting to address shareholders queries, if any.

2. QUORUM FOR THE MEETING

After ascertaining that the requisite quorum for the meeting was present, the Chairman called the meeting to order.

3. WELCOME

The Chairman of the Company welcomed the members to the Annual General Meeting. The Chairman briefed the members about the financial performance of the company in the financial year 2009-10. He informed that the Company has registered a turnover of Rs. 121.15 Crore; company posted a Net Profit of Rs. 2.13 crore.

4. NOTICE

With the permission of the Chairman, the notice of the meeting was taken as read.

5. ADOPTION OF ANNUAL ACCOUNTS

The shareholders considered the Profit and Loss Account for the year ended 31st March 2010, Balance Sheet as at that date, the Auditor's report thereon and the Director's Report attached thereto, including the annexure of these documents.

Shri Girdhari Lal Sharma proposed that the following Resolution for adoption of audited annual accounts, Auditor's report and Director's report be adopted as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March 2010 and Profit and Loss Account for the year ended on that date and the Report of the Board of Director's and Auditor's Report thereon as laid before the members be and are hereby adopted."

Shri Virendra Jain seconded the Resolution. Before the Resolution was put to vote, the Chairman invited queries, if any, on accounts from the shareholders. The Chairman of the Audit Committee replied the queries.

On being put to vote, the Resolution was carried unanimously as an Ordinary Resolution.

6. RE-APPOINTMENT OF SHRI S.S. BHANDARI AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

Shri Rakesh Duggar proposed that the following resolution for reappointment of Shri S.S.Bhandari as a director liable to retire by rotation be adopted as an Ordinary Resolution.

"RESOLVED THAT Shri S.S. Bhandari, a Director of the Company, who retires by rotation at this meeting, being eligible for reappointment, be and is hereby reappointed as a Director of the Company whose period of office shall be liable to determination by retirement by rotation."

Shri Virendra Jain seconded the Resolution. On being put to vote, the Resolution was carried unanimously as an Ordinary Resolution.

7. RE-APPOINTMENT OF SHRI M.L. METHA AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

Shri Girdhari Lal Sharma proposed that the following Resolution for reappointment of Shri M.L. Metha as a director liable to retire by rotation be adopted as an Ordinary Resolution:

"RESOLVED THAT Shri M.L. Mehta, a Director of the Company, who retires by rotation at this meeting, being eligible for reappointment, be and is hereby reappointed as a Director of the Company whose period of office shall be liable to determination by retirement by rotation."

Shri Nathu Lal Sharma seconded the Resolution. On being put to vote the Resolution was carried unanimously.

8. APPOINTMENT OF STATUTORY AUDITORS

Shri Shankar Lal Sain proposed that the following Resolution for reappointment of M/s Haribhakti & Co., Chartered Accountants, Mumbai and M/s B. Khosla & Co., Chartered Accountants, Jaipur, as the joint Statutory Auditors, be adopted as an Ordinary Resolution:

“RESOLVED THAT the auditors of the Company, namely M/s Haribhakti & Co., Chartered Accountants, Mumbai and M/s B. Khosla & Co., Chartered Accountants, Jaipur, who retire at this Annual General Meeting, being eligible and willing to act as auditors and from whom certificates pursuant to Section 224(1B) of the Companies Act, 1956 have been received, be and are hereby reappointed as Joint Statutory Auditors of the Company to hold office till the conclusion of the next Annual General Meeting and that they be paid such fees as may be mutually agreed between them and the Board of Directors of the Company, and in addition out of pocket, traveling and other expenses incurred by such auditors in connection with the audit of the Company”.

Shri Nard Lal Peepliwal seconded the Resolution. On being put to vote, the Resolution was carried unanimously as an Ordinary Resolution.

The meeting concluded with a vote of thanks to the Chair.

For Vaibhav Gems Limited

Authorized Signatory

September 30, Jaipur