Vaibhav Global Limited

Agile
Resilient
Focussed

2nd Integrated Report 2022-23 | 34th Annual Report 2022-23

What's Inside

Forward-Looking Statement

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 might be a 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 FY23.

To view this report online / to know more about us, please visit:
www.vaibhavglobal.com

About The Report

Our Approach to Reporting

This is Vaibhav Global Limited's 2nd Integrated Report and 34th Annual Report that depicts the overall business and sustainability performance, data and context, reflecting our continued journey towards driving sustainable business practices into our core strategy.

Scope of the Report

Information included in this report covers our activities in the FY23 within our various operations globally.

Boundary of Reporting and Reporting Period

The Report covers financial and non-financial information and activities of Vaibhav Global Limited for the period 1 April, 2022 to 31 March, 2023. The financial statements has been audited by BSR & Co. LLP. The reporting scope and boundary for our disclosures, unless otherwise stated, covers the operations of Vaibhav Global Limited.

Reporting Principle

Vaibhav Global Limited (VGL) presents its Business Responsibility and Sustainability Report (BRSR), in line with the BRSR requirements provided under 'National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs in 2019, under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The BRSR primarily provides information about the key initiatives taken by the Company, driven by the triple bottom line attributes – environmental, social and governance.

This Report marks our progress in communicating various ESG objectives and sustainability initiatives concerning our stakeholder groups. The Report outlines the approach adopted by VGL towards:

- Creating positive environmental and social outcomes through our business operations, conducted in a responsible, ethical and inclusive manner.
- Disclosing our sustainability performance across the identified material topics.
- Capturing detailed information on the practices followed as a responsible beverage business, a people company, an environmental steward, and a corporate citizen.

We have made disclosures of our data and processes in line with SEBI's new mandate through our Business Sustainability and Responsibility Report. In addition, we have also published our 2nd Annual ESG Report for our stakeholders which details our ESG initiatives, priorities, impact and outlook on ESG imperatives.

FEEDBACK AND SUGGESTIONS

We welcome your feedback and suggestions on this Report. For any feedback, suggestion or clarification, please reach out to us at: investor_relations@vaibhavglobal.com

Our Six Capitals

FINANCIAL CAPITAL

Read more on Page **36**

MANUFACTURED CAPITAL

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INTELLECTUAL CAPITAL

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SOCIAL & RELATIONSHIP CAPITAL

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HUMAN CAPITAL

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NATURAL CAPITAL

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Agile. Resilient. Focussed.

An agility to create, preserve and recover value, to build resilience amid macro challenges, to focus on the core, and the adaptability and ability to change and respond to ongoing uncertainty, and take advantage of new opportunities have always been key focus areas of Vaibhav Global Limited.

FY23 was a year when we faced the challenge of moderating consumer demand amidst an inflationary environment. We took this as an opportunity, leveraged our moats and delivered decent financial results. We stood firm and tall, recalibrated our business strategies and continued with our strategy to invest in our future growth levers.

We spent the year expanding our customer base, and leveraging our diverse portfolio and an omni-channel presence. Amidst broader macro challenges, we gained market share and continued to build our future growth levers. Further, sustained efforts on cost optimisation helped improve quarterly margins with improved efficiency. A pragmatic approach gave us the confidence that when market conditions rebound, our solid foundation will see us advantageously into the future.

Moving forward, we remain cautiously optimistic about the future and are committed to investing and creating future growth enablers. We are confident of our ability to navigate challenges and experience to effectively manage the business in any environment. The robustness of our business model will continue to drive forward our growth ambitions.

What is VGL all about

Added
17 million
households across OTA and cable platforms

0.5 million
Total unique customers

300 K
New registrations

221 K
New customer acquisition

38%
Customer retention rate (%)

~14K to 15K
New jewellery designs introduced every year

US$ 25 to US$ 45
Average ticket size

30
No. of countries we source from

23
Average pieces purchased per customer

No. of own brands: **31**

No. of SKUs: **~75,000**

250+
Dealing in Gemstones (including rare gemstones)

57%
New customers acquired digitally in FY23

7
No. of manufacturing facilities

87%
Retention Rate for **20+** Purchases*

11.2 million
kWh Units Power requirement fulfilled through solar energy (till date)

75 million
No. of meals provided to school children since inception, under the Mid-day meal programme *'Your Purchase Feeds...'*

* Refers to the retention rate of customers who have purchased more than 20 times on a TTM basis

Being A Vertically Integrated Digital Retailer

WHO ARE WE

We are a multinational, omni-channel, full-fledged, end-to-end 'value conscious' E-tailer with two pools of product verticals in the developed markets – Fashion Jewellery, Gemstones & Accessories; and Lifestyle Products, Home Décor, Beauty Care, Apparels & Accessories.

With an end-to-end B2C business model, we have direct access to 141 million households across US, UK and Germany through its proprietary TV home shopping network and digital platforms, which includes our proprietary website, shopping apps, OTT platforms, marketplaces and social media.

OUR LEGACY

Headquartered in Jaipur, India, we began operations as a B2B player reaching patrons via intermediaries like Walmart, Sear and Macys. Since 2005, the Company started to expand the customer funnel by venturing into the B2C business model, wherein it opened physical retail stores in major international tourist destinations, such as Alaska, Mexico and the Caribbean Islands, and opened 19 such stores till 2007. In parallel, the Company moved even closer to consumers through proprietary TV channels in the US, UK and Germany. The above measures were a part of our bigger plan to become a prominent player in the teleshopping industry.

However, the opportunity of growth was confronted with the challenge of the global financial crisis in 2008. To address the lower discretionary spending by customers, VGL started liquidating its inventory at low prices. This discovery of liquidation model turned out to be a blessing in disguise. The Company further consolidated its operations, exited the German market and closed its physical retail stores. This led to changing our long-term strategy of focussing on the 'Deep-Discounted' business model and this marked another phase of evolution for the VGL Group.

ROBUST AND CONTINUOUS CUSTOMER ENGAGEMENT

With a deep value proposition, we have established a wide presence across mediums, with a robust customer connect and a higher consumer and wallet share. Through our TV shopping channels, we serve our customers 24X7 on almost all major cables, satellite, DTH platforms, YouTube, OTT platforms and social media. We aid our customer lifetime value through our e-Commerce websites in United States (www.shoplc.com), UK (www.tjc.co.uk) and Germany (www.shoplc.de). Our mobile applications complement us in our TV coverage.

Our TV home shopping network today connects us with 141 million households across US, UK and Germany. Few notable achievements in TV households during the year are:

Shop TJC: Our investment in upgrading 'Freeview' channel position to #22 from erstwhile #50 position is bearing the desired results. Even during a challenging macro-economic environment, the total 'number of new customers' increased by 8% YoY and much stronger by 26% over normalised pre-COVID period of FY20.

Shop LC US: Added 4 million households in US across OTA and linear TV platforms.

Shop LC Germany: Partnered with Vodafone Germany; Added 13 million additional households in Germany. We are now present in 90% of the households within 1.5 years of our operations in place.

Our Corporate Philosophy

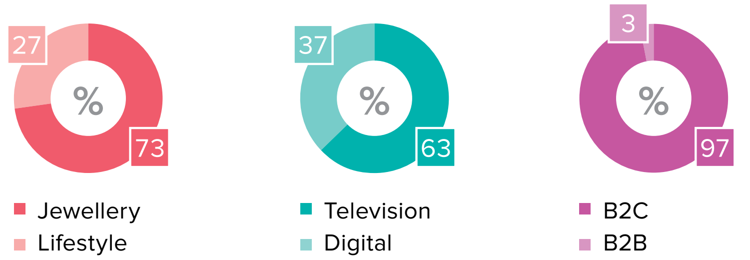
OUR VISION

Be the Value Leader in Electronic Retailing of Jewellery and Lifestyle Products

OUR MISSION

To deliver one million meals per day to children in need by ‘FY31’ through our flagship programme: Your Purchase Feeds...

What contributes to Total Revenue



OUR CORE VALUES

TEAM WORK

HONESTY

COMMITMENT

PASSION

POSITIVE ATTITUDE

Our Vertically Integrated Supply Chain

Our low-cost manufacturing base in Asia	Value sourcing base	Serving affluent, but value-conscious customers in developed markets
India and China	30 countries including China, Indonesia, Thailand, Hong Kong, and others	Retail Markets: US, UK, Germany & Austria Marketplaces: Canada

Diversifying customer engagement

Proprietary TV Shopping Channels

Shop LC in US and Germany
Shop TJC in UK

Proprietary Website

- Shoplc.com
- Tjc.co.uk
- Shoplc.de

Mobile Applications

Google Pay

App Store

Social Media

YouTube

FaceBook

SnapChat

Pinterest

Instagram

Third-Party Marketplaces

Amazon

Walmart

Google Marketplace

Overstock

eBay

Zulily

Over-The-Top Platforms (OTT)

ROKU TV

Direct TV Stream

Amazon Fire TV

Android TV

Apple TV

Samsung Smart TV

Vizio

YouTube Live

Aiming at growing further by leveraging our 4R Strategy

1 **REACH**

141 million households

2 **REGISTRATION**

3 lakhs

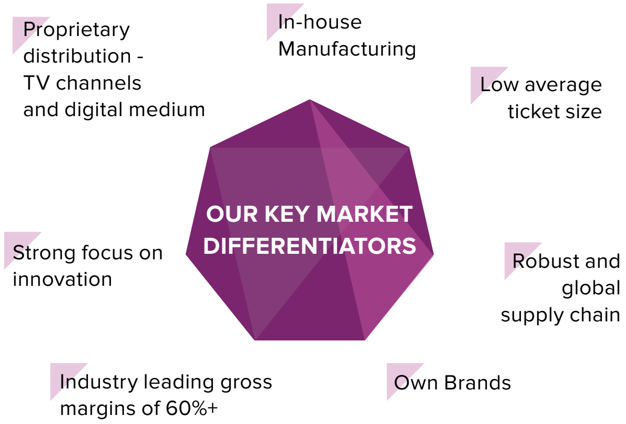
3 **RETENTION**

Overall: **38%**

+20 Purchases: **87%**

4 **REPEAT**

23 pieces annually / customer



OUR KEY MARKET DIFFERENTIATORS

Proprietary distribution - TV channels and digital medium

In-house Manufacturing

Low average ticket size

Strong focus on innovation

Robust and global supply chain

Industry leading gross margins of 60%+

Own Brands

Letter from The Chairman

Dear Shareholders,

I am delighted to present the 2nd Integrated and 34th Annual Report of Vaibhav Global Limited.

In my earlier communication, we extensively discussed our strategy of maintaining a diversified product portfolio and investing in future capabilities. This is even more relevant in the current times, considering the global macro-challenges like geopolitical tensions, cost inflation and a fragile growth environment.

In the preceding two years, during COVID-19 and its disruption phase, customers worked from the comfort of their homes. The pandemic changed online shopping behaviour, as they increasingly used online platforms to order, leading to a boom in teleshopping and online businesses.

However, in FY23, as things opened-up, people stepped out more to shop, which had an impact on online and TV shopping to some extent. Additionally, larger economies suffered during the year due to the geopolitical tensions. Inflationary and pricing pressures affected consumers' purchasing power, thereby impacting e-commerce and digital companies, including teleshopping companies.

NAVIGATING HEADWINDS

The headwinds in the global environment impacted two of the key regions that we operate in: United States and United Kingdom. Despite facing moderating consumer demand, we demonstrated resilience. We judiciously invested in key strategic initiatives, such as expanding our households reach by adding more cable TV and OTA households. We also increased marketing spend in OTT or connected TV homes where the customer lifetime value is very high.

At VGL, we believe in seeding investments for long-term growth. For instance, our Salesforce marketing and Salesforce service clouds have recently gone live in the US and the UK. Despite the challenging macro environment, we continue to gain market share across regions. We perceive that the current headwinds are transient in nature, and with all growth levers in place, we will continue to achieve market leading growth.

Our balance sheet remains robust having a healthy cash and bank balance of ₹167 crore (net of debt). We made sustained efforts towards cost optimisation, operational efficiency, constant new products introduction and customer acquisition. We are confident that the steps taken during the year will go a long way in developing a more agile and resilient business model.

OUR UNIQUE BUSINESS MODEL

We take pride in our omni-channel sales distribution model, enabling global electronic retailing of fashion jewellery, apparel, lifestyle products and accessories. Today, we are serving approximately 141 million households as against 124 million households in FY22. New registrations during the 12-month period were 3 lakhs, a significant increase of 69% over the last pre-COVID year. Nearly 57% of the new customers were acquired digitally, thus reaffirming our decision to increase investments in digital segment.

> WE PERCEIVE THAT CURRENT ENVIRONMENT IS TRANSIENT IN NATURE AND WITH ALL GROWTH LEVERS ALREADY IN PLACE, WE WOULD BE ABLE TO ACHIEVE MARKET LEADING GROWTH ONCE NORMALCY RESUMES. CURRENTLY, DESPITE THE CHALLENGING MACROS, WE CONTINUED TO GAIN MARKET SHARE ACROSS THE REGIONS AND ARE CONFIDENT OF CONTINUING THE MOMENTUM.

A vertically and fully integrated supply chain spanning 30 countries is our backbone and a key differentiator for us. An asset-light and vertically integrated business model enable us to offer differentiated products at competitive prices. This has enabled us to maintain ASP (Average Selling Price) of our products ranging between US$ 25 to US$ 45 and sustain market-leading gross margins at 60%+.

What truly makes Vaibhav Global unique is our ethos that encourages innovation. We continue to foster a culture of innovation across products and processes. With several 'innovation' programmes like Innov8, Spark, Catapult and Hackademic, we strive to understand the demands of our customers and deliver relevant products.

THE ESG JOURNEY

The importance of ESG has increased globally and businesses have begun to integrate it into their operations and business strategies. We continue to make progress towards our target of becoming net carbon zero entity by FY31 in terms of scope 1 and 2 GHG (Green House Gases) emissions. Today, our SEZ unit in Jaipur is **Net Zero Energy Building** certified, making it the 16th project in India to be certified so, out of the 3,600 nationwide green certified projects. Today, 2 of our manufacturing units in India, 2 premises in the United States and 1 premise each in UK and Germany are utilising 100% renewable energy sources in their operations.

Expanding on our key achievements, we successfully conducted and passed SMETA-4 pillar audit for 2 of our units in India. Globally, all our business units except Germany, are **Great Place to Work**® certified. Through our flagship mid-day meals programme - ***'Your Purchase Feeds…'***, we have served approximately 75 million meals to underprivileged children in India, US, UK, and Germany to date. Currently, we are serving ~50,000 meals every school day and aim to serve 1 million meals per day by FY31.

BEING CONFIDENT IN A BETTER FUTURE

I would like to conclude this year's letter with a famous quote from Zig Ziglar. He said, "When obstacles arise, you change your direction to reach your goal. You do not change your decision to get there". This embodies the philosophy of your Company as well. Our long-term growth story remains intact and we remain confident of our business model, despite the short-term challenges.

As I conclude, I want to take this opportunity to express my sincere gratitude to Board of Directors, employees, customers and vendors. The trust and confidence displayed by you, our valued stakeholders, has always been a source of great strength for everyone in the Company. We look forward to your continued support in the future as well.

Yours Sincerely,

Harsh Bahadur
Chairman

Letter from the Managing Director

Dear Shareholders,

Even though we witnessed several headwinds last year, we remained focussed on the goal of value creation.

The Group's performance during FY23 was against the backdrop of moderating consumer demand owing to two macro environments. First the opening of economies after almost two years of travel restrictions led people to go out for revenge outings and in-person shopping, impacting the overall digital retailing industry. Secondly, the high inflation in western economies resulted in high level of uncertainty in consumers, leading to subdued spend on discretionary items.

Even though the business environment for digitally native retailers was tough, we continued to gain market share against our competitors.

REGION-WISE PERFORMANCE

US and UK markets

Shop LC's (US) performance reflects impact of uncertainties due to high inflation, rising interest rates, increasing rents and food prices. Cyber-attack also temporarily disrupted the operations in crucial holiday period. We took proactive measures to mitigate the impact of inflation on consumer sentiments. We expanded our portfolio of Gold and diamond products that people tend to buy in inflationary environment. We focussed on content improvement and accelerating household expansion through OTA, digital and the OTT medium. While many retailers struggled mightily due to snarled supply chains, our vertical business model allowed us to rapidly change our offerings, suitable for the time, allowing us to maintain our 60%+ gross margins.

In the earlier year, TJC (UK) upgraded its channel position to 22nd position, from its erstwhile 50th position. In TJC (UK), the 'Freeview' channel upgrade continued to yield positive outcomes for new TV customer addition. Customer acquisition growth was a bit lower compared to COVID high but was 82% higher than FY20, the last pre-COVID year. In UK, during the year, several major delivery partners faced strikes which led to an industry-wide impact on deliveries. Cyber-attack temporarily disrupted UK operations as well.

We believe that these headwinds are transient, and we are well placed to leverage the true potential of US and UK markets.

German operations

In a key milestone, our German subsidiary Shop LC GmbH partnered with Vodafone Germany on the nationwide cable network. Our strategic partnership with Vodafone Cable Network has enabled us to extend our reach to additional 13 million households, thus expanding our presence to approx. 90% of total households. Germany continues its growth momentum and is today clocking a monthly revenue of 1.4 million Euro.

Marking our foray into Over-The-Air platforms through Freenet TV was a major achievement in Germany in FY23. Today, we are despatching

> WE HAVE BEEN WORKING TOWARDS CREATING AN ORGANISATION THAT IS MORE TRANSPARENT, TECHNOLOGICALLY EVOLVED AND ONE THAT HAS THE BEST OF CORPORATE GOVERNANCE PRACTICES.

3,500+ pieces per day, with a CSAT score of 96%. We continue discussions with other affiliates to gain more households in the country.

FOSTERING A CULTURE OF INNOVATION

Innovation is continuous process of identifying problems and solving them at an operational and delivery level. Through a 'systematic innovative thinking approach', multiple problem-solving products were introduced, and we came up with ideas to further expand our existing successful products. Some of the innovative product ideas that were implemented and sold on our channels in good volumes included: a Smart Walking Cane, many innovative cut gemstone, an Arthritis ring, Bolo bracelet with a magnetic clasp, etc.

FUTURE GROWTH LEVERS

We are optimistic about the future and confident in our ability to navigate challenges and achieve our goals. Our 4R framework of Widening Reach, New Customer Registration, Customer Retention and Repeat Purchases forms the basis of driving our operating performance and continue to be the future levers for growth.

We believe in seeding investments for long-term growth. Recently, Salesforce marketing and Salesforce service clouds have gone live in US and UK. Our continued investments in digital areas of our business will give us growth in coming periods. We are also expanding the customer base by leveraging our diverse product portfolio and a growing omni-channel presence across linear TV, digital TV, Live streaming, OTT, Market places, web and mobile Apps.

We have been working towards creating an organisation that is more transparent, technologically evolved and one that has the best of corporate governance practices. We believe the robustness of our business model will continue to drive our growth ambitions forward.

LOOKING AHEAD

In FY24, our key focus area will be to strengthen our digital presence enabling cross-selling potential resulting in improved customer lifetime value. We will work on further improving the customers' shopping experience by augmenting various customer touchpoints. We intend to grow our TV reach by increasing the number of households we broadcast to.

We continue to closely monitor the macro environment and business trends. I believe that we have a capable team with the experience to effectively manage growth in this environment. Despite near-term uncertainties, we believe that the medium and long-term demand remains strong. We are well positioned to leverage our competitive advantages. We look forward to maintaining a balance between growth, investment, and pay-outs to generate sustainable value for our stakeholders.

Warm Regards,

Sunil Agrawal
Managing Director

Letter from the CFO

Dear Shareholders,

It gives me great pleasure to present you the 2nd Integrated Annual Report of your Company for the financial year 2022-23. I'd like to emphasise this was yet another challenging year which was very well managed owing to the strategic investments made and our able execution. Perseverance of Team VGL was commendable and it was this that helped us deliver stable performance amidst broader challenges.

YEAR GONE BY: RESILIENT IN A CHALLENGING ENVIRONMENT

The backdrop of economies opening-up and consequently, consumers going out in a phenomenon called revenge outing & revenge buying across our addressable markets, coupled with decadal-high inflation in the western economies, muted consumer sentiments. Consequently, the digital retail industry witnessed a decline in the online sales mix. However, this phenomenon is transient in nature, and we believe the underlying demand continues to remain strong, and we are well prepared to leverage our long-term growth potential.

FY23 REPORT CARD

During the financial year 2022-23, our consolidated revenue stood at ₹2,691 crore, registering a decline of 2% YoY. However, the topline had a stronger growth of 35% over the pre-COVID normalised period of FY20, suggesting a healthy CAGR of 10%. Comparing the current year's performance with normalised and pre-COVID numbers of FY20 provides a more accurate and relevant perspective on our business performance during this period. The historical CAGR spread across differing periods of 20 years and 25 years were healthier at 18% each, indicating robustness of our strong business model.

TV revenues degrew 4% YoY (27% growth over FY20), while digital was almost flattish YoY (54% growth over FY20). Digital segment continued to perform better than TV owing to its wider discovery potential. During the year, the Jewellery segment reported a rise of ~2% (28% growth over FY20), whereas the Non-Jewellery segment performed softer at -13% (68% growth over FY20). In terms of geography, in constant currency, Shop LC (US) and Shop TJC (UK) reported a revenue decline of 11% and 8%, respectively. The performance reflects impact of economic headwinds and resultant subdued consumer demand. Germany continued with its momentum and is now clocking a revenue of Euro 1.4 million per month.

Our vertically integrated supply chain, combined with a strong global sourcing reach, provides us with a competitive advantage and enabled us to maintain a robust gross margin at 61.1%. EBITDA margin, which had earlier bottomed out in Q4-FY22, continued to improve every quarter of the year under review. At 8.4%, it reflected short-term impact of

> MOVING FORWARD, WE REMAIN WELL-POISED FOR LONG-TERM SUSTAINABLE GROWTH WITH OUR UNIQUE VALUE PROPOSITION, WHICH HOLD HUGE GROWTH POTENTIAL. UPHOLDING THE HIGHEST STANDARDS OF CORPORATE GOVERNANCE AND TRANSPARENCY

operating deleverage and continued planned investments on digital marketing, marketplaces, increased airtime for OTA platforms and Germany. The cost optimisation programme, which was initiated in the previous year, resulted in annualised savings of approx. US$ 4.2 million, and we still continue to be diligent on our cost rebase initiatives. On TTM basis, our ROCE and ROE were at 14% and 9% respectively, reflecting the impact of subdued profitability during the year.

Profit before tax for the year was ₹ 141 crore (5.3% of revenue) versus ₹242 crore (8.8% of revenue) YoY.

Planned investments on building digital capabilities, airtime investments and losses of Germany impacted our profitability. Adjusted for German losses and exceptional items, PBT would have been ₹193 crore, i.e., 7.5% of revenue. Operating cash flow and free cash flows stood at ₹126 crore and ₹162 crore (₹90 crore after adjusting for term deposits worth ₹72 crore with maturity of more than three months), respectively in FY23. This is against ₹86 crore and -₹214 crore in FY22 and reflects the impact of capex reverting to normal levels and an increased focus on profitability.

Despite the challenging times, we continued with our endeavour of returning meaningful value to our shareholders. During the year, we declared a total dividend of ₹6.00 per equity share (including interim dividends of ₹4.50 per share). Going forward too, we will maintain our focus on growth and profitability with prudent capital management.

OUTLOOK

Moving forward, we remain well-poised for long-term sustainable growth with our unique value proposition, which hold huge growth potential. Upholding the highest standards of corporate governance and transparency, we take great pride in our commitment to ethical practices and accountability. As we reflect upon our journey, we extend our heartfelt appreciation to our valued customers, vendors, dedicated employees, and shareholders for their support and trust. It is through your collective support that we have been able to navigate the challenges, capitalise on opportunities, and emerge stronger even in a tough year.

In the short-term, the challenges around inflationary pressures may continue to impact the business outlook. However, we remain positive about the medium to long-term growth prospects and profitability.

I want to take this opportunity to express my sincere gratitude to our Board of Directors, employees, valued consumers and our shareholders for their continued contribution to our success.

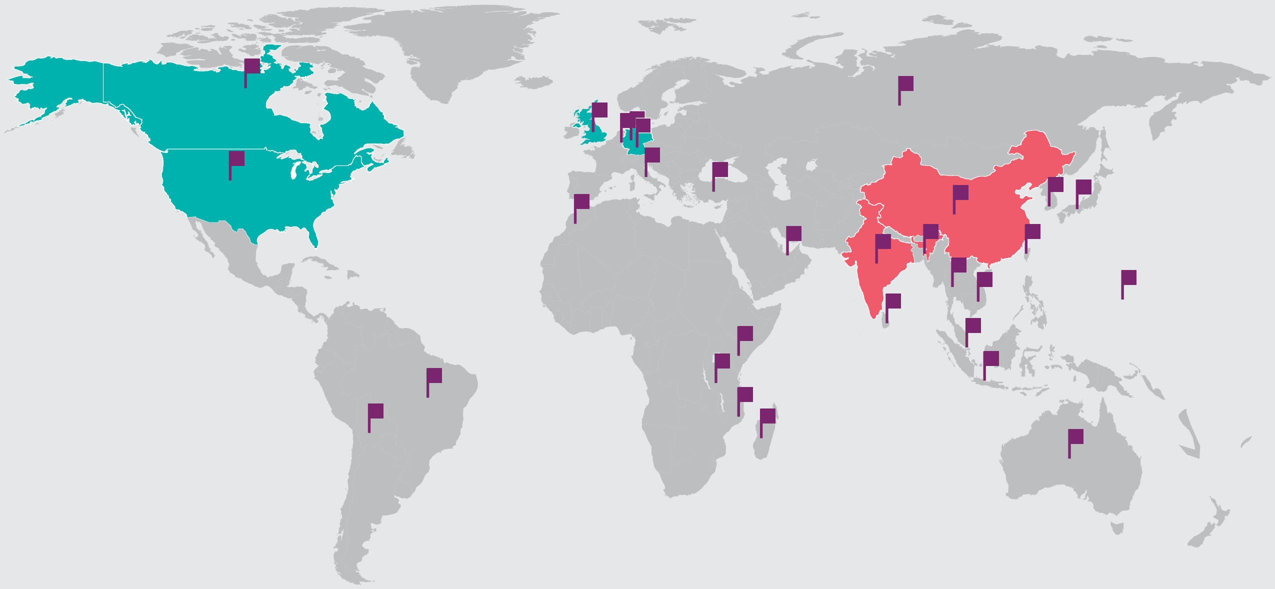
We also thank our stakeholders for their unwavering support in our endeavour to focus on long-term value creation in Vaibhav Global's journey.

Sincerely,

Nitin Panwad
Group Chief Financial Officer

A Global Network

Our global operations are spread across diverse cultures and markets. We serve our customers in three of the world's largest and most advanced retail markets (US, UK and Germany), operate through marketplaces in Canada, with manufacturing units in India and China, and a state-of-the-art global supply network in several countries.



Retail markets and geographies we operate in
(directly and through marketplaces)

USA

UK

Germany

Canada
(Through Marketplaces)

🟦 Retail markets
🟥 Manufacturing countries
🟪 Sourcing

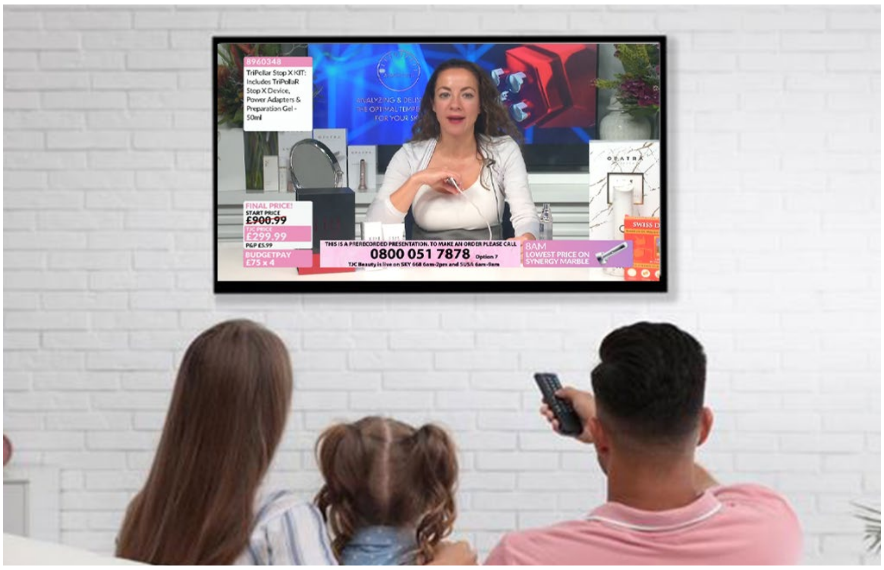
Gaining an edge with a global supply network

1. India
2. China
3. Thailand
4. Indonesia
5. Tanzania
6. Russia
7. Morocco
8. Myanmar
9. Madagascar
10. Bolivia
11. Kenya
12. South Korea
13. Vietnam
14. Brazil
15. Sri Lanka
16. UK
17. Mozambique
18. Germany
19. Italy
20. Turkey
21. Poland
22. Singapore
23. UAE
24. Japan
25. Bangladesh
26. Philippines
27. Czech Republic
28. Taiwan
29. Australia
30. US

An Omni-channel Presence

We are a vertically integrated fashion retailer with multi-channel presence across well-integrated platforms, which help us provide an engaging shopping experience and a high recall value to our customers.

We sell our products via 24x7 proprietary TV home-shopping channels, e-commerce websites, mobile apps, smart TV, OTT platforms, social media platforms, third-party marketplaces, and other digital means.



TV Platforms

Proprietary TV Channels
(including Over The Air Platforms)

Shop LC
(74 million)

TJC
TJC Beauty
(27 million)

Shop LC
(40 million)

Digital Platforms

Proprietary web platform

- shoplc.com
- tjc.co.uk
- shoplc.de

Mobile App on App store and Google Play

- Shop LC
- TJC

OTT platforms

- Amazon Fire TV
- Android TV
- Apple TV
- Samsung Smart TV
- LG Smart TV
- Roku TV
- Xumo
- Vizio
- Facebook Live
- YouTube Live

- Roku TV
- Facebook Live
- YouTube Live
- Apple TV

- Magenta
- YouTube

Marketplaces

- Amazon
- Google Marketplace
- eBay
- Walmart
- Overstock
- Zulily
- Wish

- Amazon
- eBay
- Fruugo
- Etsy
- Wayfair

- Amazon

Social Media Retailing

- Instagram
- Facebook
- Pinterest
- YouTube
- Snapchat
- TikTok

- Instagram
- Facebook
- Pinterest
- TikTok

- Facebook
- YouTube
- Instagram
- Pinterest
- TikTok

US UK GERMANY

Region-wise Performance Updates

United States

KEY NUMBERS

Revenue

US$ 220 million
(-10.8 YoY)
Up 14% over normalised pre-COVID period of FY20

Contributed
68%
to Group's B2C revenue

41%
of new customers acquired digitally

95%+
CSAT Score

KEY HIGHLIGHTS OF THE YEAR

Global headwinds, rising inflation and increasing commodity prices affected the US market. Cyber-attacks also disrupted operations in the region temporarily. To leverage the potential of the region, took proactive measures to mitigate inflationary pressures on consumer sentiments.

NEW INITIATIVES

- Expanded product portfolio under US$ 10-20 and improved content
- Increased air-time allocation for under US$ 10-20 value of products
- Accelerating household expansion through OTA, digital and the OTT medium
- Started Live and Interactive TV called as 'live video commerce'

We are making increased investments on the digital front to expand our customer touchpoints. We also upgraded our technology infrastructure on Salesforce Commerce Cloud and Shopify. Technology is also being utilised for marketing automation through the Salesforce Marketing and Service Cloud for paid and organic marketing, and for customer retention – e-mail automation, SMS automation and chatbots. The platform is also being utilised in targeted campaigns based on customer segmentation.

We are leveraging digital as an enabler across distribution channels – TV, OTA, website, mobile apps, OTT, social media, and third-party marketplaces, further strengthening outbound logistics through GEEK+ robotic automation at US and UK warehouses.

United Kingdom

KEY NUMBERS

Revenue

GBP 74 million

(-8% YoY)

Up 22% over normalised pre-COVID period of FY20

Contributed

27%

to Group's B2C revenue

70%

of new customers acquired digitally

95%+

CSAT Score

KEY HIGHLIGHTS OF THE YEAR

During the year, several major delivery partners faced strikes which led to an industry-wide impact on deliveries. Cyber-attacks also temporarily disrupted operations in the UK business. However, moving forward, we expect market-leading growth from the business in the long run. TJC had earlier upgraded the position of Freeview channel to 22nd in January 2022, from the erstwhile 50th position. The investment is yielding positive results now, with new customer additions on TV. Even during macro challenging environment, 'number of new customers' increased by 8% YoY; and by a strong 26% over the normalised pre-COVID period of FY20.

Apart from Salesforce Marketing and Service Cloud, we also partnered with some of the latest technology employed vendors like North Beam and Triple Whale for attribution purpose. Through these platforms, we can track customers' journeys regarding order attribution types like linear paid, linear all, first click, and last click, among others. This is expected to optimise the marketing spend with better visibility on channel-wise sales.

Germany

VENTURE INCREASED TAM FOR THE GROUP BY 20%

Launched in July 2021, Shop LC in Germany is airing across cable and satellite TV networks.

The business has an omni-channel presence, with industry-leading gross margins of ~61%+ and positive customer orientation comprising CSAT score of 96%+.

During the year, we associated with Vodafone Germany which allowed us to further expand our reach in the long run and increased our coverage by an additional 13 million households. With 38 million households being served, Shop LC's teleshopping network is now present in 90% households across Germany. Including Austria, today our coverage is spread in 40 million households. VGL aims to leverage its full potential offered by this partnership and capitalise on the upcoming opportunities.

KEY NUMBERS

Serving
38 million
households in Germany

Serving an additional
~2.5 million
households in Austria

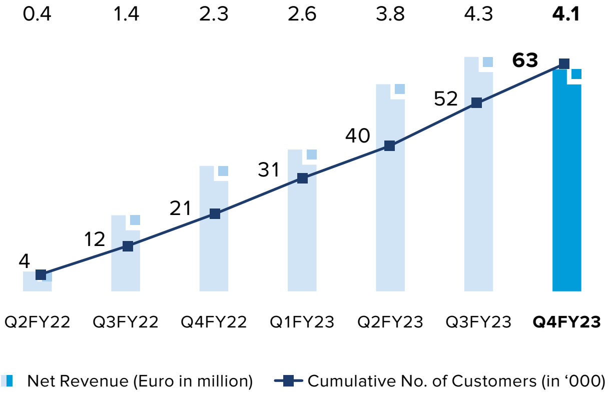
KEY HIGHLIGHTS OF THE YEAR

- Clocked monthly revenue of Euro **1.4 million+**
- Despatches **3,500+** pieces per day
- Digital contributing **31%** of Total Revenue
- Generated CSAT store of **96%** and NPS of **57**

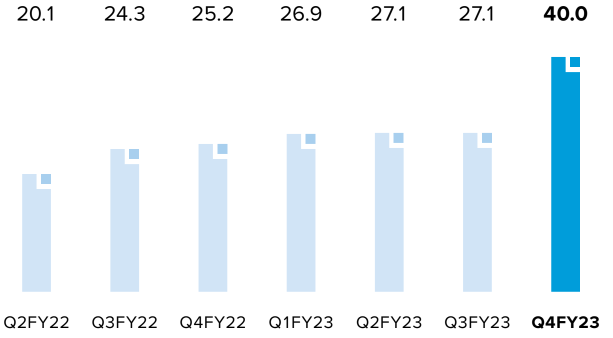
NEW INITIATIVES

- Tied up with Vodafone Germany to add 13 million more households
- Started Live & Interactive TV called 'live video commerce'.

Revenue and Customer Trend



Number of Households (In million)



Creating, Generating and Delivering Value

AN END-TO-END B2C BUSINESS MODEL

INPUTS

FINANCIAL CAPITAL

Total Equity ₹**1,203** crore

Cash and Liquid Investments (Net of Debt) ₹**167** crore

Capital Expenditure ₹**36** crore

MANUFACTURED CAPITAL

Manufacturing Units **7** Nos.

Gross Block Value ₹**677** crore

INTELLECTUAL CAPITAL

18,500 No. of new product ideas generated

1,200 No. of ideators

1,880 No. of process ideas received

HUMAN CAPITAL

4,140 Total Number of Employees

43,335 Training Hours

10 Number of Training Hours Per Employee

Gender Diversity: Male 76%
Female 24%

SOCIAL & RELATIONSHIP CAPITAL

141 million households

₹6.93 crore CSR Spend

NATURAL CAPITAL

3.23 MW Capacity of Solar Plants

Tree plantation

Waste management

Rainwater harvesting and recycling

187 Electric vehicles (including cars)

4Rs OF CUSTOMER ENGAGEMENT

Reach
141 million households in US, UK and Germany

Registration
3 lakhs

Repeat
23 pieces per customer/p.a.

Retention
38%

RELATIONSHIPS

- Customers
- Vendors
- Employees
- Regulatory Authorities

OUR VALUE CREATION PROCESS

VERTICALLY INTEGRATED SUPPLY CHAIN

- Inhouse manufacturing
- Wider procurement base across the globe
- Low-cost manufacturing
- Warehouse Automation and Efficient outbound logistics

VISION AND VALUES

CORE ELEMENTS

- Vertically integrated value chain
- Product and process innovation
- Omni-channel presence
- Corporate Social Responsibility
- Manufacturing facilities

SUPPORT FUNCTIONS

- Human Resource Management
- Information Technology
- Finance and Accounts
- Legal and Secretarial
- Internal Audit
- Administration
- Innovation
- Corporate Communication

GOVERNANCE

- Purpose
- Vision
- Mission
- Core Values
- Board of Directors and Committees
- Robust Internal Control Mechanism
- Code of Conduct
- Whistle Blower Policy

KEY ASPECTS

- Strategy and Capital Allocation
- Stakeholder Engagement
- Risks and Opportunities

OUTPUTS

FINANCIAL

Turnover ₹2,691 crore

EBITDA ₹277 crore

PAT ₹105 crore

Dividend Payout Ratio 94%

MANUFACTURED

2 No. of Product Categories

- Fashion Jewellery & Gemstones

- Lifestyle Products

75,000+ No. of SKUs

INTELLECTUAL

940 No. of new innovative products launched in markets

85+ No. of Innovative Process Ideas Implemented

HUMAN

115% Training hours achieved vs planned

SOCIAL & RELATIONSHIP

11 million of meals served

87% Retention rate of customers who have bought more than 20 times

23 Repeat purchases

95% Customer Satisfaction Score (CSAT) across US, UK & Germany

NATURAL

11.2 million Solar energy generated till date

1,750 kg Plastic waste recycled till date

2,200 kg E-Waste recycled till date

Rainwater harvested 6,100 KL per annum

Water recycled 17,500 KL per annum

Reduction in number of buses till date 12 buses

OUTCOMES

FINANCIAL

Return on Equity 14%

₹90 crore Free Cash Flow

₹4,500 crore
Market Capitalisation
(As on 31 March, 2023)

Revenues

B2C 97% of Total Revenue

B2C ₹2,610 crore

TV Revenues ₹1,633 crore

Web Revenues ₹977 crore

B2C Revenues
- Jewellery ₹1,914 crore
- Lifestyle ₹696 crore

B2C Revenues
- Budget Pay 39%
- Non-Budget Pay 61%

MANUFACTURED CAPITAL

No. of SKUs Approx. 75,000

INTELLECTUAL

Revenue contribution from innovative products 6% of B2C

Innovative process ideas implemented 85

HUMAN

No. of fatalities 0

SOCIAL & RELATIONSHIP

Repeat purchases 23

CSAT Score 95%+

NATURAL

35,000 saplings planted:
- 28,000 saplings planted in 2 Miyawaki forests
- 7,000 saplings planted in other areas

Our Strategic Objectives

4R FRAMEWORK

Widening Reach, New Customer Registration, Customer Retention and Repeat Purchases remains to be our key levers for growth. We have been expanding our customer base by leveraging our diversified product portfolio and omni-channel presence.

STRATEGIC OBJECTIVE 1

REACH

- Widening our reach
- Ensuring gap filling through ideas shared
- Broadening SKUs on channels

Strategic Enablers

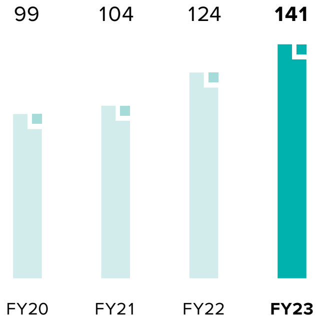
TV	**Linear, OTA**
Digital	Browsers Mobile Apps Marketplaces OTT Social media

Impact Created

141 million

Households

Reach in Global Households (In million)



STRATEGIC OBJECTIVE 2

REGISTRATION

New customers being added – TV and Digital

Strategic Enablers

- **Diverse products**
- **Deep value proposition**
- **Engrossing content**

Impact Created

0.5 million

of unique customers base with 3 lakh registration

STRATEGIC OBJECTIVE 3

RETENTION

- Retaining customers through customer centricity
- Serving customers' needs and satiating their requirements

Strategic Enablers

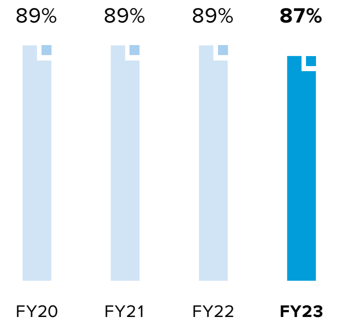
- **Enduring relationships**
- **Convenience**
- **Digitalisation/AI**

Impact Created

38%

(TTM)

Retention Rate for 20+ Purchases



STRATEGIC OBJECTIVE 4

REPEAT

Ensuring repeat customers – and steps taken towards this

Strategic Enablers

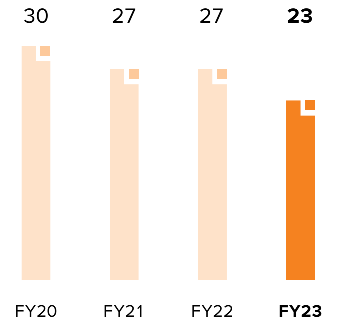
- **Broadening Product Portfolio**
- **Cross-selling across channels**

Impact Created

23

Pieces Per Customer (TTM)

Repeat Purchases (No. of Pieces)



Stakeholder Engagement

OUR STAKEHOLDER ENGAGEMENT

STAKEHOLDER	ENGAGEMENT TOPICS	COMMUNICATION CHANNELS	RELEVANCE TO VGL
CUSTOMERS	Customer satisfaction surveys, e-meets with customers, company website, brochures, mailers, social media, trade fairs, advertisement campaigns, feedback forms, customer care service to address queries	Quality, Timely delivery, Grievances redressal, feedbacks, Easy return policies	Being our biggest advocates
EMPLOYEES	Surveys, Townhalls, Department Meetings, Awards, Trainings and Workshops	Career growth, Employee benefits, Performance management system, Internal job postings, transparent evaluation	Depending on their collective knowledge and experience for core of operations, innovation and productivity
VENDORS AND BUSINESS PARTNERS	Supplier surveys, enquiries via telephone and E-mail, periodic partner meets, Transparent onboarding process	Timely payments, Repeat orders, Adherence to SOP's	To ensure on-time delivery of quality raw materials and partner in our progress
SHAREHOLDERS	Quarterly earnings, conference calls, Investor conferences, Investor & Analysts Day, Roadshows with Investors, AGM, Company Website, Press & Social Media Releases and Other Statutory Disclosures	Company's financial performance, Improved return ratios, Fair business practices, Effective risk controls and adequate disclosures	To provide for financial capital for the business
GOVERNMENT AUTHORITIES	Cooperating with all queries, participating in Industry Associations, Regular contribution to exchequer through tax payments, zero tolerance for non-compliances	Compliance with applicable regulations, CSR activities, transparent communication	To comply with applicable laws
COMMUNITIES	Engaging through CSR initiatives, Community development, Engaging with local authorities for social cause	Contributing for upliftment of needy, responsible business practices like clean water, rainwater harvesting, safe disposal of wastes and their recycling, assisting in mid-day meals in schools to motivate children to go to school, improving living standards, developing community infrastructure	To create a net positive effect on the society

OUR ESG PHILOSOPHY

We understand that our business affects society and the environment. And hence, we have consciously incorporated sustainability aspects in our core company policies and practices. We are committed to doing what we can as a business to sustain the natural environment and our society. We are proud that our achievements are dedicated to responsible business practices that contribute in a positive way to nature and the communities in which we operate.

SUSTAINABILITY MODEL

OUR SUSTAINABILITY VISION

Become Carbon Neutral in Scope 1 and Scope 2 GHG emissions by 2031

Pursuing to become Carbon Neutral in Scope 3 GHG emissions

SUSTAINABILITY ROADMAP: TARGETS VS ACHIEVEMENTS

Responsible Sourcing Charter extended to major suppliers	Deploying Electric Vehicles for employee transportation	Secure Green Building certification	Mid-term Sustainability Targets
Frequent engagement and training programmes conducted with our key suppliers to educate them on our Responsible Sourcing practices. Encouraging them to advocate the same principles to their vendors and partners.	184 electric two-wheelers and 3 electric four-wheelers already deployed at group level. With this investment, we have eliminated 11 buses from our fleet and also done away with requirement of 1 bus.	1. SEZ building is certified as 'Green Building' by IGBC 2. LEED's Platinum certificate and LEED's Gold Certificate granted to India and US premises 3. Received Net Zero Energy Building certificate from IGBC for our SEZ unit	1. Provide guidance and assistance to our suppliers on achieving Net Zero status 2. Secure green building certification for all buildings and facilities by CY 2024 3. All facility to run on 100% renewable energy by CY 2025

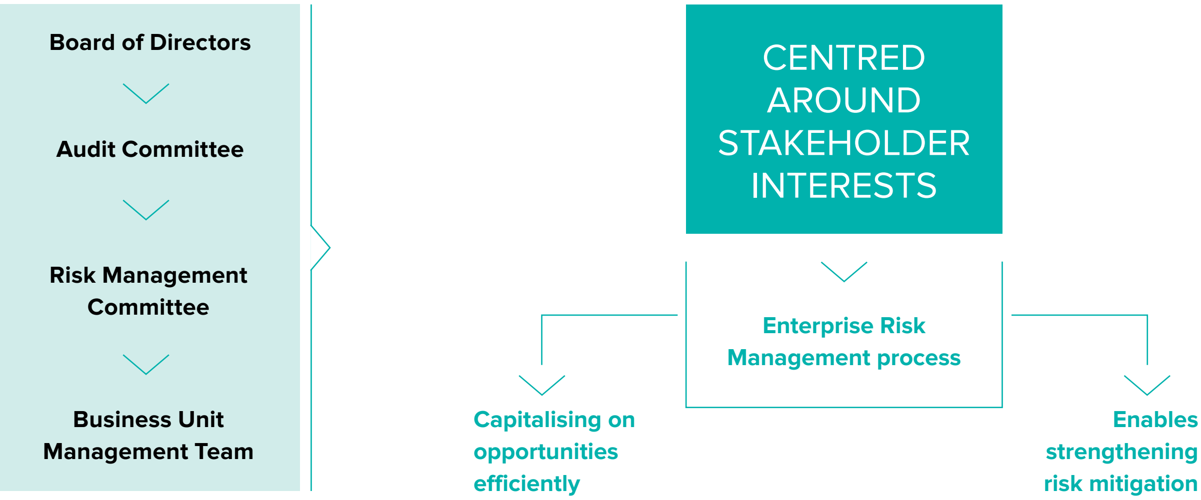
UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS IMPACTED

UNSDG	UNSDGs impacted	Relevant Strategic Pillar	Stakeholders impacted positively through Environment Initiatives
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Industry, Innovation and Infrastructure	People	Shareholders Employees Government
3 GOOD HEALTH AND WELL-BEING	Good Health and Well-being	Product Planet	Customers Employees Shareholders
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible Consumption and Production	Product Planet	Suppliers Government
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Peace, Justice and Strong Institutions	People	Shareholders Customers Employees Government Suppliers

Managing Risks

Risk management is embedded in business-critical activities, functions, and processes. Our risk management framework is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and provides reasonable, and not absolute assurance, against material misstatement or loss.

Materiality and risk tolerance are key considerations in decision-making. The Company has put in place a robust Integrated Risk Management Framework, aligned with the internationally accepted framework issued by the Committee of Sponsoring Organizations (COSO).



COSO FRAMEWORK

Control environment › Risk assessment › Control activities › Information & Communication › Monitoring

The responsibility for identifying and managing risks lies with every manager and business leader. Additionally, we have key risk governance and oversight committees in the Group.

Summary of Key Risks and our Responses

Information Technology and Cyber Security

Impact

Like many global organisations, our reliance on computers and network technology is increasing. These systems could be subject to security breaches resulting in theft, disclosure, or corruption of key/strategic information. Security breaches could also result in misappropriation of funds or disruptions to our business operations. A cybersecurity breach could impact business operations.

Mitigations

- Group-level focus on formulating necessary frameworks, policies, and procedures in line with best practices and international standards.
- Implementation and adoption of various best-in-class tools and technologies for information security to create a robust security posture
- Work towards ensuring strict adherence to IT-related SOPs to improve operating effectiveness
- Only licensed software is used in system
- Regular internal and external audits

Regulatory Compliance

Impact

The Company has operations in many countries around the globe. These may be impacted because of legal and regulatory changes in the countries in which company operate, resulting in higher operating costs and restrictions such as the imposition or increase in royalties or taxation rates, export duty, impacts on mining rights/bans, and change in legislation.

Mitigations

- The Group and its business divisions monitor regulatory developments on an ongoing basis
- Competent in-house legal team is in place to ensure all group compliance is done on timely basis
- SOPs implemented across our businesses for compliance monitoring
- Company follows “Zero tolerance” policies for non-compliance
- Compliance status along with exception (if any) reported to Senior Management, Audit Committee and Board of Directors
- The Company has also taken Directors and Officers Insurance Policy against the risks that may arise due to any legal liability
- Continue to consult and obtain opinion from reputable external agencies on compliances to mitigate the risk on the group level

Fluctuation in Currency Exchange Rates

Impact

Company assets, earnings and cash flow are influenced by a variety of currencies due to company’s multi-geographic operations. Fluctuations in the exchange rates of those currencies may have an impact on company’s financials.

Mitigations

- The Group’s well-diversified portfolio acts as a hedge against currency fluctuations
- Robust controls in forex management to hedge currency risk liabilities on a back-to-back basis
- Finance Standing Committee reviews all forex and commodity-related risks and suggests necessary course of action to business divisions
- The foreign currency risk is managed through a natural hedge for export receivables against import of raw materials

Geographic & Channel Concentration Risk

Impact

A significant portion of the Company’s total revenue is derived from the US & UK. An excessive dependence on the single market may impact the business.

Mitigations

- Exploring new markets across the globe. The Company has decided to expand its market in Germany as well beyond the US and UK now to further leverage our internal capabilities and strength of our business model
- Expanding market share through increase in household coverage
- Expanding portfolio and introducing new SKUs on a daily basis

Material Management

Impact

Prices and demand for the Group’s products may remain volatile/uncertain and could be influenced by global economic conditions, natural disasters, weather, pandemics, such as the COVID-19 outbreak, political instability, and so on. Volatility in commodity prices and demand may adversely affect company earnings, cash flow and reserves.

Mitigations

- Pursue low-cost production, allowing profitable supply throughout the commodity price cycle
- Import dependency has been reduced gradually
- Alternate sourcing identified for critical parts & raw materials for de-risking
- Sourcing gemstones directly from the mines through international auctions and direct relationships
- Efficient sourcing units have been developed for uninterrupted supply of raw materials
- Well defined and effectively implemented procurement policies

Inventory Management Including Product Obsolescence

Impact

The Company caters to a dynamic market where fashion changes rapidly, making the need to predict trends accurately is critical. Considering the nature of business in jewellery and lifestyle products, meeting customer expectations and predicting trends accurately are critical.

Mitigations

- Company has diversified product portfolio to meet customer demand and customer expectations
- Leveraging our strategic investments to drive consumer-centric innovations in new products development with quick time to market and sizeable revenue contribution
- The rising auction mechanism on web starting at US$ 1 is an efficient mechanism to clear aged products
- Offer products at discounted price during clearance sale and end of season sale
- Excellent product innovation process ensure company remains on the forefront of current trends

Attracting & Retaining The Best Talent

Impact

In human resources, there is an inherent risk on account of skilled and specialised manpower. Specialised manpower leaves the company, joins competitors or shares confidential information with competitors etc.

Mitigations

- The Company has launched the ESOP scheme and provides RSU to employees, this helps in attracting good talent and retention of talent
- Providing meaningful and challenging roles which enrich individual capability and act as a powerful incentive to stay, learn and grow
- Employee remuneration based on region cum industry benchmarks, competitive context of the business and a reasonable portion of it aligned to performance
- Employees are encouraged to make suggestions and discuss the problems with their seniors to make them feel integral part of organisation
- Company has been certified as “Great Place To Work”
- A new career development HIPO programme launched for high potential employees

Disruption Across The Supply Chain Management Due To Unforeseen Events like COVID-19

Impact

Supply chain disruption may occur due to natural disasters, COVID-19, flood, fire and earthquakes

Mitigations

- Learnings from the pandemic have been seamlessly incorporated in the day-to-day procedures as part of the ‘new normal’. Processes and protocols have been institutionalised across all nodes of operations to deal with the outbreak of the pandemic situation
- Business continuity plans for securing key material supplies including usage of substitute materials, identification of alternate/domestic vendors, identification and activation of potential alternative manufacturing capacities
- The properties of the Company are insured against natural risks, like fire, flood, earthquakes, etc. with periodical review of adequacy, rates and risks covered under professional advice
- Fire aid training is given to all employees and effective fire safety system is placed at all locations

Corporate & Brand Reputation

Impact

Considering the business model, new customer acquisition and existing customer retention and satisfaction is very critical. Also, risks arise due to incorrect information presented on social media. Poor after-sales service impacts customer loyalty.

Mitigations

- There is an established mechanism to address customer complaints on priority
- Monitoring customer loyalty cum satisfaction index through NPS methodology
- The Company keeps track of brand perception and salience
- Mechanism has put in place to respond to any fake or malicious posts, including on social media
- Structured and targeted media engagement plan in place

Environmental, Social & Governance (ESG)

Impact

The resources sector is subject to extensive health, safety and environmental laws, regulations and standards. Human Environmental damage is amongst top 10 risks as per World Economic Forum's Global Risk Report 2022, for next 2 to 5 years, which can lead to global policy changes.

Mitigations

- Policies and standards are in place to mitigate and minimise any ESG related occurrences. Safety standards are issued/continue to be issued to reduce the risk level in high-risk areas
- Continued Company engagement with Akshaya Patra in India for providing over 50,000 hot mid-day meals daily to almost 360 schools
- The only manufacturing unit in Rajasthan with LEED Platinum certification by USGBC and Gold certification by IGBC
- ESG is a high priority area for Vaibhav Global Limited. Compliance with international and local regulations and standards, protecting people, communities and the environment from harm, and company operations from business interruptions, are key focus areas. Some examples for ESG:
- 100% Electricity in two manufacturing units in India derived from renewable energy sources. 2 premises in US and 1 premise each in UK and Germany operated by 100% renewable energy
- 28,000 saplings planted in 2 Miyawaki forests in India spread across 2 acres
- 17,500 KL Water recycled per year
- 61 lakh Litres Rainwater harvested every year
- Become Carbon Neutral in Scope 1 and Scope 2 GHG emissions by 2031. Pursuing to become Carbon Neutral in Scope 3 GHG emissions

Towards Further Accountability

We have built a strong governance framework through our policies, processes and practices. We continue to build on our foundation by enhancing our structures, processes and controls that support transparency and ethical behaviour.

We believe sustainable growth of any organisation depends on good governance. Our Board recognises ethics and governance to be of prime importance. The Board comprises 38% Independent Directors including one independent woman director. The position of Chairperson of the Board and Managing Director are separate. All appointments at Board level are made on merit, in the context of skills, experience, independence, knowledge and integrity which the Board requires to be effective. The Board carries an annual performance evaluation of its own performance, the Directors individually (including Independent Directors) and Board Committees.

The Board has various functional Committees comprising relevant experienced and skilled members. Apart from the regular Board Meetings, the Board members do strategic meetings and also participate in Bi-annual Management Committee Meetings which helps them to understand the business more closely and have focussed interactions with the leadership team. The Board periodically reviews the compliance report of all laws applicable to the Company. The Corporate policies are readily and easily available to respective stakeholders.

Credit Rating

Rating Agency	Long-term	Short-term
ICRA	ICRA A Stable Outlook	ICRA A1
CARE	CARE A Stable	CARE A1

Strong Governance Framework

- 38% Independent Board
- Transparency and full disclosures
- Individual communication of quarterly results with shareholders
- Credible Auditors
- Strong and healthy balance sheet
- Consistent dividend pay-outs
- Marquee investor base
- Robust compliance management with efficient mechanisms for check and balance

Board Committees

Audit Committee

Review the financial reporting process and the disclosure of financial information, Recommendation for appointment, remuneration and terms of appointment of auditors of the Company, Scrutiny of inter-corporate loans and investments, review and approve all transactions/agreements with related parties.

Stakeholder Relationship Committee

Scrutinise the status of shareholder correspondences, queries, grievances, review of service standards of RTA and measures/initiatives taken to reduce the quantum of unclaimed dividends etc.

Nomination and Remuneration Committee

Criteria determination of Board's qualifications, independence and remuneration, formulation of criteria for evaluation of performance of Board and directors, recommend senior management remuneration.

CSR Committee

Formulate and monitor Corporate Social Responsibility Policy, recommend CSR expenditure to be incurred on the activities, oversee the implementation of Business Responsibility Policies.

Risk Management Committee

Identifies the risks impacting the business and formulates and administers policy strategies aimed at minimising and mitigating these risks.

Grievance Redressal Mechanism

The Grievance Redressal Policy for employees, HR Escalation Matrix, and the presence of a strong grievance redressal body helps us maintain an uncompromising stand on value transgressions. Our business partners acknowledge and comply with the Supplier Code of Conduct, which upholds the Anti Bribery Policy. A robust Whistle Blower Policy helps maintain the sanctity of the organisation. There are no significant fines and non-monetary sanctions for non-compliances with laws and/or regulations in the social and economic areas.

PRINCIPLES ON GRIEVANCE RESOLUTION

- Well-drafted policies and grievance mechanism
- Time-bound resolution
- Engaging in dialogues while protecting anonymity
- Focus on resolution

An Experienced and Independent Board

Mr. Harsh Bahadur

Non-Executive
Non-Independent
Director, Chairman

Appointment: **26 September, 2022**

Mr. Harsh Bahadur holds a Master's degree in History from St. Stephen's College, Delhi, and an MBA from Boston University, USA. He has three decades of rich experience in varied sectors ranging from retail, branded FMCG, music, sportswear, business services and jewellery. He is currently on the Board of Indian Terrain Fashions Ltd. and is a senior advisor at PricewaterhouseCoopers (PWC). Mr. Bahadur also advises private equity funds and has evaluated companies in the automobile servicing, branded food and e-commerce sectors.

Expertise: Business strategy and leadership

Mr. Sunil Agrawal

Executive Director,
Managing Director

Appointment: **8 May, 1989**

Mr. Sunil Agrawal is a Commerce Graduate with an MBA from Columbia University, New York (US). A first-generation entrepreneur, he established Vaibhav Enterprises in 1980 with the objective to formalise and bring international best practices and professionalism to the gems and jewellery trade in India. He is widely travelled and has immense knowledge on gemstones and jewellery, bringing to the Company the industry expertise and foresight that has been instrumental in its success.

Expertise: Strategy, leadership, innovation and liaison

Mrs. Sheela Agarwal

Non-Executive
Non-Independent Director

Appointment: **10 November, 2008**

Mrs. Sheela Agarwal is a philanthropist and an active social worker. She has distinguished herself in the field with her business acumen and deep understanding of the sector.

Expertise: Business management and community liaison

Mr. Pulak Chandan Prasad

Non-Executive
Non-Independent Director

Appointment: **29 October, 2013**

Mr. Pulak Chandan Prasad holds an engineering degree from IIT Delhi and has completed his Post-graduation from IIM Ahmedabad. He 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).

Expertise: Strategy, finance and leadership

Mr. James Patrick Clarke

Non-Executive
Independent Director

Appointment: **7 February, 2017**

Mr. James Patrick Clarke holds a Bachelor of Science degree from United States Military Academy, West Point, New York and an MBA from Harvard University Graduate School of Business Administration, Boston. He has previously worked at Guardsmark Inc., Omni Computer Products, Ya Interactive Media, and other companies of repute. He has also led QVC, a global video and e-commerce retailer of fashion, jewellery and home products, as CEO, QVC, China.

Expertise: E-commerce and retail, business development, product lifecycle planning and market analysis.

Mr. Sunil Goyal

Non-Executive
Independent Director

Appointment: **8 March, 2017**

Mr. Sunil Goyal holds a postgraduate degree in Commerce and Arts, a graduate degree in Law, and a Post Graduate Diploma in Taxation and in Labour Laws. He is a member of ICAI, ICSI, ICWAI and served as the President of ICAI between 2004-05. He has vast experience in the fields of Finance, Internal Control, Risk Assessment and Risk Management, Corporate Governance, Accounting Standards, Assurance, Banking and Insurance as well as judicial processes by the virtue of being a member of various disciplinary committees. He has been deeply involved with the formulation and implementation of Accounting and Auditing Standards in India.

Expertise: Finance and accounting, taxation, labour laws and risk management

Ms. Stephanie Renee Spong

Non-Executive
Independent Director

Appointment: **6 September, 2021**

Ms. Stephanie Spong is a venture capitalist with over three decades of professional experience in strategy, operations, and finance, working with both start-ups and established companies in the U.S., Japan, Hong Kong, and Mexico. She brings seasoned business judgement and financial skills, and as Managing Director of Razorfish's Los Angeles office, she gained valuable operating experience and immersion in the digital media space. Her previous experience includes Goldman Sachs, McKinsey, Citibank, EPIC Ventures, and Monitor Group. She is currently a partner with Royal Street Ventures, an early-stage venture capital fund, serving on the boards of U.S.-based portfolio companies Trelora and Art and Craft Entertainment. For over a decade, Ms. Spong has supported fast-growth start-ups in tech-enabled industries as a board member and board observer/adviser. Ms. Spong is a graduate of Brigham Young University and earned her MBA from Harvard Business School.

Expertise: Strategy, Operations and Finance

Mr. Sanjeev Agrawal

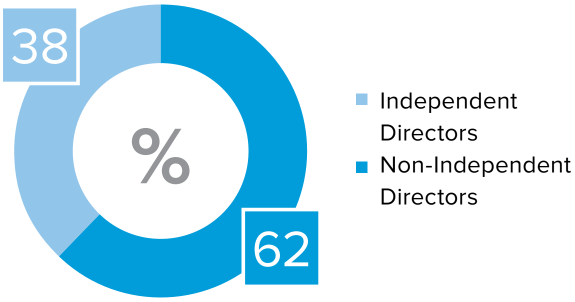
Non-Executive
Non-Independent Director

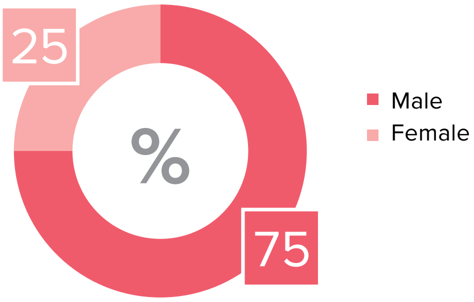
Appointment: **29 October, 2020**

Mr. Sanjeev Agrawal is a commerce graduate from University of Rajasthan and is a renowned personality in the field of Natural Dimensional Stones in India and across the globe. A first generation entrepreneur, he established Stone Age Group in 1991, with the aim of promoting Indian stones in the global market. Mr. Agrawal was instrumental in establishing Strata Stones Limited in 2005, which is now one of the leading suppliers of Natural Stones to landscape industry in the UK. Another of his ventures, ORVI Design Studio, was launched in 2013, with a strong R&D culture, creating unique surfaces and articles that are used in high-end projects around the world.

Expertise: Business management and leadership and product insight

BOARD DIVERSITY





Professional Management Team

Mr. Nitin Panwad

Group CFO

Mr. Nitin Panwad is a Chartered Accountant and finance leader with more than 11 years of rich experience across diverse profiles and multiple geographies. He is a trusted business partner providing strategic direction, supporting business growth and managing stakeholders. He has successfully led various transformation initiatives resulting in process improvements, cost efficiencies, improved margins, leading to sustainable growth. He plays a pivotal role in the setting up of Germany subsidiary and its operations

Mr. Vineet Ganeriwala

President, Shop LC (US)

Mr. Vineet Ganeriwala is a qualified Chartered Accountant and has done Executive Programme in Business Management from IIM Kolkata and International Programme on Development of Management Perspectives from IIM Kolkata. Mr. Ganeriwala is a finance leader with 21 years of experience across diverse industries (listed Indian companies and multinational corporations) and multiple geographies. He has been proficient at providing strategic direction, engaging with stakeholders and Board members. He has successfully led various transformation initiatives resulting in process improvements, cost efficiencies, improved margins, leading to sustainable growth. Prior to the current assignment, Mr. Ganeriwala has worked with Vodafone Group as Country Finance Controller for Italy and Germany. He has also served as Finance Controller at Astra Zeneca Pharma India Ltd. (listed Company) and Head of finance for Rajasthan circle at Aircel Ltd.

Mr. Ankur Sogani

Vice President,
Commercial, Shop LC (US)

Mr. Ankur Sogani has over 20 years of experience in retail as a senior leader driving merchandising and innovation strategy across different channels. He holds an MBA in Marketing & Finance from the University of Rajasthan. He draws on his passion for jewellery, gemstones, and creating innovative techniques that make him an expert in the gemstone and jewellery trade. His strong ability to recognise trends has influenced several million-dollar brands under his management. He is known for having a close relationship with technology teams, leading to strong product roadmaps and solid execution. He has also established procurement facilities across China, Bali, India, Bangkok, and Philippines, instituting low-price point multichannel merchandising strategies to achieve the lowest return rate and highest gross profit rate in the industry.

Mr. Deepak Sharma

Vice President, Owned
Brands, Shop LC (US)

Mr. Deepak Sharma holds significant experience in the retail world. He is a commerce graduate with an MBA. He began his career in 2006 as a merchandiser with clothing exporter and manufacturer Pratibha Syntex Pvt Ltd. In 2008, he joined Vaibhav Gems Ltd, as an Assistant Manager and has been a part of the organisation's growth and success since the past 14 years. In 2015, he was offered the role of GMM for Lifestyle Buying & Merchandising in Shop LC. During this period, he along with his team elevated GMM's revenue substantially. Thereafter, he was appointed as the Senior Director and Vice President of owned brands in 2021-22. A strong focus on positive customer experience has helped him to successfully navigate a complex retail environment and stay ahead of the trends for business and improve customer retention. He has served on the COVID task force team at Shop LC, wherein he implemented safe mitigation practices to protect employees and their families.

Mr. Srikant Jha

Managing
Director, Shop TJC (UK)

Mr. Srikant Jha joined VGL Group straight out of his MBA school in 2007. After spending two years as a Management Trainee, learning the manufacturing and sourcing side of the business, Srikant spent the last ten years at Shop LC (Austin, Texas) and has been instrumental in its growth since then. Mr. Jha, with his great analytical skills and proven leadership qualities, has been able to excel in fast-paced, high-pressure environments while maintaining an upbeat, positive attitude. He has been a key member of Shop LC and has witnessed the company grow from a team of 58 employees in 2009 to a highly profitable business with a team of nearly 500 employees as of today. In his recent role as VP of Sales and Marketing at Shop LC, Mr. Jha was managing major business areas, including marketing, sales, eCommerce, content, planning, etc., and has built a solid team to drive the business forward. In his journey at VGL, in July 2019, he was appointed Managing Director, TJC, UK. His passion, sense of humour, and high energy have always made him popular among his colleagues, family, and friends.

Mr. Deepak Mishra

Managing Director,
Shop LC (Germany)

A Managing Director, Shop LC (Germany) with 14 years' experience in the TV Home Shopping industry with a proven track record of achieving sales and profit growth. Skilled in Team Leadership, Multi-channel Retail, E-commerce, Trend Analysis, Strategy Building and Developing New Categories. Cross category experience, including Jewellery, Accessories, Fashion, and Home. Led the creation of new strategies to rejuvenate the Jewellery category which was in decline, achieving double digit turnover growth within 2 years and increasing the overall profitability.

Mr. Raj Singh

Vice President, Supply Chain, VGL Group

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 from 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. Like Gems Studded Stainless Steel Jewellery, Ion Plating, etc., his initiatives are ground-breaking in the Jewellery industry. For an industry that is typecast as labour-intensive, Mr. Singh has led many automation drives and successfully grinding out cost efficiencies. His relentlessness is not limited to saving costs and improving product quality, as his versatility is reflected in the construction of VGL's SEZ Factory in record time. He affirms that the SEZ factory is one of the most environment-friendly buildings in the country.

Mr. Pushpendra Singh

Vice President, HR, VGL Group

Mr. Pushpendra Singh started his career with NTPC as a Management Trainee immediately after completing his post graduation in management. His keen sense of human behaviour dynamics had him win the 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 thought 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. Mohammed Farooq

Chief Technology Officer, VGL Group

Mr. Mohammed is a visionary IT industry executive with over 20 years of experience in transforming, building and operating modern IT organisations, technology roadmaps, and application portfolios. Before joining VGL, Mohammed was involved in directing product development and market strategy at various corporates. Having led 50+ product management, engineering and AI solutions teams, he was also instrumental in developing MLOps platform and AI solutions for clients in a range of industries (space, defence, industrial, and high-tech manufacturing).

Mr. Ashish Dawra

Vice President, Global IT

Mr. Ashish Dawra is a highly experienced IT leader and technology strategist with extensive experience of presiding over global teams. He holds an M.Sc. in computer science and is passionate about accelerating digital business through technology and has been with VGL for almost 2 decades now. He has delivered technology platforms for TV shopping, website, mobile apps, Smart TV, contact centres, logistics & ERP domains for retail business. He is a technically sophisticated Practice Manager with a career reflecting over 20+ years of experience in Planning, Analysing, Designing/Architecting & Leadership qualifications, coupled with a hands-on management style.

FINANCIAL CAPITAL

In the backdrop of an economic environment with moderating consumer demand and inflationary pressures, we demonstrated resilience, sustained cost optimisation efforts, and delivered stable financial performance. We leveraged our moats and maintained a balance between growth and investment to generate sustainable value for our stakeholders.

Total Revenue	**Revenue from TV**	**Revenue from Digital**	**Revenue from B2B**
₹2,691 crore FY23	**₹1,633 crore** FY23	**₹977 crore** FY23	**₹81 crore** FY23
₹2,752 crore FY22	**₹1,699 crore** FY22	**₹986 crore** FY22	**₹67 crore** FY22

B2C Volumes

5.3 million FY23	**4.4 million** FY23
6.9 million FY22	**5.4 million** FY22

■ TV ■ Digital

B2C Average Selling Price (ASP)

38.0 FY23	**27.4** FY23
32.6 FY22	**24.2** FY22

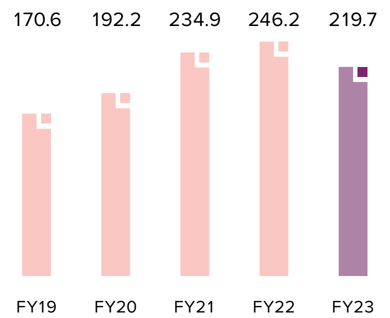
■ TV ASP (US$) ■ Digital ASP (US$)

Our low-cost manufacturing Asia base, value sourcing base and serving affluent but value-conscious customers in the western developed markets have resulted in the highest gross margins in the industry. EBITDA margin has improved on account of cost rebase initiatives undertaken during the fiscal year.

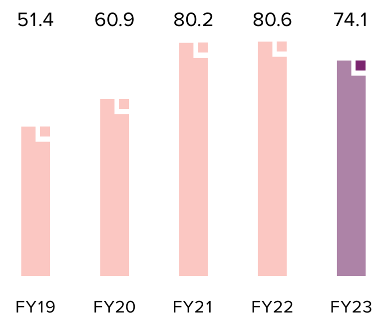
We have a scalable model with limited capex requirements.

The investment made in the previous year for upgrading the channel position to 22nd from the erstwhile 50th position is now yielding positive results in terms of new customer addition on TV. We also continue making investment in building our digital capabilities.

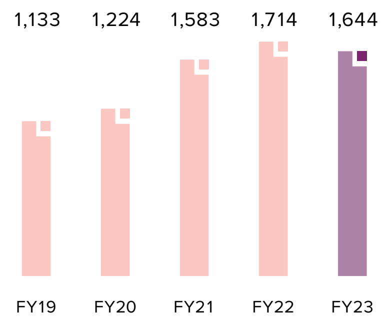
Revenue - Shop LC (US) (US$ million)



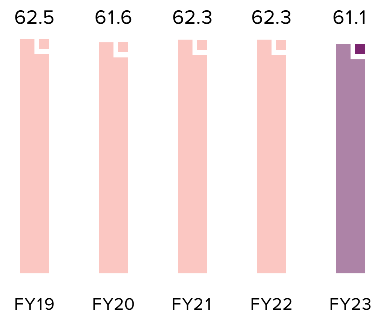
Revenue - Shop LC (UK) (GBP million)



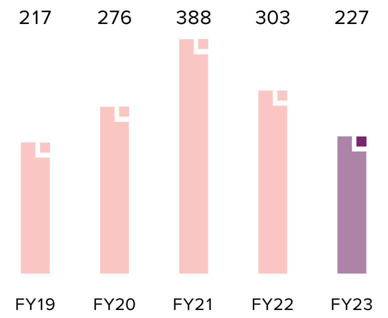
Gross Profit (₹ crore)



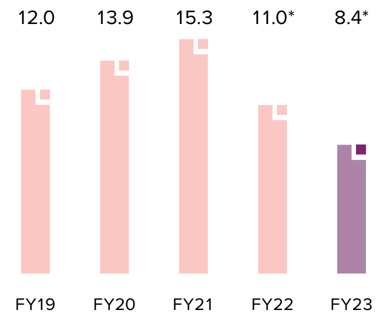
Gross Profit Margin (%)



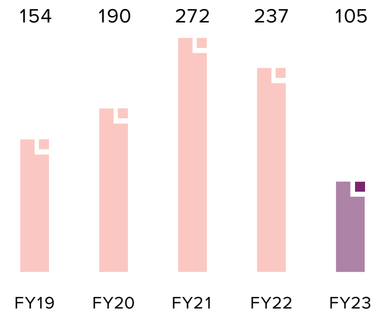
EBITDA (₹ crore)



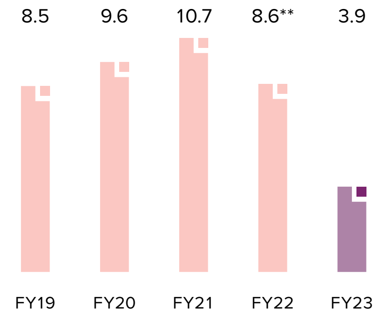
EBITDA Margin (%)



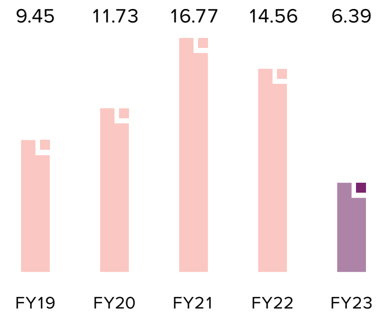
PAT (₹ crore)



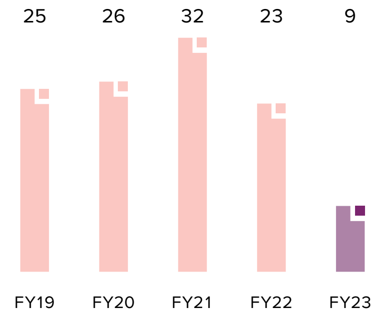
PAT Margin (%)



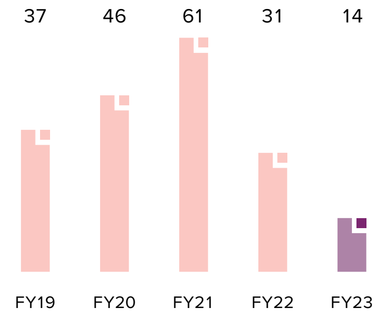
Basic Earnings Per Share (₹)



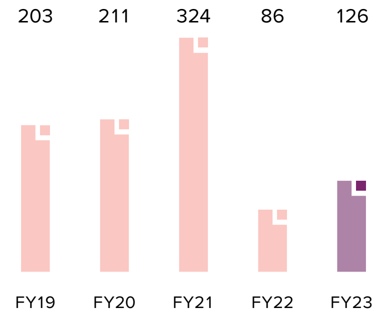
Return on Equity (%)



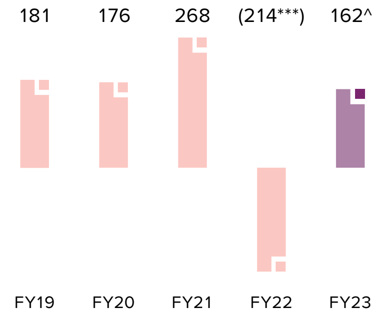
Return on Capital Employed (%)



Operating Cash Flows (₹ crore)



Free Cash Flows (₹ crore)



COST RATIONALISATION INITIATIVES

1. Leveraging strength of in-house 'Call Centre'
   - Presently ~50%-60% of volumes of US and UK are catered by India
   - Focus to further increase India's share
2. Renegotiating shipping and IT contracts
3. GEEK+ Robotics Automation at warehouses: Labour & Picking productivity enhancement

* Excluding Germany 12.7% in FY22 and 10.5% in FY23

** Excluding Germany 10.5% in FY22 and 6.1% in FY23

*** This is owing to the impact of planned capex carried out towards upgradation of technological infrastructure, automation of warehouses, enhancing of Freeview channel position in UK, cost for setting up new headquarters in US and the initial cost for setting up German operations

^ ₹90 crore after adjusting for term deposits worth ₹72 crore whose maturity is more than three months

MANUFACTURED CAPITAL

A key advantage in manufacturing is the low-cost Asian base and cost arbitrage achieved by virtue of being a vertically integrated retailer, which also fits well with our deep discounting model. Inhouse manufacturing enables us to serve our customers at low ASP and earn the benefits of scale.

Manufacturing
30-40 lakh
pieces of jewellery each year

Jewellery manufacturing facility is spread across an area of
1,69,000 sq. ft.

In-house Manufacturing – A Competitive Advantage

Manufacturing is conducted inhouse for 90% of our jewellery products. We own state-of-the-art sustainable manufacturing units at Jaipur and China, which helps gain control over supply chain and quality.

MANUFACTURING STRENGTHS

The jewellery manufacturing facility of Vaibhav Global produces 30 lakh to 40 lakh pieces of jewellery a year and is equipped with 2,200 highly skilled workers and around 1,000 staff. Jewellery manufacturing is done using 7 different metals – Silver, Gold, Platinum, Steel, Brass, Copper and Bronze, with the portfolio including casted, handmade, diamond cut and beads jewellery. Our diamond sourcing facility is located in Mumbai, while manufacturing of diamond jewellery is conducted at Mumbai and Jaipur. A laser machine is used for personalised jewellery for engraving and cutting technique, which cuts the required designs and engraves jewellery items based on customers' requirements. We have also set up a new facility at Jaipur for manufacturing of apparels and fashion-related items.

Our cutting-edge manufacturing

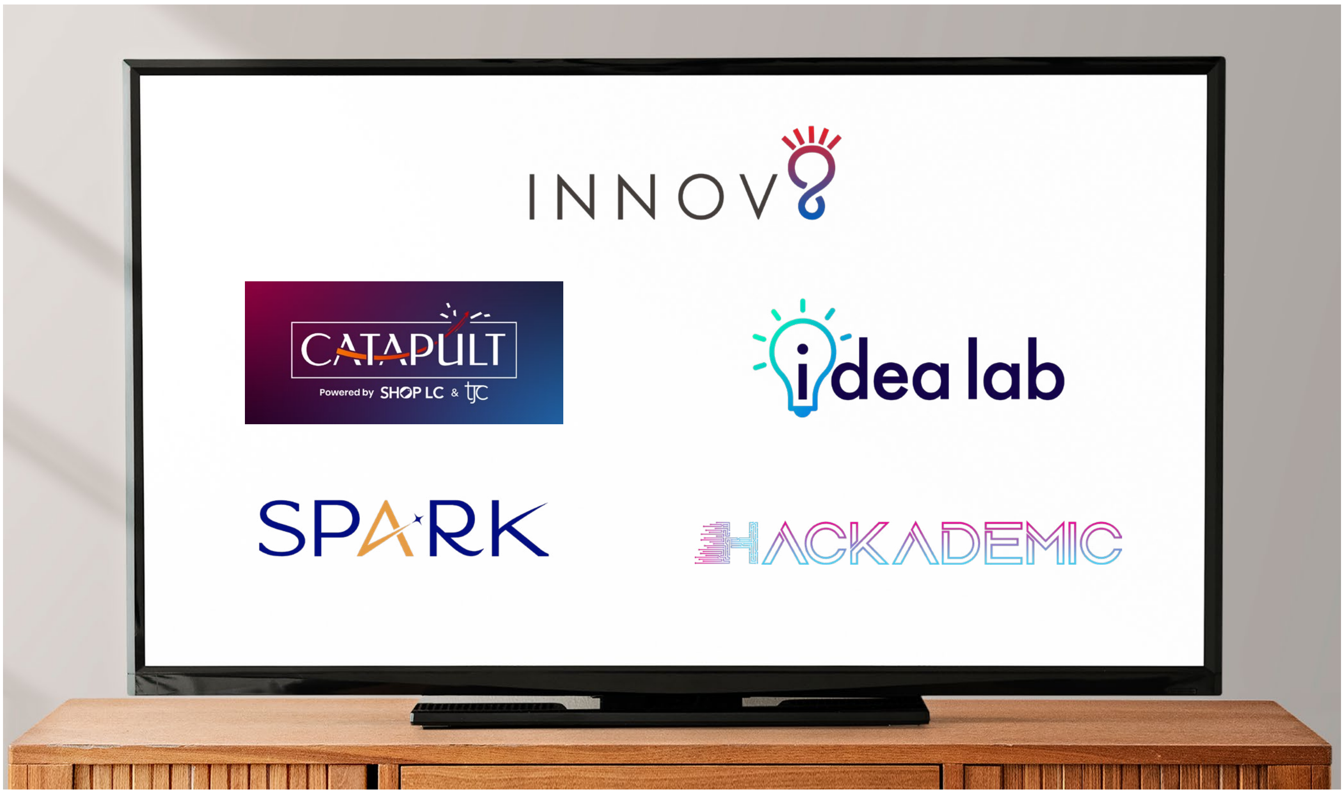
- Koras Electro Polish Machine is used for gold jewellery polishing, which reduces 50% manual polishing effort and decreases loss of gold.
- Advanced technologies such as mechanical finishing of jewellery products and a wide variety of offering in plating and enamelling to enhance look of the product.
- Stone engraving machine is used for engraving different designs on gemstones.

Added new technologies and product lines in FY 2022-23

- Added hollow lightweight gold jewellery line (bar pendant, bar ring and bar earring) in 9KT, 10KT, 18KT, 22KT and Platinum
- Added ultrasonic stone cutting machine to enable precise cutting of stones for achieving uniformity in product line

INTELLECTUAL CAPITAL

Innovation is a crucial aspect of our strategy, and we place a strong emphasis on it. Our continuous process of identifying and solving problems at operational and delivery levels strengthens our efficiency and resource optimisation.



~6% Contribution of Innovation-related projects to Total Sales	**18,500+** New and innovative product ideas generated	**~940** Product ideas approved

Innovation segment's contribution to Global B2C revenue during the last 3 years

US$ 21 million	**US$ 17 million**	**US$ 3.5 million**
Revenues in FY23	Revenues in FY22	Revenues in FY21
~6%	5%	1%

We believe innovation is a key pillar to growth. With this vision, we have launched several programmes such as Idea Lab, Spark, Innov8 and Process innovation suggestion scheme to promote both product and process innovation. We identify trends to gain customer insights and make new designs based on changing customer preferences.

We engage our employees in the innovation process by providing them with a framework to outline the type of ideas we are looking for and empower them to push boundaries of their creativity. We also organise weekly contests and challenges to foster knowledge and skill-sharing. We recognise employees who come up with game-changing ideas with a monetary reward of 1% of sales for product ideas and 10% of ROI for effective process improvement ideas.

We aim to tap the untouched energy of the organisation by giving them a platform to showcase their ideas. With this, employees not only attain recognition, they also get empowered to get their ideas converted into saleable products or revenue-generating process improvements.

OUR INNOVATION-RELATED PROGRAMMES

On product innovation front, today 6% of the Group's revenue accrues from innovation projects. Having several 'innovation' programmes like Innov8, Spark, Catapult, and Hackademic, among others, we intend to understand the customer's exact demand points and deliver innovative products.

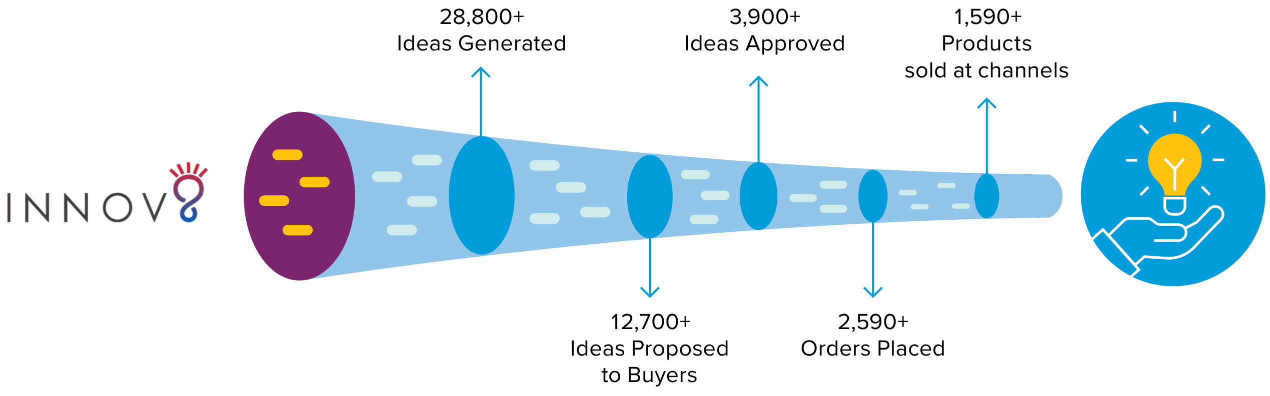
INNOVATIVE PLATFORMS

Innov8

To unlock the potential of our employees, the Innov8 platform encourages employees and their families to contribute ideas and collaborate on product development. We give equal opportunities to employees at all levels to be changemakers to improve any process.

We also hold brainstorming sessions and contests such as the all-India hackathon - Hackademic, Children's Creativity Contest, and Draw Design Contest, which helps build new skills and spur creativity. Innovation is a skill that can be honed, and we are committed to providing our employees with the tools and resources they need to become innovative thinkers. Through our approach to innovation and commitment to fostering creativity, we are confident that we can continue to differentiate ourselves in the marketplace and meet the evolving needs of our customers.

To foster the culture of experimentation under Humanocracy, we have launched an experiment canvas – PowerX, which allows anyone in the organisation to be open to experiment without the fear of failure. We also reward them with unique awards for successful as well as failed experiments. We have received a total of 48 experiments from all locations and look forward to fostering the culture of experimentation.



Global Search Programme
A Global product innovation and search programme

Crowdsourcing of Ideas
From employees, customers and external stakeholders

Product Launched
YTD 28,800+ ideas received and 1,590+ new and innovative products launched

Some of the 'other product innovation initiatives' are mentioned below

SPARK

Initiative to foster entrepreneurship with the organisation

5 business ideas recently shortlisted for incubation

CATAPULT

Launchpad for outside innovators and product owners

1,200+ ideas received from 38 countries

11 ideas shortlisted and 4 already live on channels in US and UK

HACKADEMIC

A platform for talented engineering students across India to showcase their innovative product ideas

idea lab

An idea portal to invite customers for product ideas that they would like from us to sell on our channels

The innov8 team has also undertaken the responsibility of spreading the new wave of human-centric management culture in the organisation.
During the year, we successfully implemented 22 micro enterprises (ME) in the organisation and boosted the experimentation culture across all locations.

The highly diverse team to handle product and process Innovation globally. This team comprises members from various backgrounds including engineers, graduates, artists, designers, and management graduates with experience in relevant fields. Currently, the team sise is 17 across all locations.

Innovation 'Infinity Lab'

We have created multiple digital infrastructures such as the Innov8 portal for employees and family members, Draw A Design and Hackademic for college students, SPARK for entrepreneurs, Idea Labs for customers, and Catapult for outside Innovators to crowdsource the ideas from various resources. Apart from the digital platforms, we established the **Innovation 'Infinity Lab'**, providing a space for employees to ideate, innovate, and implement new ideas for products and processes. The lab serves as a dedicated area where employees can gather to brainstorm, collaborate, and generate new ideas. The entire space is filled with sustainable and recycled materials, and the environment is designed to foster creativity, open-mindedness, and new ideas. The space includes a well-equipped lab, to develop prototypes. An employee can enter the lab with an idea, that can be converted into a physical prototype, with a 3D printer or any other materials in any product category. The lab is equipped with world-class facilities, and it creates an environment for creativity and innovation. Infinity Space is open to everyone in the company who has a passion for exploring new frontiers and pushing the limits of their talents.

OUR COLLABORATIONS

- We collaborated with Rangeme platform by launching different campaigns to bring innovative products to market in record time. After the successful launch of Catapult in 2021, we were able to onboard 4 brands to the channel.
- We launched another collaboration with Rangeme in our UK retail channel TJC and it turned out to be a great success, we were able to onboard 8 new brands through this collaboration.
- We have launched second version of Catapult in April 2023.
- We have collaborated with IP Sagacious to protect the novelty of an idea through various patents and last year we filed 6 patents that include design and utility patents

Smart Walking Cane

INDUSTRY-ACADEMIC COLLABORATIONS

- We have also started industry-academic collaborations with engineering and design institutes to provide an opportunity to budding talent and utilise their skills in developing new products as well as identifying new process improvement solutions.
- We launched VGL's first technical event Hackademic in May 2022, in collaboration with Atal Incubation Centre (Manipal University Jaipur), where we had a total of 155 entries and participation from 48 different institutes across India. Hackademic is a platform for talented engineering students to showcase innovative product ideas.
- We finalised the top five product ideas from this event, their development is under process. We also collaborated with the National Institute of Fashion Technology (NIFT) Raebareli, for a classroom project on performance clothing.
- To improve our shop floor processes, we collaborated with Malviya National Institute of Technology (MNIT) Jaipur, with mechanical engineering students working on 4 different process improvement projects.
- We have collaborated with IP Sagacious to protect the novelty of an idea through various patents.

SYSTEMATIC INVENTIVE THINKING APPROACH

We have introduced multiple problem-solving products through a Systematic Inventive Thinking approach. We have come up with some great ideas which can improve our existing products and help our customers to lead a better life.

A few examples are:

Smart Walking Cane: The foldable smart walking cane is perfect for those who need extra stability and support when walking. It has adjustable gears and a LED light for added safety, and an SOS alarm for emergency situations.

Scrubzz: The Scrubzz rinse-free bath sponges are a convenient alternative to showering, ideal for caregivers to lend a helping hand. To use, rub the sponge to build a lather, scrub your body, then towel dry - no rinsing required.

Hanabi Cut: We launched a fancy gemstone cut 'Hanabi'. As per the belief, the term "Hanabi" is used to ward off evil spirits and represents fireworks in Japanese. We have also filed a patent for this unique gemstone cut.

Mystery Lock: A simple yet effective locking collate inside collate mechanism for bracelets that enhances their aesthetic value while maintaining gemstone continuity.

Bolo with magnetic clasp: A simple idea yet a huge problem solver, the bolo slider with a magnetic clasp where we have combined two ideas into one where a customer has the convenience of adjusting the length of the chain and can lock it without any hassle with the help of the magnetic clasp.

Hanabi Cut Ring

DESIGN THINKING APPROACH

With Design Thinking Approach, we always keep our customers at the centre of every innovation. We conduct ethnographic interviews directly with the customers to understand their pain points before coming out with a solution, apart from that, we do conduct Focus Group meetings with customers to discuss products, processes, and engagements.

We have created a platform called Idea Lab, where customers can directly share their ideas with us, and it has been heavily promoted on our channels and website daily. Based on the ideas received, we reintroduce the product to generate more sales, or we create a solution to the problem they face. We use AI tools to keep a lookout for trends and competitor analysis, which helps us to get in the right direction.

EXPEDITING PRODUCT DEVELOPMENT

- Introducing systematic inventive thinking and design thinking tools across the organisation to institutionalise innovation.
- We have also launched the innovation toolkit comprising 23 different tools to foster an innovation mindset. These tools are provided with real-time examples for better understanding of the tools and techniques.
- Innovation portal and Idea lab are our crowdsourcing of ideas where our employees and customers can submit their ideas.
- VOC - Customer feedback, as a part of our ethnographic research, we conduct one-to-one interviews to have a better understanding of our customer needs.
- We organise Idea storming sessions on a weekly basis where we invite the employees for the session, and we discuss the problems of our customers and brainstorm ideas for those problems.
- We have also started industry-academic collaborations with design and engineering institutes where we provide industry exposure to young innovators.

PROCESS INNOVATION

Our emphasis on process innovation has helped us identify new areas for improvement and continuously create processes that deliver better efficiency and high-quality work, ultimately adding value to our business. We have made improvements in our manufacturing processes that have helped in cost saving.

We have also improvised our warehouse management process where we were able to see a significant increase in the productivity in picking, from 500 per person per day, to 750 per person per day. Through our commitment to both product and process innovation, we have been able to achieve significant progress in meeting the evolving needs of our customers while ensuring the highest levels of quality and efficiency in our operations. We remain steadfast in our commitment to continue driving innovation and progress in the years ahead.

SOCIAL AND RELATIONSHIP CAPITAL

We are carrying forward our ethos of building long-term, transparent and trust-based relationships with our partners. We strive to go beyond and engage closely with our communities to share knowledge, build capacity and invest in their development.

Social Capital

COMMUNITIES

'Your Purchase Feeds...' A meal provided for every piece sold at retail channels

Donated **75 million** meals till date in India, US, UK and Germany	Serving **50,000 meals** every school day	To serve **1 million** meals/day by FY31 (Up 20 times)

We run an exceptional mid-day meal programme ***"Your Purchase Feeds..."***, where in every piece sold results in one meal for a school-going child. Till date, we have provided 75 million meals across India, US, UK and Germany.

India	US	UK
Akshaya Patra	No Kid Hungry	Magic Breakfast
	Backpack Friends	Felix Project

Relationship Capital

CUSTOMERS

We have an omni-channel B2C retail presence. The growing recognition of deep value fashion jewellery enables scaling to adjacent categories. Our customer engagement activities are intended at increasing customer satisfaction, loyalty, and advocacy, which leads to higher retention rates, increased revenue, and positive word-of-mouth referrals.

Being a B2C company, our focus is to enhance customer centricity and better serve our customers. A customer-centric approach helped achieve excellent CSAT (Customer Satisfaction) scores of 95%+ for US and UK.

Supported by a robust talent pool, we are successfully managing a call centre for Shop LC (US), Shop TJC (UK) and Shop LC (Germany) from India. We are focussed on further increasing India's share and expanding its scope of work in future. These initiatives enabled business synergies and significant cost savings for the entire group.

High customer orientation, employee engagement and consistent shareholder value creation through ethical, transparent and high benchmarked corporate governance

Brands with strong customer visibility

- Shop LC (US)
- Shop TJC (UK)
- Shop LC (Germany)

55% of US and 95% of UK voice calls being catered from India

84% and 78% of personal shopper business accrued from India

Growing online presence

Improving customer engagement metrics

Digital processes being 100% handled by an Indian call centre

- Turnto
- Tamsy
- Market Place
- Trust Pilot
- Resolutions (TJC)
- Budget Pay Collections (TJC)

95%+ Customer Satisfaction Score for US and UK

CUSTOMER ENGAGEMENT INITIATIVES

Personalised communications
We have our expert Personal shoppers' team providing personalised and hassle-free shopping experiences to our customers through personalised emails, and calls to customers based on their interests, purchase history, or preferences that help to build a stronger relationship with them.

Contests and rewards
Customer Appreciation Day, Dream Gateway Sweepstakes, Car Sweepstakes, Tesla Giveaway, Cruise Sweepstakes, Thankful For You Contest, Presidential deals, Black Friday for repeat business encouraging them to remain loyal to a brand and increase engagement.

Social media engagement
Keeping an effective interaction with customers 24*7 on social media platforms like Facebook, and Instagram to engage with them, respond to their questions, and provide personalised recommendations based on their choices over the live feeds.

Events and webinars
Hosting events like webinars, or other live experiences with customers over Zoom call sessions on Gemstones are some of the events which are an effective way to engage customers, provide valuable information, and build community.

SUPPLIERS

The Group has a well-entrenched sourcing base spread across 30 countries along with manufacturing capabilities. We look forward to further deepen our sourcing venues through localising at some of the best locations, thus enabling further competitive prices and margin improvement. Having a wider sourcing base has enabled us to navigate broader global shipping challenges in the past, whilst having a control over the quality of products we require.

1. India
2. China
3. Thailand
4. Indonesia
5. Tanzania
6. Russia
7. Morocco
8. Myanmar
9. Madagascar
10. Bolivia
11. Kenya
12. South Korea
13. Vietnam
14. Brazil
15. Sri Lanka
16. USA
17. UK
18. Mozambique
19. Germany
20. Italy
21. Turkey
22. Poland
23. Singapore
24. UAE
25. Japan
26. Bangladesh
27. Philippines
28. Czech Republic
29. Taiwan
30. Australia

SHAREHOLDERS

Consistent returns generated
Regular dividend pay-outs

Despite the challenging macro-economic environment, we continued with our endeavour of providing meaningful returns to our shareholders. During the year, we declared / recommended a total dividend of ₹6.00 per equity share (including interim dividends of ₹4.50 per share). Going forward, we will continue our focus on growth and profitability with prudent capital management.

HUMAN CAPITAL

We prioritise investments in employee welfare and happiness to enhance the overall employee experience, foster continuous learning and innovation, promote workplace diversity, and drive digitalisation. Our commitment to fostering an excellent work culture ensures the safety, health, competency, and overall well-being of our employees. We strive to create the right opportunities for our employees, enabling their growth and success.

Key HR Initiatives

HUMANOCRACY

Humanocracy is defined as the design of an organisation to maximise human contribution. VGL adopted Humanocracy with a strong zeal to move away from bureaucratic processes, towards human ability to arrive at results with innovation and management thinking and to maximise the human contribution. There are 33 Micro Enterprises (MEs) formed to help VGL unleash creativity, energy and resiliency of the employees.

7 KEY PRINCIPLES OF HUMANOCRACY

- Power of Ownership
- Power of Market
- Power of Meritocracy
- Power of Community
- Power of Openness
- Power of Experimentation
- Power of Paradox

VGL'S KEY PRACTICES UNDER HUMANOCRACY

- Assigning mentors to Micro Enterprises to take care of proper functioning
- Delegating decision-making
- Taking regular feedback from customers on product innovation and process improvements
- Building natural and dynamic hierarchies
- Set up the mission "BHAG" (Big Hairy Audacious Goals) and aligned everyone to this
- Celebrating failures, and appreciating success through rewards & recognition for successes
- Making it safe for people to voice dissenting views
- Undertaking relentless bottom-up experimentation (One experiment/employee/year)
- Outsourcing trainers to provide specific trainings required for employees

EMPLOYEE RETENTION

Employee retention is a key challenge for companies, but strong workers can be retained through career development opportunities. At VGL, training and development is centralised within businesses. Offering career development initiatives helps our employees establish a sense of value within the company and foster loyalty, ultimately resulting in increased staff retention and a lower staff turnover rate.

KEY INITIATIVES TO MAINTAIN A HEALTHY RETENTION RATE

HIPO (High Potential Employees): HIPO is an exercise for identifying High-Potential employees through a 9-Box exercise and according them with benefits like good career growth with promotions and increments.

129

No. of HIPOs identified across locations in FY 2022-23

Internal Job Postings: This help employees change departments, roles so that they get to prosper in other areas of their liking.

254

No. of Employees that changed their roles in FY 2022-23 to discover a new passion

Salary Surveys: We conduct salary surveys before offering salary to new hires and while appointing new roles to our employees.

ESOP & Restricted Stock Units: We offer ESOPs and RSU's to deserving employees.

Open Feedback: The senior management at VGL is always open for feedback and is easily accessible and reachable to all the employees.

Safety and Security: We have a POSH (Prevention of Sexual Harassment) committee which ensures providing a healthy environment to our employees to make them feel safe and secure.

Employee Engagement: Initiatives such as Succession Planning, Mentoring and Coaching, Career Pathing, Employee Training and Development, HIPO Identification is taken to ensure employee engagement.

GENDER DIVERSITY

We maintain a gender balance strategy to improve our gender balance and further gender equity within the organisation. We aim to provide equal rewards, resources and opportunities, regardless of gender, with a fair and productive working environment. The Company has made significant progress in improving women's representation.

OUR DEMOGRAPHIC PROFILE

59
Thailand & Indonesia
(85%)

3,163
India
(13%)

485
USA
(63%)

4,140
Total Employee Count
(24%)

255
UK
(55%)

111
Germany
(47%)

67
China
(73%)

Note: Number mentioned on top represents employee strength; number mentioned below in bracket represents percentage of women employees in the respective unit.

DEVELOPING FUTURE LEADERS

Targeting employees with the required skills for future leadership is the key in establishing a business for growth and evolution. Leadership talent can also be acquired through new hires or by selecting the current employees as managerial candidates.

BOOSTING WORKPLACE ENGAGEMENT

Consistently improving engagement of employees at workplaces is crucial to avoid creating feelings of dissatisfaction among the employees and developing negative working habits. Regular training & development initiatives not only prevents workplace idleness, it also helps the business establish regular re-evaluation of its employees, skills and processes. Furthermore, it positively influences the internal culture by instilling an emphasis on planning, conducting analysis and planning, reviewing existing talent and evaluating growth and development opportunities internally, rather than through recruitment.

EMPOWERING EMPLOYEES

We believe leaders who feel empowered within the workplace will be more effective at influencing employees and gaining their trust. Consequently, our employees do feel a greater sense of autonomy, value, and confidence within their work.

TRAINING & DEVELOPMENT

During the year, we initiated several training initiatives which covered Leaders, Managers & shop floor employees. We conducted a lot of trainings related to shop floor, such as those on fire safety, road safety, chemical hazard safety trainings. As part of developing Reciprocal Communication Channels, our aim was to ensure that employees must feel they are continually engaged in the process and that their recommendations are considered. We understand that workers are safer and more productive if they can approach their supervisors with concerns, and these concerns will be heeded and accounted for in decision-making.

Key Trainings conducted

- World of Business Forum on Negotiation Skills by George Kohlrieser
- Humanocracy: Creating Organisations as Amazing as the People Inside Them
- Goal Setting
- Effective Communication
- Design Thinking
- Training session on RSUs
- Safety measures at ground level

We believe an organisation's shop-floor safety must be verifiable through internal and external audits. The philosophy behind these audits should be applicable not only to shop floor control, but across the organisation in order to embed safety and quality into its overall culture. Periodic shop floor safety audits include scheduled reviews of equipment and machinery to make sure they meet the applicable standards, can be operated safely, and are classified in the correct category to ensure the right tool is used for the right job. Our Internal and external audits, like SMETA, have been helpful for the organisation.

Employees' Training on Safety Issues

1,081 Total Employees Covered	**37,698 Hours** Targeted hours for completion
43,335 Hours of training completed	**915** No. of Employees completing the trainings
85% Percentage of Employees completing the training	**40** Hours of training/Employee

KEY BENEFITS OF REGULAR AUDITS

- To evaluate effectiveness of safety plans
- To determine established procedures are followed accurately
- To double-check process accuracy

NATURAL CAPITAL

At Vaibhav Global, to translate our sustainability initiatives into lasting outcomes, we proactively reduce our environmental footprint and focus on environment conservation and optimise the use of natural resources – thus contributing meaningfully to the fight against climate change.

GENERATING CLEAN AND EFFICIENT ENERGY

The future of humanity and the planet depends on how we produce energy. A reliable, affordable and decarbonised energy system is essential. We understand that clean energy is vital for combating climate change and that transition to an energy system based on renewable technologies will have positive consequences on the global economy.

Lifetime solar generation at
11.2 Mn KWh,
equivalent to reduction of
8,736 tonnes
of CO_2 emissions

Today, we have a combined generation capacity of 3.23 MW of solar energy, and 2 of our manufacturing units run on 100% solar energy. In FY 2022-23, we generated nearly 47.67 lakh kWh of electricity from solar energy, which is equivalent to the reduction of 3,710 tonnes of CO_2 emissions.

47.67 lakh KWh
solar energy generated in FY23

Facilitated in avoiding
3,710 tonnes
of carbon emissions

ADOPTING MIYAWAKI FOR URBAN AFFORESTATION

Planted
28,000 saplings
to help in sequestration of
840 tonnes
of carbon per year

We restore native forests by utilising the Miyawaki technique on two acres of land and created 2 Miyawaki forests and planted 28,000 saplings. We accelerated the creation of a natural wild and dense forest to enrich the green cover, strengthen the richness of the land and nurture biodiversity by:

- utilising native plant diversity
- growing healthy saplings
- planting them close together

With Miyawaki, these forests become:

- **30 times denser**
- **10 times faster growth**
- **95% survival rate**
- **100 times more bio-diverse**
- **Maintenance free in 3 years**

Further, 7,000 more saplings were planted at other premises, such as office and factory locations of VGL Group, and Government schools.

ENABLING WATER RESOURCE MANAGEMENT

We believe in careful use and preservation of water to sustainably manage the natural resource. Our objective is to preserve water resources and use it efficiently and reduce unnecessary water usage. We aim to make the most efficient use of limited water supplies.

6,100 KL
Rainwater harvested per annum

4.8 KL
Water recycled per day, equalling 17,500 KL per year

7 KL
Water saved per day with installation of low LPM faucets

500 KL
Installed storage tanks for Rainwater Harvesting

Key Steps towards Water Preservation

Rainwater storage tank

Two underground storage tanks have been set up to hold 400 KL water at the SEZ manufacturing facility; and another 100 KL tank set up at the F-64 manufacturing unit. We have a reliable collection, treatment, and testing systems in place to supply water for drinking purpose to the locals.

Effluent Treatment Plant (ETP) or Sewage Treatment Plant (STP)

These plants have been set up within our manufacturing premises to ensure maximum water recycling and reuse into the process. Systems are also in place to supply water for drinking purpose to the locals.

Rainwater harvesting

We installed rainwater harvesting structures that facilitate ~61 lakh litres of water harvesting. Till date, we have cumulatively harvested ~25,000 KL litres of water.

Using low LPM faucets

Use of low LPM faucets at our Jaipur facility are helping us save 7 KL of water per day.

Water balance sheet

By maintaining an efficient balance sheet, we have managed to reduce around 15% to 16% of water by optimising its usage for recycling and reuse.

Water efficient production processes

Further, we identified two projects for more water efficient production processes, and are working with MNIT Incubation team to achieve this.

Water recycling through Effluent Treatment Plant

48

KL water recycled per day

~17,500

KL water recycled annually

~95,000

KL water recycled cumulatively

CONSERVING ENERGY THROUGH WASTE MANAGEMENT

At VGL, we understand the importance and multiple benefits of treating and managing waste from inception to its final disposal to achieve a better and fresher environment, help conserve energy and reduce carbon footprint. We have aligned waste management practices to our '4R Policy' of Reduce, Recycle, Reuse and Reclaim within our operations.

Key Initiatives on Waste Management

100% of bio-degradable waste (vegetables, food and leaves) generated and converted into manure	27,000 kg of bio-degradable waste in India is converted into manure	~2,200 kg of e-waste is handed over to vendors for recycling	Tied up with a plastic recycler for efficient waste management system for segregation, collection, recovery, recycling and upcycling of waste collected at Jaipur facility

ABATING ZERO CARBON THROUGH ELECTRIC VEHICLES (EV)

Electric vehicles are the wave of the future as they help improve fuel economy, lower fuel costs and reduce emissions, and result in a cleaner environment. We procured 3 four-wheeler EVs (one in India and two in China) and 184 EVs for employee commute. This helped reduce 11 buses from the fleet, and led to avoiding the additional requirement of one more bus to accommodate new employees. We are exploring hydrogen and electric buses for employee commute in the future.

CARBON EMISSION INITIATIVES BY SHOP LC:

- Achieved Gold LEED Certification v4.1(O+M) for buildings D&E
- Held Community Input Session for LEED requirements
- E-recycling event 800 lbs of waste
- Low-light policy in low traffic/high power areas (back-up studio)

CARBON EMISSION INITIATIVES BY TJC:

- Cycle to work salary scheme implemented
- EV salary scheme for employees, car charging stations available at office

75-80

Tonnes of Carbon Emissions saved per annum through electric vehicles

- 100% food waste composting enabled
- Paper waste and other waste segregated for recycling

Awards & Recognition

ICSI CSR Excellence Awards

VGL conferred with 'Certificate of Recognition' by Institute of Company Secretaries of India for CSR Excellence under Small & Emerging Category

"Business Leader of the Community" Sunil Agrawal by Tucson Show 2023

Sunil Agrawal, Managing Director of VGL Group was recognised as 'Business Leader of the Community for 2023' award by Indian Diamond and Colorstone Association (IDCA)

"Ethics in Business Award' by 'RecognizeGood' under Large Business category

Our subsidiary - Shop LC (US) has been conferred with 'Ethics in Business Award' by 'RecognizeGood' under Large Business category being judged upon 5 key parameters, namely, Respectful, Fairness, Honesty, Just and Sustainable organisation

Our SEZ unit has been certified as **"Net Zero Energy Building" (NZEB)** by **"Indian Green Building Council (IGBC)"**

'India Risk Management Award' by CNBC-TV18 & ICICI Lombard

VGL conferred with 'Certificate of Recognition' by Institute of Company Secretaries of India for CSR Excellence under Small & Emerging Category

SHOP LC BUILDING-D

Austin, Texas

GOLD

July 2022

LEED's Gold Certification

Shop LC (US) received 'LEED's Gold Certification' for 2 buildings

Best Workplaces in Manufacturing

Top 50 India's Best Workplaces™ in Manufacturing 2023

Vaibhav Global Limited

VGL featured in Silicon India magazine as 'Best Company to Work For 2022'

Vaibhav Global Limited featured as 'Best Company to Work For 2022' by Silicon India for a transparent and enterprising work culture.

Great Place To Work ® certified

VGL Group is 'Great Place To Work ®' certified in India, US, UK, China, Thailand and Indonesia. In addition to this, VGL India was certified as 'Top 50 Best Manufacturing Workplaces™ in India 2023'. We believe that these certifications are a recognition to VGL's efforts in creating an environment that promotes camaraderie, and delivering a great workplace experience for its employees

Corporate Information

Board of Directors

Harsh Bahadur
(Chairman)

Sunil Agrawal
(Managing Director)

Sheela Agarwal
Sanjeev Agrawal
Pulak Chandan Prasad
James Patrick Clarke
Sunil Goyal
Stephanie Renee Spong

Group Chief Financial Officer

Nitin Panwad

Company Secretary

Sushil Sharma

Statutory Auditors

M/s B S R & Co. LLP

Secretarial Auditor

M/s Vinod Kothari & Company

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: +91-141-2770648
+91-141-2771975

Principal Bankers

Punjab National Bank, Jaipur
State Bank of India, Jaipur
HDFC Bank Ltd., Jaipur
Yes Bank Ltd., Jaipur

Registrar & Share Transfer Agent

M/s KFin Technologies Ltd.
(Unit Vaibhav Global Limited)
Selenium Tower B, Plot 31-32,
Gachlbowll Financial District, Nanakramguda,
Serlingampally, Hyderabad - 500 032
Toll Free No. 1800 309 4001
Email: einward.ris@kfintech.com

Stock Exchanges where Company's Securities are listed

BSE Limited
National Stock Exchange of India Limited

Corporate Identity Number

L36911RJ1989PLC004945

Website

www.vaibhavglobal.com

Investors Helpdesk

investor_relations@vaibhavglobal.com

dividend@vaibhavglobal.com

Management Discussion & Analysis

INDUSTRY OVERVIEW

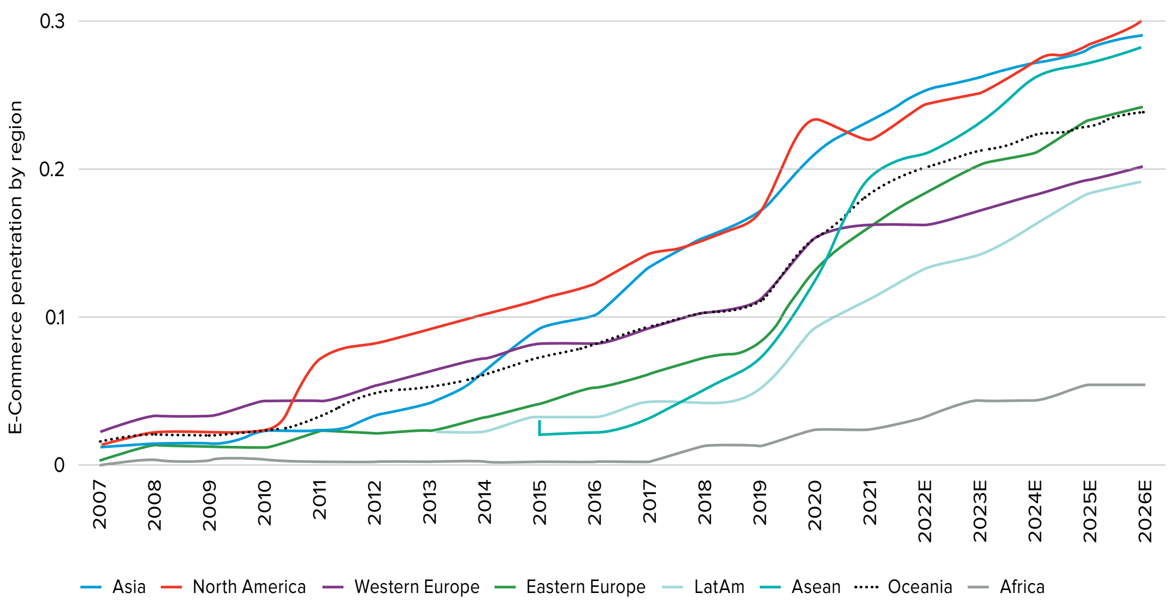
A. Digital Retail

The global e-commerce market reached a size of US$ 16.6 trillion in 2022. The shift in consumer behaviour during the COVID-19 pandemic took the e-Commerce industry forward at least by five years, with the industry expected to reach 27% of retail sales by 2026. Many other factors are also driving this growth including mobile device ownership, marketplace expansion and logistics.

The market is expected to reach US$ 70.9 trillion by 2028, according to an estimate, exhibiting a CAGR growth of 27.43% during the period. The E-commerce industry is usually classified based on numerous business models, which include Business to Business (B2B), Business to Customer (B2C), Customer to Business (C2B) and Customer to Customer (C2C). It offers various benefits to the seller including widening the reach, minimal transaction costs, better margins, direct communication between those involved and quick delivery of goods and services.

https://www.researchandmarkets.com/reports/5732341/e-commerce-market-global-industry-trends#:~:text=The%20global%20e%2Dcommerce%20market,27.38%25%20during%202022%2D2028

E-Commerce as percentage of retail sales continues to grow across regions



https://www.morganstanley.com/ideas/global-ecommerce-growth-forecast-2022

Growth Drivers

- Online shopping provided a practical alternative during COVID-19 as retail locations closed and people stayed in their houses. In fact, global e-Commerce rose from 15% of total retail sales in 2019 to 21% in 2021, but now has stabilised at 22% of total retail sales, according to data from the International Trade Administration (ITA).

  (https://www.trade.gov/ecommerce-sales-size-forecast)

- Rapid urbanisation across the globe is one of the key factors driving market growth.

- Increasing internet penetration and usage of devices such as smartphones, laptops and tablets to access e-Commerce portals is also providing a boost to the digital retail market.

- By combining IoT, big data, and digital solutions and placing fully integrated supply chain systems, omni-channel retailing not only keeps customers involved and reduces downtime, it also helps improve efficiency and effectiveness.

Surfing the digital wave

There has been a seismic shift towards digital shopping in the past few years. A new generation of over one billion digital native consumers are emerging in the next decade, creating new areas of growth for companies like ours. These next generation of consumers and their changing behaviours presents a significant opportunity and offers key insights for companies to capture the next wave of commerce-driven growth. At Vaibhav Global Limited (VGL), we are making more and more investments on the digital front to expand customer touchpoints. We also upgraded our technology infrastructure on Salesforce Commerce Cloud. Technology is also being utilised for marketing automation through the Salesforce Marketing and Service Cloud for paid and organic marketing, and for customer retention – email automation, SMS automation and chatbots. The platform is also being utilised in targeted campaigns based on customer segmentation.

We are leveraging digital as an enabler across distribution channels – TV, OTA, website, mobile apps, OTT, social media, and third-party marketplaces, further strengthening outbound logistics through GEEK+ robotic automation at US and UK warehouses.

The advanced robotic system GEEK+ improved our picking productivity and also reduced the error rates. GEEK+ provides customisable solutions in picking up material efficiently and making warehousing management affordable, efficient, flexible and safe.

Other strategic initiatives include accelerating digital paid campaigns, search engine optimisation, expanding affiliate network and live streaming.

During the year, we partnered with some of the latest technology employed vendors like North Beam and Triple Whale for attribution purpose. Through these platforms, we can track customers' journeys in terms of order attribution types like linear paid, linear all, first click, and last click, among others. This is expected to optimise the marketing spend with better visibility of channel-wise sales. A strong IT team is supporting us in satiating the dynamic business requirements of our business. On the other hand, we are developing an internal talent pool to cater to emerging business needs.

B. Teleshopping

With an increasing number of television viewers across urban and rural areas, the global teleshopping market revenue is projected to reach US$ 48,900 million by 2029, registering a 1.3% annualised growth rate through this period. In addition, the increasing standard of living and changing consumer interest, as well as preference for new and innovative ways of shopping is boosting growth in the global teleshopping market.

https://www.adroitmarketresearch.com/industry-reports/teleshopping-market

Opportunity size in e-Tailing Market: US$ 20 billion

~US$ 14-15 billion
United States

~US$ 2-2.5 billion
United Kingdom

~US$ 2.5-3 billion
Germany

Growth Drivers

Rising number of television sets

The global TV shopping market is estimated to grow at 1.3% in the next 5 to 6 years owing to a consistent rise in the number of TVs in rural and urban areas. The upgraded standard of living coupled with consumers' increasing preference and interest in online shopping is providing a fillip to the adoption of TV shopping. The increase in standard of living is leading to a change in consumer preferences, as it offers convenience and eases placing of orders from the comforts of home.

Growing digitisation to propel product demand

There is a growing demand from customers for more accessible shopping options. Due to rising disposable income levels and expanding regional e-Commerce penetration, TV shopping is projected to experience decent growth by 2030. Increasing smart TV usage and rising regional demand for home shopping channels have been driving market expansion.

Availability of various payment methods

Numerous payment alternatives, specifically for TV shopping, offers significant growth potential. Several payment methods such as online banking, Apple Pay, EMI option, mobile wallet payments, debit cards and credit cards, which are a result of technological developments, are propelling growth in TV shopping. Methods other than cash-on-delivery and increased security features on these modes of payment have expanded consumers' spending capability.

Pay TV viewership and Over-The-Air

There is a decline in Pay TV viewership owing to a rise in alternative mediums of live and local TV content. In the United States, subscribers in the targeted audience of Gen X (50+ age) and Baby Boomers (65+ age), in TV households, reduced to 66% & 77% respectively in 2021 as compared to 80% & 86% respectively in 2015. Decline in TV viewership is being absorbed by Over-The-Air (OTA) adoption, which has a coverage of ~22 million households in the United States and is projected to reach 50 million households by 2025.

Keeping pace with the growing trend, we enhanced our presence in OTA households while also serving our loyal Pay-TV subscribers. During last 10 years, we have reached 17 million OTA households in US as against 1 million in 2013. While cord shifting is happening at a healthier pace through OTA TVs, the potential of full-power OTAs is relatively huge and compelling. Today, Shop LC (US) has a coverage in almost 4 million full-power OTA households, whereas the total universe is around 22 million households in US. This implies a huge growth potential, as full power OTAs have relatively huge customer visibility and resultant higher customer lifetime value.

Over the Top Platforms

Viewership dynamics have changed the way consumers watch videos and consume TV content. Home entertainment has made its way via streaming services, enabling customers to consume the offered content. United States has a well-established infrastructure which generates a huge demand for OTT solutions in the region. The reason for dominance of developed countries is their well-established economies, which enables investments in new technologies.

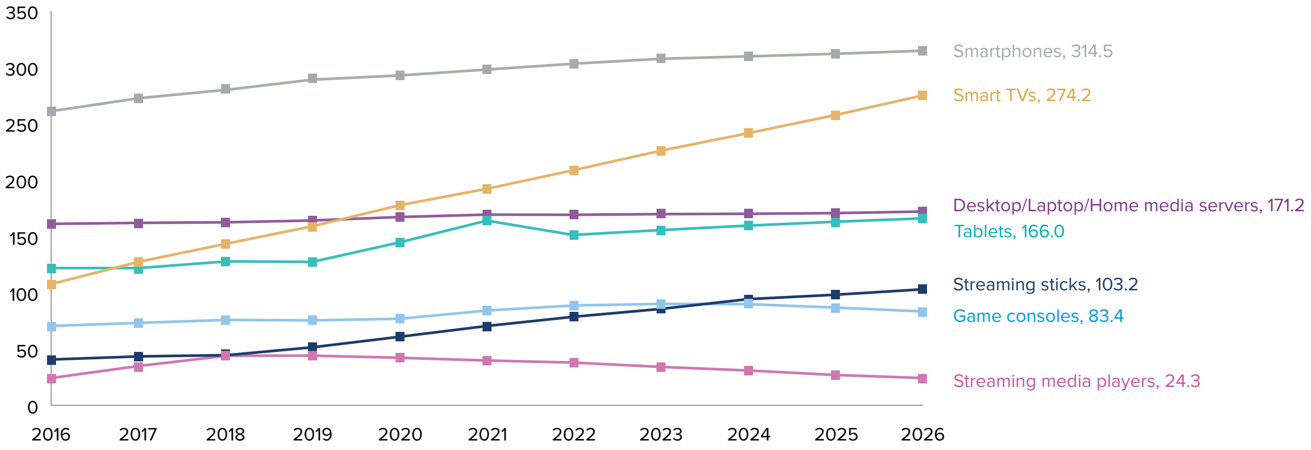
Changing industry dynamics

Viewership dynamics have changed the way consumers watch videos and consume TV content. There is a drift from TV viewership to online content consumption, which acts as a major driver in growth of OTT players. Home entertainment has made its way via streaming services, enabling customers to consume the offered content. The United States has a well-established infrastructure which generates a huge demand for OTT solutions in the region. The reason for dominance of developed countries is their well-established economies, which enables investments in new technologies.

https://www.marketsandmarkets.com/Market-Reports/over-the-top-ott-market-41276741.html#:~:text=%5B188%20Pages%20Report%5D%20The%20global,registering%20a%20CAGR%20of%2016.5%25

In the US, internet-connected video devices are expected to outgrow conventional media streaming devices in the next five years. This presents a growth runway for the teleshopping industry in US. At Vaibhav Global Limited (VGL), we are making planned, but conscious, investments towards OTT platforms. The response from these platforms has been encouraging, with revenue and customer count increasing year on year.

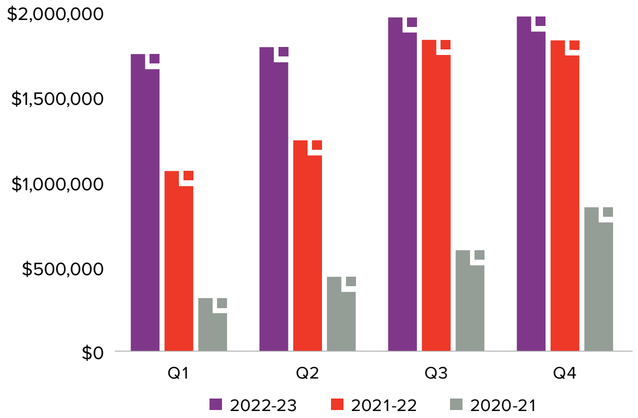
US internet connected video device installed base, 2016 to 2026



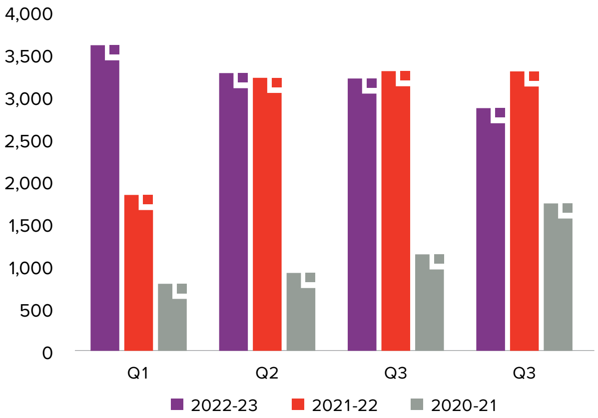
Source: Industry estimates

VGL's Performance on OTT Platforms in United States

OTT Sales



Unique OTT Customers



C. Leveraging Digital Space

The global social commerce market size, valued at US$ 727.63 billion in 2022, is expected to expand at a CAGR of 31.6% between 2023 and 2030. The increased adoption of online media and communication via digital technologies, the average time spent on these platforms and the convenience of buying products online is driving market growth. The convergence of content shopping, sharing, payments, and messaging features has enabled proliferation of social commerce in the past few years. Social commerce, and the use of social media platforms to drive and/or process online purchases, have led to new forms of shopping in a virtual environment. Seamless access to social media networking sites, coupled with the high level of impulse buying, especially amongst Gen Z and millennials, has created huge potential to increase sales and attract new customers.

https://www.grandviewresearch.com/industry-analysis/social-commerce-market#:~:text=The%20global%20social%20commerce%20market,31.6%25%20from%202023%20to%202030.

We are adopting a multi-faceted approach - digital cum social commerce marketing through various platforms such as Facebook, Instagram, Snapchat, and TikTok, among others. We employ tools like media buying and performance marketing, influencer marketing, and customer experience management, among others, which is helping us drive sales through social commerce.

D. Proprietary Web Platforms

Post COVID-19, buying and selling of goods has undergone a substantial transformation. Also, as global internet access and adoption rapidly increase, with over five billion Internet users worldwide, the number of people making purchases online is ever-increasing. Companies are investing in developing their proprietary web-based selling platforms. One of the primary advantages of using a proprietary website platform for e-Commerce sales is that it offers a high level of customisation and flexibility. Leveraging latest technological tools have provided immense growth and innovation potential to companies to further upgrade their online sales operations.

To consolidate our website-based business, we are continuously strengthening and upgrading our tech platform with the latest packages. We expect that seeding these investments will provide required synergies for growth and will complement our proprietary TV channels and other digital medium.

E. Marketplaces

Marketplaces are online shopping platforms that facilitate commerce between sellers and buyers. The global reach of e-Commerce marketplaces helps retailers in testing and penetrating into relevant geographies quickly. On a marketplace, consumers can shop and compare options between different brands. Marketplaces offer express checkout features to ensure a seamless payment process.

VGL has been making relevant investments in marketplaces as part of its omni-channel strategy. Today, we are reaching out to customers on key platforms such as Amazon, Walmart and E-Bay. The Company is following a comprehensive integrated e-Commerce marketing framework with focus on customer acquisition. Its key initiatives include investments in targeted advertisement campaigns, viral gamification campaigns and high-quality backlink campaigns, among others.

KEY MARKET TRENDS

#E-Commerce businesses going global

Global retail sales growth will continue to rise and take up more retail market share. Our addressable markets in US and UK are amongst the top 5 e-Commerce markets globally since 2018 and market estimates suggest that the scenario will remain the same for the next couple of years.

https://www.shopify.com/in/enterprise/global-ecommerce-statistics

#Increased connectivity, convenience and servicing

Internet usage and increased connectivity are significant drivers for e-Commerce growth, with customers spending more time online. This creates a significant opportunity for digital retailers to reach out to more customers with varied offering and tailor-made approach.

One of the top differentiating factors for e-Commerce platforms is supply chain and fulfilment capabilities, which empowers better customer servicing. Improvements in digital payments is also further driving changes in consumer behaviour and their preference for digital purchases.

https://www.morganstanley.com/ideas/global-ecommerce-growth-forecast-2022

#Voice search becoming commonplace

More than 65% of the users between 25-49 years use at least one voice assistant daily. It has become important for e-Commerce businesses to change the way they serve content with the prevalence of digital assistants like Alexa, Siri and Google Home, as well as the use of voice assistants in Smart TVs and mobile devices.

#Rise of Augmented Reality technology

The technology of Augmented Reality (AR) on e-Commerce sites enables consumers to see the new products in real action. Over 35% of the consumers in the United States are already using the technology of AR for product visualisation for numerous items like clothing, jewellery, artwork, flooring, among others.

#Growth in subscription-based products and services

McKinsey & Company's research states that subscription commerce is witnessing exponential growth. Today, online shoppers prefer subscription on e-Commerce sites. Introduction of subscription-based services and products into e-Commerce leads to higher customer retention ratio, greater business predictability and opportunities to upsell and cross-sell products and avoiding purchase of that product from another platform.

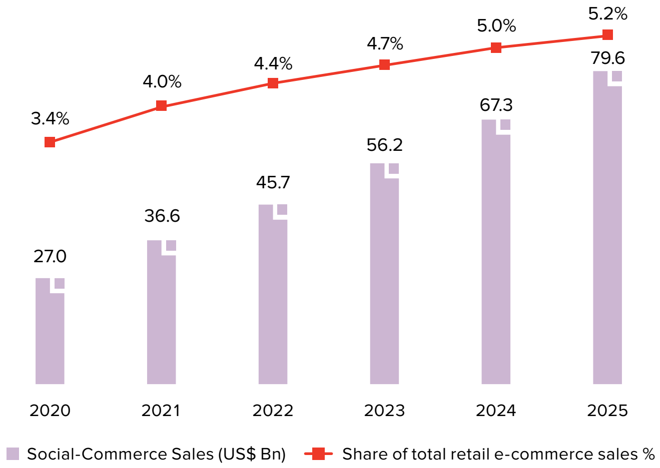
#Leveraging AI-powered growth opportunities

Based on the history of shopping and browsing, AI and machine learning assist in predicting the habits of online buyers. This not only improves customer experience, but also brings new opportunities for businesses to upsell and cross-sell. AI enables a website or online store to customise products uniquely for every customer. Several e-Commerce companies are already using this platform to personalise products for every customer.

#Rise of social and video commerce

Video social commerce, which are majorly driven by influencers, and have disrupted the current online shopping experience. Online businesses are increasing their budget on social commerce and revamping the existing social media strategy. Over 35% of online shoppers in the United States make at least one purchase through social commerce. Users can also share photos and videos on the platform, which further boosts the engagement rate. Social commerce is a small but rapidly growing segment in the United States, which is one of the largest addressable markets for the VGL Group.

Social Commerce: Huge Growth Potential (in US)



https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/social-commerce-the-future-of-how-consumers-interact-with-brands

#Need for rich user interface and user experience

Having a rich user interface (UI) and user experience (UX) is today a necessity to grab customers' attention. Modern web technologies enable businesses to implement two versions of the entire site or specific pages to understand and analyse performance, with variations in terms of fonts, layouts, colors, UI or other metrics. Thumb-friendly navigation on mobile devices is another important UI aspect, with menus, navigation bars and other crucial buttons kept well within the reach of users' thumb. VGL Group is also employing various tools to provide a rich experience to the end-user of our digital platforms. Few metrics that we focus upon include time on page, pages per visit, bounce rate, percentage of returning visitors, and returning visitor frequency, among others.

https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/whats-next-in-ecommerce

BUSINESS OVERVIEW

About the Company

Vaibhav Global Limited (the Company) is a vertically integrated fashion retailer with nearly four decades of industry experience. We are a global digital retailer of fashion jewellery, gemstones, lifestyle products, home décor, beauty care, hair care, apparels and accessories on TV and Digital platforms. We have a multi-channel presence across well-integrated platforms, comprising 24x7 proprietary TV home-shopping channels, OTA platforms, e-commerce websites, mobile apps, OTT platforms, social media platforms and third-party marketplaces. Our supply chain is spread over 30 countries, while our retail operations are in the US, UK and Germany.

Key Strengths

- Well integrated Omni-Channel Retail Operations
- 2 Pools of Product Verticals: Having ~75,000 SKU's
- Being a Vertically Integrated Retailer
- Inhouse Brand Strength

Well-Integrated Omni-Channel Retail Operations

In an environment where sales channel boundaries are overlapping, our omni-channel presence drives and deepens customer engagement and provides a significant growth opportunity for the future. Our retail platforms provide us with direct access to ~141 million households, which are well served through our proprietary TV Channels, Websites, OTT and digital platforms, including marketplaces, social media platforms and mobile apps. We are expanding our customer funnel through continuous onboarding on new and prominent transponders, OTT, OTA and other digital platforms. This establishes our ability to attract a higher wallet share from our customers.

Shop LC (US):

~74 mn households

Shop TJC (UK):

~27 mn households

Shop LC (Germany):

~40 mn households

24x7 proprietary TV home-shopping channels

Over-The-Air TV home-shopping channels

e-Commerce website

Mobile apps

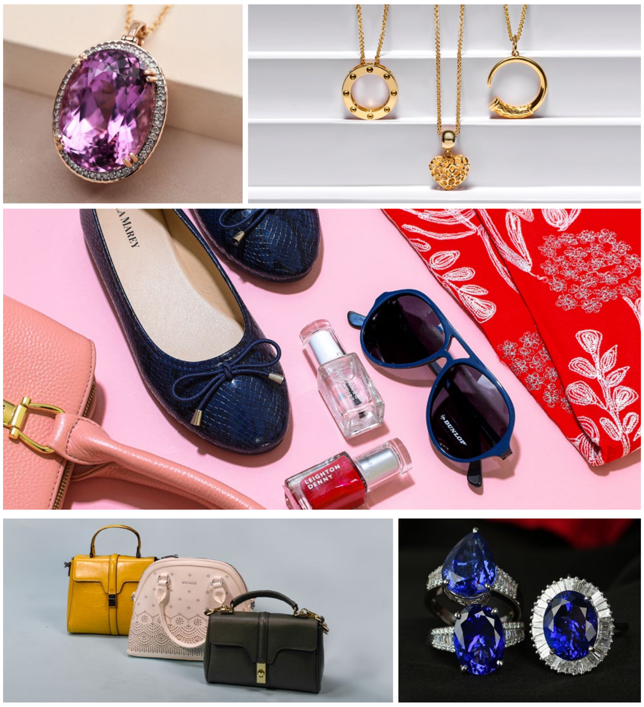
OTT platforms

Third-party marketplaces

Social media platforms

Two Pools of Product Verticals: Having ~75,000 SKU's

A major portion of up to 73% of our B2C revenue is dominated by fashion jewellery, with lifestyle products contributing to the rest of our revenue. The share of lifestyle products in total revenue is constantly growing, as we continue to enrich our product mix with enhanced customer engagement. Our product assortment includes different lifestyle products including home décor, beauty care, hair care, other fashion items and accessories. We have established a strong reputation for superior customer value proposition encompassing deep value, low-cost manufacturing, and quality products.



Being a Vertically Integrated Retailer

We are a vertically integrated retailer with an in-house manufacturing base for majority of fashion jewellery items and apparels. For the lifestyle products portfolio, we engage with third parties to cater to customer needs and provide them with a wide range of product assortment. This model helps us remain agile, scalable and flexible. Our deep sourcing capabilities provide assistance in sourcing products from an extensive network of over 30 countries globally, including India, China, Asia Pacific region, Africa, Europe and Latin America. The acquisition of Encase Packaging in the previous financial year of FY22 has enabled us with cost arbitrage, while navigating supply chain constraints. This robust vertically integrated supply chain helped the Company navigate supply headwinds and maintain our gross margins at 61%.

Leveraging our in-house brand strength

Strengthening the brand portfolio involves leveraging manufacturing and digital capabilities to optimise business outcomes. With 31 brands in the portfolio, the focus remains on enhancing their performance. Currently, revenue from branded products contributes approximately 29% to the overall B2C revenue mix, while our target is to increase this share to around 50% by FY27. This growth is expected to be facilitated by carefully selecting and integrating new brands into our portfolio, based on a comprehensive brand matrix that considers factors such as price laddering and unique offerings. Additionally, improving customer repeats and retention will be achieved by strategically leveraging brand archetypes, allowing for a deeper connection with customers and fostering long-term loyalty. By implementing these measures, the brand portfolio will be fortified, leading to increased market share, revenue growth, and sustained business success.

FY23 in Brief

After a massive jump in FY21, e-Commerce as a percentage of US and UK's overall retail sales has been on a decline. This reflects the effect of two macro environments – firstly, the opening of economies after almost two years of travel restrictions post-COVID, which led people to go out for revenge outings and in-person shopping, impacting the overall digital retailing industry. Secondly, the high inflation in western economies resulted in high level of uncertainty in consumers, leading to subdued spend on discretionary items.

As a result, the e-Commerce industry across the US and UK (which are VGL Group's immediate addressable markets) faced temporary headwinds with a declining mix of online sales. Despite the challenges, we maintained our business resilience, optimally utilised our resources and operated with a keen focus on profitability.

The Group's performance during FY23 has been against the backdrop of current moderating consumer demand amidst recession fears. In UK, economic situation is relatively more strained owing to the cost-of-living crisis. The situation further accelerated owing to strikes at major delivery partners during the third quarter of the year, thus impacting industry wide deliveries in UK. Further, during the third quarter, the Company faced a cyber-attack which resulted in temporarily disruption to our US and UK businesses. However, all our IT systems were restored in a record time of 72 hours.

Talking about the latest trends, there are some silver linings visible in terms of softening of inflation rates in US and UK (although marginal, but trend is positive). We hope this will trigger the consumer sentiments positively and create new opportunities as both economies continue to evolve. Further, the recent incidents around the financial sector in the US might also instil some fears in the minds of individual investors and consumers which can impact demand. Online retail sales in UK too are still struggling to grow, but we hope as the economic situation further improves, digital sales can regain the momentum. In US, though the overall online sale is increasing, the performance of teleshopping companies has seen a dip during the last few quarters. It is satisfying to share that amidst all this too, our market share continues to improve as we performed better than our peers.

Further, our 4R framework - Widening Reach, New Customer Registration, Customer Retention and Repeat Purchases – continue to be our key levers for growth. By the end of FY23, the reach of our TV networks was approximately 141 million TV homes, which is ~14% higher YoY. We are expanding our customer base by leveraging our diverse product portfolio and omni-channel presence. Our unique customer base currently stands at 4.6 lakhs, while new registrations are at 3.0 lakh. New customer acquisition this year was 2.2 lakh, which is 13% lower YoY, but higher by a significant 52% compared to pre-COVID period of FY20. Overall, comparing the period against pre-COVID numbers of FY20 will provide a more accurate and relevant perspective on performance of the business during the current period.

~0.5 million
Unique customer base

3.0 lakh
New registrations

2.2 lakh
New customer acquisition
(57% of customers acquired digitally)

We are keeping a close eye on the situation, as the overall consumer sentiments remains muted. As a general consumer phenomenon, we have tweaked our offering to best suit consumer demands, such as high-end jewellery (that people tend to buy in inflationary environment), and communication on value-conscious buying to facilitate consumers' spending power.

Notably, the year under review did not deter us in making long-term business investments as we continued to seed future growth levers. We have identified the following strategic initiatives and have been investing towards achieving these milestones:

Accelerating 'Digital': Revenue mix to become 50% by FY26 from 37% currently

Our continued investments on OTAs and digital ecosystems comprising OTTs is expected to play a major role in expanding our reach and enhancing customer experience. Shop LC (US) and Shop LC (Germany) ventured into 'live video commerce' on selected social media platforms. Our customers can now shop on livestreaming on Facebook, Instagram and TikTok. This new shoppable stream is helping us acquire new customers in spaces they already love to frequently visit, i.e., 'Social Media'. We are also adopting a focussed approach on expanding our OTT coverage. In US, OTTs are projected to become the fastest growing video distribution medium. Keeping pace with this digital transformation, we have been investing in 'Live & Interactive Apps'. Our tech infrastructure, which was upgraded in FY22, is aiding us with informative data metrics to take informed decisions on buying behaviour of customers.

Expanding 'Lifestyle' Category: Revenue mix to become 50% by FY28 from 27% currently

Having a full-fledged sales network spanning across TV and digital medium, the Company ventured into lifestyle products in 2013. Today, this category contributes ~27% of our global B2C revenue mix. Being a natural extension of fashion jewellery with cross-selling potential, we are accelerating the expansion of this category, and aim to increase its revenue contribution to 50% by FY28.

Strengthening Own Brand Portfolio: Revenue mix to become 50% by FY27 from 29% currently

Another long-term strategic objective of the Group is to expand and strengthen the in-house brand portfolio, which are relatively margin-accretive vis-à-vis third-party brands. We are delighted to share that the acquisition of global digital brand rights of 'Rachel Galley' in 2021 is witnessing better traction with 100% YoY growth, albeit on a lower base. Today, we have 31 in-house brands across fashion jewellery and lifestyle products which contribute ~29% to our global B2C revenue. We have set an ambitious yet achievable target to increase our revenue mix from branded products to 50% by FY27. We plan to achieve this through new brand additions, brand matrix (price laddering), increase repeats and retention through brand archetypes.

Retail Operations

a. United States

Global headwinds, rising inflation and increasing commodity prices affected the US market during the year. Cyber-attacks also temporarily disrupted operations in the region. At Vaibhav Global, we took proactive measures to mitigate the impact of inflation on consumer sentiments, including expanding our portfolio of Gold and diamond products that people tend to buy in inflationary environment, content improvement, and accelerating household expansion through OTA, digital and the OTT medium. These headwinds are transient and we are placed to leverage the potential of this region.

b. United Kingdom

In the earlier year, TJC (UK) upgraded its channel position to 22nd position, from its erstwhile 50th position. The Freeview channel upgrade yielded results and continued to give a positive outcome in terms of new TV customer addition. Customer acquisition growth was a bit lower compared to COVID high but was 82% higher than FY20, the last pre-COVID year. During the year, several major delivery partners faced strikes which led to an industry-wide impact on deliveries. Cyber-attack also temporarily disrupted operations in the UK business. We expect market-leading growth from the business in the long run.

c. Germany

We completed two years of our operations in Germany and faring well, with our performance being as expected. We are present on prominent TV networks, digital platforms including website, marketplaces, OTT and social media. Recently, we arm-partnered with Vodafone on its nationwide cable network. With this arrangement, we added 13 million households on Shop LC's TV network, thus taking the total tally to ~38 million households. Additionally, we are also serving ~2 million households in Austria. Our investments in digital too are yielding the desired results, and today digital contributes 29% to our revenue mix. Today, we are clocking ~Euro 1.4 million sales per month at higher gross margin of 61% and despatching 3,500 pieces per day. Our positive customer orientation has led to a CSAT store of 96%+.

Supply Chain

The acquisition of Encase Packaging in FY22 has enabled us to get the cost advantage by providing packaging boxes to our shopping channels at much more competitive prices vis-à-vis the erstwhile imports from China. Though the Group has a well-entrenched sourcing base and manufacturing capabilities, we look forward to further deepen our sourcing venues through localising at some of the best locations, thus enabling further competitive prices and margin improvement.

Strengthening Customer Trust

We constantly update ourselves with the evolving customer needs through continuous interaction and customer feedback. To maintain our customer-centric approach, we follow a 4R strategy of enhancing Reach, Registrations, Retention and Repeat Purchase, in addition to enhancing customer engagement. This also gives the business an objective assessment framework.

Our Budget Pay services help us provide a hassle-free shopping experience to our customers and enable them to make purchases based on equated monthly instalments (EMI) with an easy return policy. Launched in FY16, the service continues to gain good traction. Currently it contributes ~39% to our total retail sales.

Operational Performance

Snapshot of FY23

- **Total Revenue**

  As discussed earlier, the broader economic challenges in our addressable markets of US and UK, consequent muted consumer sentiments and recessionary fears had a direct impact on our revenue stream. In FY23, in constant currency, Shop LC (US) and Shop TJC (UK) registered YoY decline of 11% and 8% in revenue, respectively. However, comparing this against pre-COVID period of FY20, the growth is stronger at 14% and 22%, respectively. We perceive the current revenue pressure as transient and remain optimistic about the future. We are confident of our ability to navigate these challenges and regain the earlier growth trajectory.

- **EBITDA**

  EBITDA margins in FY23 were at 8.4% of revenue vis-à-vis 11.0% in FY22. Drop in EBITDA margins reflect our planned investments on digital marketing, marketplaces, increased airtime for OTA platforms, and initial losses attributable to Germany. Although the margins appear to be lower, since last four quarters we have seen continuous improvement in quarterly EBITDA margins owing to cost rebase initiatives undertaken at the group level. We are optimistic of reverting back to our earlier levels of mid-teens of EBITDA margin in the medium-term, led by continued customer growth, improved productivity and cost optimisation.

- **Profit Before Tax**

  Profit before tax for the year was ₹141 crore (5.3% of revenue) versus ₹242 crore (8.8% of revenue) YoY. Planned investments on building digital capabilities, airtime investments and losses of Germany impacted our overall profitability. Adjusted for German losses and exceptional items, PBT would have been ₹193 crore, i.e., 7.5% of revenue.

- **Operating Cash Flows, Free Cash Flows and Dividends**

  Operating cash flow and free cash flows stood at ₹126 crore and ₹162 crore (₹90 crore after adjusting for term deposits worth ₹72 crore with maturity of more than three months), respectively in FY23. This is against ₹86 crore and -₹214 crore in FY22 and reflects the impact of capex reverting to normal levels and an increased focus on profitability.

  Despite the challenging times, we continued with our endeavour of returning meaningful value to our shareholders. During the year, we declared a total dividend of ₹6.00 per equity share (including interim dividends of ₹4.50 per share). Going forwards too, we will keep our focus on growth and profitability with prudent capital management.

Key Highlights

Live 24/7 TV Shopping Network

At the end of FY23, the reach of our TV networks was approximately 141 million TV homes, which is 14% higher YoY compared to 124 million TV homes at the end of FY22. We reach TV homes through cable, satellite, telco networks, and over-the-air antenna, also called OTA platforms. During the year, TV contributed ~63% of total retail sales. Annual sales volume stood at 5.3 million pieces, with an average selling price of US$ 38.

Digital Sales

Digital Sales, which comprised sales from mobile platforms (including proprietary mobile apps and mobile web browser) and live TV streaming on proprietary digital platforms, third-party marketplaces and social media platforms, contributed 37% to the total retail sales. Revenue from Digital Sales declined marginally by 1% YoY, compared to 8.5% growth in the previous year, despite the onslaught of macro-economic challenges during the year. Volumes were 4.44 million pieces in FY23 vis-à-vis 5.48 million pieces in FY22, while the average selling price per piece stood at US$ 27.4 in FY23, as compared to US$ 24.2 in the previous year.

B2B Sales

In FY23, B2B revenue stood at ₹81 crore compared to ₹67 crore in FY22, indicating a growth of 21%, owing to our focussed approach on the B2B segment. Directly serving B2B customers from the existing supply chain in Asia led to better ROIs. With B2B having no front-end expenses and elevating our scale to supply chain, we offer a compelling value proposition owing to our manufacturing strength and pricing leverage.

Key Financial Ratios

Standalone

Ratio	FY23	FY22	Explanation to significant changes, wherever applicable
Debtors Turnover (Times)	3.07	4.97	Owing to increase in receivables and corresponding decline in revenue
Inventory Turnover (Times)	3.71	4.20	
Interest Coverage (Times)	30.39	89.87	Increase in interest cost and reduced profitability
Current Ratio (Times)	2.15	2.14	
Debt-Equity Ratio (Times)	0.18	0.16	
Operating Profit Margin (%)	20.5%	20.6%	
Net Profit Margin (%)	22.9%	26.3%	
Return on Net Worth (%)	16.8%	23.2%	Impact of decline in profitability

Consolidated

Ratio	FY23	FY22	Explanation to significant changes, wherever applicable
Debtors Turnover (Times)	11.40	13.81	
Inventory Turnover (Times)	4.26	5.17	
Interest Coverage (Times)	29.62	62.03	Increase in interest cost and reduced profitability
Current Ratio (Times)	2.36	2.25	
Debt-Equity Ratio (Times)	0.10	0.09	
Operating Profit Margin (%)	8.36	10.93	
Net Profit Margin (%)	3.91	8.61	Impact of decline in profitability
Return on Net Worth (%)	9.03	22.68	Impact of decline in profitability

SWOT ANALYSIS

STRENGTHS

- A strong and omni-channel presence in US, UK and Germany retail markets, also having presence across proprietary TV home shopping, proprietary e-commerce platforms, social and third-party marketplaces
- A vertically integrated supply chain with multiple sourcing options
- Providing deep value to customers with ability to offer lowest ASP
- In-house manufacturing units providing requisite flexibility
- Keen emphasis on sustainability as expected by consumers
- Budget Pay: Accounting for 39% of our global B2C revenue
- Solid IT infrastructure with integration on AI, IoT and automation
- Strong governance approach, management expertise, a professional management team, and an independent Board and reputed Auditors
- Easy scalability and scope of expansion into newer geographies
- Curated collections (such as Sukriti, Bali Legacy, Bali Goddess and Milaan), homegrown brands (such as Tamsy, Iliana, Rhapsody, J Francis, Karis, Elanza, Strada, Genoa and Eon 1962) and exclusive designer brands (such as Giuseppe Perez, Rachel Galley, Lucy Q) adding to our strategic product mix
- Human resource management and learning and development resulting in high retention rates and acquiring the right talent
- Diverse products, deep value proposition and engrossing content owing to customer-centric business approach

WEAKNESSES

- Exposure to global challenges, including risk from fluctuations in forex markets
- Cord cutting in linear TV leading to viewer migration to connected TV. This we are attempting to mitigate by increasing investments on digital platforms like OTAs, OTTs, Marketplace and Social DR. Also increasing our Over The Air (OTA) footprint, where the cordcutters are migrating. This service is free to consumer therefore gaining marketshare.

OPPORTUNITIES

- Growth in online shopping
- Change in consumer preference resulting in a growing need for omni-channel presence
- Portfolio expansion to newer categories including home, beauty and apparels

THREATS

- Growing geopolitical tensions
- Sharp increase in competitive intensity with advanced logistics capabilities
- Consumer sentiments impacted due to rising inflation in addressable markets of US and UK
- Cost of living crisis in UK owing to unprecedented economic headwinds
- Potential supply chain issues in future
- Potential rise in cyber-attacks, especially post-COVID

MANAGEMENT OUTLOOK

During the year FY24, we expect to deliver revenue growth within 8% to 10% range. However, our mid-term outlook remains intact, and we expect to deliver mid-teens revenue growth in subsequent periods with operating leverage. We have increased our market share across geographies, driven by our deep value proposition and well supported by a growing range of products and increased market penetration.

Going forward, our 4R framework – Widening Reach, New Customer Registration, Customer Retention and Repeat Purchases – remains our key levers for growth. We are expanding our customer base by leveraging a diverse product portfolio and omni-channel presence.

Amidst global macroeconomic challenges, the underlying long-term business prospects remain promising, and we are well prepared to capture future growth. We shall closely monitor the economic landscape and adapt to the strategies to take advantage of the growing opportunities. We are optimistic about the future and also confident of our ability to navigate the challenges and achieve market-leading growth. We look forward to maintaining a balance between growth, investment, and quarterly pay-outs to generate sustainable value for all our stakeholders.

Robustness of our business model will continue to drive forward our growth ambitions. With long-term business prospects, we will continue making tech-related investments and improvising digital platforms and marketing strategies. We shall remain well-prepared to capture future growth, improve margins and maintain operating leverage with multiple growth levers.

TECHNOLOGY ADOPTION

At VGL, we continued making strategic investments in technology adoption, upgradation and on our digital platforms and automation. We leveraged AI and other technological mechanisms to enhance operations and customer convenience and incorporated features such as wallet integration, new ERP, and deployment of product personalisation. Technology advancement supports us in being relevant to our customers, in aligning ourselves with evolving market trends and staying ahead of competition. Technology also strengthens our internal processes and protocols.

HUMAN RESOURCE MANAGEMENT

We have received Great Place to Work certification across all operating entities within the Group (except Germany). Mr. Sunil Agrawal, our Managing Director, was recognised as one of India's best leaders in times of crisis by Great Place to Work.

Our employees are the backbone of our business success, and we prioritise their growth and well-being. We also strive to enhance employee experience in diverse ways, while investing in their professional development. We have an open and dynamic work culture that respects inclusivity and inspires individuals to contribute to their best abilities. We provide an enabling work environment, care for the well-being of our people, and act on their feedback. This is duly recognised by our workforce and the external agencies.

During FY23, the health and well-being of our employees continued to be our top priority. In FY23, we initiated several employee engagement initiatives such as town halls, management training and engagement programmes. We also conducted several training initiatives for Leaders, Managers and shop floor employees, including the World of Business Forum on Negotiation Skills by George Kohlrieser, Goal Setting, Humanocracy: Creating Organisations as Amazing as the People Inside Them, Effective Communication and Design Thinking.

We continued to engage with our people and motivate them to help them perform to the best of their abilities. We remain inspired by the idea of Humanocracy (propounded by Gary Hamel and Michele Zanini) and are implementing its principles across the organisation.

Focus also remained on engaging with our employees through formal and informal communication and training forums, and on maintaining cordial industrial relations. Moving ahead, we will keep emphasising on the well-being of our employees and expanding our team. As on 31 March 2023, we had 4,140 employees on our payrolls, including outsourced labour.

For more details on Human Resources, please refer to our ESG report (https://www.vaibhavglobal.com/reports) and Human Capital section in the Integrated Annual Report.

RISK MANAGEMENT

Risk management is core to our business strategy and continuity. VGL's robust risk management framework ensures efficient and timely identification of risks, and accordingly, the Group formulates strategies to mitigate these. In effect, it ensures better management and risk reporting systems. Activities of the organisation are inter-related at all levels and drive an enterprise-wide risk management framework with a strong focus on risk assessment, risk management and risk monitoring.

Since it is critical to deliver on the Group's strategic objectives, risk management is embedded in our business-critical activities, functions, and processes. Our risk management framework is designed to manage rather than eliminate the risk of failure to achieve business objectives and provides reasonable, and not absolute assurance, against material misstatement or loss.

Materiality and risk tolerance are key considerations in decision-making. The Company has put in place a robust Integrated Risk Management Framework, aligned with the internationally accepted framework issued by the Committee of Sponsoring Organizations (COSO). VGL Enterprise Risk Management (ERM) process is centred around stakeholder interests and enables to strengthen the risk mitigation while capitalising on opportunities efficiently.

COSO FRAMEWORK

Control Environment > **Risk Assessment** > **Control Activities** > **Information & Communication** > **Monitoring**

The responsibility for identifying and managing risks lies with every manager and business leader. Additionally, we have key risk governance and oversight committees in the Group. These are:

Board of Directors

Audit Committee

Risk Management Committee

Business Unit Management Team

For further details on risk management, kindly refer to 'Risk Management and Internal Controls' section of the Integrated Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

We are socially responsible corporate citizens, committed to serving the community. VGL continues to work in the fields of education, healthcare and poverty alleviation to achieve its CSR-related goals and objectives. At the Group level, we contributed ₹6.93 crore (4.9% of reported PBT) towards several CSR initiatives in FY23, as compared to ₹8.21 crore (3.4% of reported PBT) spent during FY22. During the year, the Company was conferred with 'Certificate of Recognition' by ICSI for its CSR activities.

The mid-day meal programme ***'Your Purchase Feeds…'***, which is our flagship CSR initiative, is aimed at uplifting underprivileged school-going children. Through this programme, a child is provided with a free wholesome meal, for every product sold at our retail channels. We have provided 75 million meals to under-privileged children since the inception of this initiative, and currently serving ~50,000 meals every school day

For more details on this, please refer to our ESG Report for FY23.

INTERNAL CONTROLS

We have a well-defined organisational structure, authority levels and internal rules and guidelines for conducting business transactions and are committed to a high level of corporate governance.

In keeping with this commitment, we have a robust well devised internal control framework which are appropriate to the nature and size of the business, and commensurate with the scale and complexity of its operations. The Internal control system is designed and implemented, which inter alia, helps us to safeguard our assets, timely preparation of reliable financial information, maintain accurate accounting records, prevention and detection of frauds and errors and provide reliable financial information and other data to our stakeholders.

We ensure periodic internal audits, management reviews to ensure a robust internal control system. We also have a set of well-documented policies, guidelines, and procedures. For smooth business execution, we have in place a distinct organisational structure, authority levels and internal rules and guidelines. We remain committed to strict adherence to all applicable laws and statutes, and intend to undertake further measures, as necessary. In accordance with the Companies Act, 2013 and globally accepted risk-based framework as issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, we have outlined the current system of Internal Financial Controls. This technologically advanced robust framework details entity-level policies, processes and Standard Operating Procedures (SOPs). We use technology supported platforms to keep the Internal Financial Control (IFC) framework robust.

We ensure robustness of our internal controls across multiple functions and locations due to our strong internal audit. Corrective measures are taken by the concerned process owners in their respective areas, as indicated by the internal control function. The Audit Committee of the Board is duly apprised about the significant audit observations and corrective actions. Our internal audit function is carried out by Deloitte Touche Tohmatsu India LLP, an external independent firm, also responsible for reporting its findings to the Audit Committee. The effectiveness of the internal control system is closely monitored by the Internal audit function, also responsible to ensure that the system remains competent and robust. The Audit Committee reviews the risk-based internal audit plan followed by the Internal audit function.

CAUTIONARY STATEMENT

Statements in the 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 operations 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.

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Notice

Notice is hereby given that the 34th Annual General Meeting (AGM) of the Members of VAIBHAV GLOBAL LIMITED will be held on Wednesday, 2 August 2023 at 9.00 A.M. (IST) through Video Conferencing ('VC') facility or Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Financial Statements**

   To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31 March 2023 together with the Reports of the Board of Directors and Auditors thereon.

2. **Declaration of Dividend**

   To declare a final dividend of ₹ 1.50 per equity share (@75%) for the year ended 31 March 2023 and to confirm 1st interim dividend of ₹ 1.50 per equity share (@75%), 2nd interim dividend of ₹ 1.50 per equity share (@75%) and 3rd interim dividend of ₹ 1.50 per equity share (@75%), already paid during the year 2022-23.

3. **Re-appointment of Mr. Pulak Chandan Prasad (DIN: 00003557) as a Director, liable to retire by rotation**

   *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 Section 152 and other applicable provisions of the Companies Act, 2013, the approval of members of the Company, be and is hereby accorded to re-appoint Mr. Pulak Chandan Prasad (DIN: 00003557) as a director, who is liable to retire by rotation, and offered himself for the re-appointment."

SPECIAL BUSINESS:

4. **Re-appointment of Ms. Stephanie Renee Spong (DIN: 09295604) as an Independent Director of the Company**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and other laws, rules and regulations as may be applicable from time to time and pursuant to the recommendation of Nomination, Remuneration and Compensation Committee and the Board of Directors ("the Board"), the consent of the members be and is hereby accorded for the re-appointment of Ms. Stephanie Renee Spong (DIN: 09295604), as a Non-Executive Independent Woman Director of the Company, for the second term, to hold office for a period of five years commencing from 6 September 2023 to 5 September 2028, whose office shall not be liable to retire by rotation, on such terms and conditions including remuneration determined/ to be determined by the Board."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, expedient and desirable in this regard."

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

Place: Jaipur
Date: 17 May 2023

By Order of the Board of Directors
For Vaibhav Global Limited

Sd/-
Sushil Sharma
Company Secretary
(Membership No. FCS - 6535)

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in respect of item number 4 and the information required pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations'), read with Secretarial Standard on General Meeting (SS-2) issued by Institute of Company Secretaries of India, regarding the Directors seeking appointment/re-appointment in the Annual General Meeting are annexed hereto and both forms part of the Notice.

2. The 34th Annual General Meeting (AGM) is convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") pursuant to General Circular numbers 14/2020, 17/2020, 20/2020, 02/2021, 02/2022 and 10/2022 dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January 2021, 5 May 2022 and 28 December 2022 respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022, SEBI/HO/DDHS/DDHS_Div2/P/CIR/2022/079 dated 3 June 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5 January 2023 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as 'Circulars'), which permit the companies to hold AGM through VC/OAVM, which does not require physical presence of members at a common venue and sending physical copies of Annual Report. The deemed venue for the 34th AGM shall be the Corporate Office of the Company i.e. E-69, EPIP, Sitapura, Jaipur-302022 (Rajasthan).

3. The Company has availed the services of KFin Technologies Limited, (KFintech) Registrar and Transfer Agent (RTA) of the Company, as the authorized agency for conducting of the AGM through VC/OAVM and providing e-voting facility.

4. Attending e-AGM: Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may access the same at https://emeetings.kfintech.com/ by clicking "e-AGM - Video Conference & Streaming" and access the shareholders'/ members' login by using the remote e-voting credentials which shall be provided as per Note No. 21 of this notice. Kindly refer the same for detailed instruction for participating in e-AGM through Video Conferencing.

5. In compliance with the aforesaid Circulars, the Notice of 34th AGM along with the Annual Report for the financial year 2022-23 is being sent only through electronic mode to those Members whose E-mail addresses are registered with the Company / Depositories / RTA as on 1 July 2023. The AGM notice and Annual Report of the Company are made available on the Company's website at www.vaibhavglobal.com and also on the website of the Stock Exchanges where the shares of the Company have been listed viz., BSE Limited - www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com.

6. Though a member entitled to attend and vote at the meeting, is entitled to appoint one or more proxies (proxy need not be a member of the company to attend and vote instead of himself / herself), the facility of appointment of Proxies is not available as the AGM is convened through VC / OAVM.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. In case of joint holders only such joint holder who is higher in the order of names will be entitled to vote during the meeting.

9. The Register of Members and the Share Transfer Books of the Company will remain closed on **Saturday, 1 July 2023 ('Book Closure Date')** for the purpose of AGM and payment of dividend. The dividend, as recommended by the Board of Directors of the Company, if declared at the AGM, will be paid within 30 days from the date of AGM to those Members, whose names stand registered as on book closure date in the record of the Company/RTA/Depositories.

10. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after 1 April 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

    For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number ("PAN")	Members not having PAN / valid PAN
10% or as notified by the Government of India	20% or as notified by the Government of India

    However, no tax shall be deducted on the dividend payable to a resident individual, if the total dividend to be received by him/her during financial year 2023-24 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, Foreign Institutional Investors / Foreign Portfolio Investors, taxes are required to be withheld in accordance with the provisions of section 195 / 196D and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per section 90 of the IT Act, non-resident shareholders / Foreign Institutional Investors / Foreign Portfolio Investors have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if these are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders / Foreign Institutional Investors / Foreign Portfolio Investors will have to provide the following:

i. Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962.

ii. Copy of Tax Residency Certificate for financial year 2023-24 obtained from the revenue authorities of the country of tax residence, duly attested by member.

iii. Self-declaration in Form 10F, if PAN is not available. In case, where PAN is available Form 10F has to be executed in electronic mode from Income tax portal.

iv. Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty.

v. Self-declaration of beneficial ownership by the non-resident shareholder / Foreign Institutional Investors / Foreign Portfolio Investors.

vi. Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

The documents referred to in point nos. (iii) to (v) can be downloaded from the link given at the end of this communication or from the Company's website viz. www.vaibhavglobal.com.

In order to provide exemption from withholding of tax, the following entities holding shares of the Company as on the book closure date must provide a self-declaration as listed below:

- **Insurance companies:** A declaration that they are beneficial owners of shares held.
- **Mutual Funds:** A declaration that they are governed by the provisions of section 10(23D) of the Act along with copy of registration documents (self-attested).
- **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of registration documents (self attested) should be provided.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate is dependent upon the completeness and satisfactory review by the Company, of the documents submitted by shareholder.

Further, the Rate of TDS is subject to provisions of Section 206AB of the Act (effective from July 2021) which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax returns (referred to as 'Specified Persons'). Under section 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified person:

- At twice the rate specified in the relevant provision of the Act; or
- At twice the rate or rates in force; or
- At the rate of 5%.

In terms of Rule 37BA of the Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules.

Kindly note that the aforementioned documents should be uploaded with KFin Technologies Limited, the Registrar and Transfer Agent ("KFin") at https://ris.kfintech.com/form15 or emailed to einward.ris@kfintech.com on or before 26 July 2023. You can also email the same to dividend@vaibhavglobal.com. No communication on the tax determination / deduction shall be entertained after 26 July 2023.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such taxes deducted.

TDS certificates in respect of tax deducted, if any, can also downloaded from the e-filing account at https://www.incometax.gov.in/iec/foportal or can email to dividend@vaibhavglobal.com.

11. Members wishing to claim dividends that remained unclaimed are requested to correspond with the RTA/ Company Secretary. Members are requested to note that dividends that are not claimed within 7 years from the date of transfer to the Company's unpaid dividend account, will as per section 124 of the Act, be transferred

to the Investor Education and Protection Fund (IEPF). Shares on which dividends remain unclaimed for seven consecutive years will be transferred to the IEPF as per section 124 of the Act and the applicable rules.

12. **Norms for furnishing of PAN, KYC, Bank details and Nomination:**

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated 16 March 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD RTAMB/ P/CIR/2021/687 dated 3 November 2021 and 14 December 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities.

The folios wherein any one of the cited documents/ details is not available on or after 1 October 2023, shall be frozen by the RTA.

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

Type of Holder	Process to be followed for furnishing PAN, KYC, Bank details and Nomination	
Physical	For availing investor services, send a request in the prescribed forms to the RTA of the Company, KFin Technologies Limited through any of the following mode: a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or b) Through hard copies which are self-attested, which can be shared on the address below : KFIN Technologies Limited, Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032; or c) Through electronic mode with e-sign by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx# Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc.,	Form ISR 4
	The forms for updating the above details are available at www.vaibhavglobal.com	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. If the securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after 31 December 2025.

The Company has already dispatched letters to Members holding shares in physical form in relation to the above referred SEBI Circular.

13. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at https://www.vaibhavglobal.com/shareholder_communication. It may be noted that any service request can be processed only after the folio is KYC Compliant.

SEBI vide its notification dated 24 January 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Members can contact the Company, for assistance in this regard.

14. 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 respectively will be available for electronic inspection by the members at the AGM.

    All documents referred in the accompanying Notice and Statement setting out material facts will be available for electronic inspection for Members on all working days (except Holiday) between 11.00 A.M. and 1.00 P.M. (IST) up to date of 34th AGM. Members seeking to inspect such documents can send an E-mail to investor_relations@vaibhavglobal.com

15. The members / investors may send their complaints/queries, if any to the Company's RTA at einward.ris@kfintech.com or to the Company at investor_relations@vaibhavglobal.com.

16. Since the AGM being held through VC/OAVM, the Route Map, Attendance Slip and proxy form are not attached to this Notice.

17. The Board of Directors has appointed Mr. B K Sharma of M/s B K Sharma & Associates, Practicing Company Secretary as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

18. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting and votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and within a period not exceeding 48 hours from the conclusion of the meeting, submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman in writing for counter signature.

19. The results shall be declared either by the Chairman or the person authorized by the Chairman in writing and the resolutions will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour thereof.

20. Promptly after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website at www.vaibhavglobal.com and on the KFintech's website at https://evoting.kfintech.com and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.

21. PROCEDURE FOR REMOTE E-VOTING AND ATTENDING E-AGM

(1) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the SEBI (LODR) Regulation, and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-voting facility provided by listed entities, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by KFintech on all resolutions set forth in the Notice of 34th AGM.

(2) However, in pursuant to SEBI's abovesaid circular, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories / DPs in order to increase the efficiency of the voting process.

(3) Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

(4) **The remote e-voting period will commence on Saturday, 29 July, 2023 at 10.00 AM (IST) and ends on Tuesday, 1 August 2023 at 5.00 PM (IST).** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e., Wednesday, 26 July, 2023,** may cast their vote electronically in the manner and process set out hereunder. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

(5) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

(6) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.

com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

(7) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

(8) A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.

(9) The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3 : Access to join virtual meetings (e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 **3. Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasinew/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1
	3. Alternatively, by directly accessing the e-Voting website of CDSL I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990 and 1800 22 44 30**
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022- 23058738 or 022-23058542-43**

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 7,384, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Vaibhav Global Limited - AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id bksharma162@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, for attending the AGM of the Company through VC/ OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at investor_relations@vaibhavglobal.com. Questions /queries received by the Company till 1 August 2023 at 5.00 pm shall only be considered and responded during the AGM.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC / OAVM shall be available for at least 2000 members on first come first served basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will opened from **Saturday, 29 July 2023 at 10.00 AM to Tuesday, 1 August 2023 at 5.00 PM** Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from **Saturday, 29 July 2023 at 10.00 AM to Tuesday, 1 August 2023 at 5.00 PM**.

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact C. Shobha Anand, Deputy Vice President, Kfintech at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Ms. Stephanie Renee Spong is an Independent Director of the Company and her first term of appointment will complete on 6th September 2023. As per Section 149(10) of Companies Act, 2013 ("the Act"), an Independent Director shall hold office to a term of upto five years on the Board of a Company, but shall be eligible for re-appointment for further term upto five years on passing a special resolution by the Company.

The Nomination, Remuneration and Compensation (NRC) Committee has evaluated the performance of Ms. Stephanie Renee Spong and keeping in view of her knowledge, skills, vast experience, continued valuable guidance to the management and effective participation & contribution, the Committee has recommended her re-appointment for the second term of five years. Accordingly, the Board of Directors ("the Board"), subject to the approval of shareholders, has approved the re-appointment of Ms. Stephanie Renee Spong as an Independent Director of the Company for the second term of five years commencing from 6 September 2023 to 5 September 2028 on such terms and conditions including remuneration by way of profit related commission determined/to be determined by the Board within the limits as previously approved by the shareholders regarding payment of remuneration to non-executive directors.

The Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing her candidature for the re-appointment as an Independent Director of the Company. The Company has received the consent, in writing from her to act as Director of the Company and a declaration that she is not disqualified to act as Director under Section 164(2) of the Act and meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations'). In the opinion of the Board, Ms. Stephanie Renee Spong fulfils the conditions specified in the Act/Regulations and she is independent of the management. The Board also evaluated that she possesses all the required skills and capabilities as determined by the Company for the role of Independent Director in the Company. The Board recommends the Special Resolution, set out at Item No. 4 of the Notice, for the approval of the shareholders.

The brief profile, specific areas of her expertise and other information as required under SEBI (LODR) Regulations, 2015 read with applicable Secretarial Standard is provided at the end of the notice. The terms and conditions of re-appointment of Director would be available for electronic inspection between 11.00 A.M. and 1.00 P.M. (IST) on all working day of the Company, except holiday, upto the date of 34th Annual General Meeting. Members seeking to inspect such document can send an E-mail to investor_relations@vaibhavglobal.com

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

Details of Directors seeking appointment/re-appointment at 34th Annual General Meeting

Name of Director	Mr. Pulak Chandan Prasad	Ms. Stephanie Renee Spong
DIN	00003557	09295604
Date of Birth	27/05/1968	01/06/1965
Date of first appointment on the Board	29/10/2013	06/09/2021
Date of re-appointment	02/08/2023	06/09/2023
Brief Profile / Expertise in Specific field/ Qualification	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 postgraduation from IIM Ahmedabad, before which he worked with Unilever in India as a Production Management Trainee. He holds an engineering degree from IIT Delhi.	Ms. Stephanie Renee Spong is a venture capitalist with over three decades of professional experience in strategy, operations, and finance, working with both start-ups and established companies in the U.S., Japan, Hong Kong, and Mexico. She brings seasoned business judgment and financial skills, and as Managing Director of Razorfish's Los Angeles office, she gained valuable operating experience and immersion in the digital media space. Her previous experience includes Goldman Sachs, McKinsey, Citibank, EPIC Ventures, Royal Street Ventures, and Monitor Group. Since 2006, Ms. Spong has supported fast-growth venture-backed start-ups in tech-enabled industries as a board member and board observer/ adviser. Ms. Spong is a graduate of Brigham Young University and earned her MBA from Harvard Business School.
Board Meetings held & attended during the FY 2022-23	Held - 4 Attended - 4	Held - 4 Attended - 4
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1. Triveni Turbine Ltd. – Non Executive Non Independent Director 2. Berger Paints India Limited – Non Executive Independent Director	Nil
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Members - Audit Committee of Berger Paints India Limited	Nil
Number of shares held in the Company	Nil	Nil
Remuneration paid during FY 2022-23	Nil	₹ 40,49,375 (Profit related commission)
Relationships with other directors/KMP	No	No
Resigned in the listed entity in past three years	Just Dial Limited – (w.e.f. 01.09.2021)	Nil

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

Place: Jaipur
Date: 17 May 2023

By Order of the Board of Directors
For Vaibhav Global Limited

Sd/-
Sushil Sharma
Company Secretary
(Membership No. FCS -6535)

Board's Report

To the Members,

Your Directors have pleasure in presenting the 34th Annual Report on the affairs of the Company, together with the Audited Financial Statements, for the financial year ('FY') ended 31 March 2023.

FINANCIAL PERFORMANCE AND HIGHLIGHTS

The audited financial statements (standalone and consolidated) prepared by the Company, in accordance with the Indian Accounting Standards [Ind AS], are provided in the Annual Report of the Company. The highlights of financial performance (standalone and consolidated) of the Company for the financial year ended 31 March 2023 are as under:

(₹ in lacs)

Particulars	Standalone (FY)		Consolidated (FY)	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations and Other Income	53,652.70	59,080.56	2,71,854.15	2,77,427.11
Less: Operating Cost	42,194.83	46,894.01	2,49,128.72	2,47,106.07
Operating Profit / PBDIT	**11,457.87**	**12,186.55**	**22,725.43**	**30,321.04**
Less: Finance Cost	429.92	258.78	819.68	609.69
Less: Depreciation & Amortization Expenses	740.74	645.10	7,775.29	5,480.92
Profit Before Tax (PBT)	**10,287.21**	**11,282.67**	**14,130.46**	**24,230.43**
Exceptional Items	-	(56.22)	-	2,824.16
Profit After Exceptional items	10287.21	11,226.45	14,130.46	27,054.59
Less: Tax Expenses	297.03	(1,658.74)	3,616.69	3,343.43
Profit After Tax (PAT)	**9,990.18**	**12,885.19**	**10,513.77**	**23,711.16**
Other Comprehensive Income (Net of Tax)	(82.56)	72.45	4315.79	607.15
Total Comprehensive Income	9,907.62	12,957.64	14,829.56	24,318.31

A detailed discussion on financial and operational performance of the Company and subsidiaries is given under "Management Discussion and Analysis Report" forming part of this Report. There was no change in the nature of business of the Company during the financial year ended 31 March 2023.

BUSINESS REVIEW

Vaibhav Global Limited (the Company) is a vertically integrated fashion retailer with nearly four decades of industry experience. We are a global digital retailer of fashion jewellery, gemstones, lifestyle products, home décor, beauty care, hair care, apparels and accessories on TV and Digital platforms. We have a multi-channel presence across well integrated platforms, comprising 24x7 proprietary TV homeshopping channels, OTA platforms, e-commerce websites, mobile apps, OTT platforms, social media platforms and third-party marketplaces. Our supply chain is spread over 30 countries, while our retail operations are in the US, UK and Germany.

In an environment where sales channel boundaries are overlapping, our omni-channel presence drives and deepens customer engagement and provides a significant growth opportunity for the future. Our retail platforms provide us with direct access to ~141 million households, which are well served through our proprietary TV Channels, Websites, OTT and digital platforms, including marketplaces, social media platforms and mobile apps. We are expanding our customer funnel through continuous onboarding on new and prominent transponders, OTT, OTA and other digital platforms. This establishes our ability to attract a higher wallet share from our customers.

A major portion of up to 73% of our B2C revenue is dominated by fashion jewellery, with lifestyle products contributing to the rest of our revenue. The share of lifestyle products in total revenue is constantly growing, as we continue to enrich our product mix with enhanced customer engagement. Our product assortment includes different lifestyle products including home décor, beauty care, hair care, other fashion items and accessories. We have established a strong reputation for superior customer value proposition encompassing deep value, low-cost manufacturing, and quality products.

For more details on business overview and state of the company's affairs, please refer 'Management Discussion and Analysis Report', which forms a part of the Board's Report.

DIVIDEND

The Board of Directors of your company is pleased to recommend a final dividend of ₹ 1.50/- per equity share having face value of ₹ 2/- each (@75%) for the financial year 2022-23 for the approval of shareholders at the ensuing 34th Annual General Meeting (AGM). The dividend, if approved at 34th AGM, will be paid to those members who will be the members of the Company on the book closure date i.e. 1 July 2023.

Apart from above, during the year 2022-23, the Board has declared and paid the following interim dividends:

Particulars	Dividend per Share (₹)	Date of declaration	Dividend %
1st Interim Dividend	1.50	2 August 2022	75%
2nd Interim Dividend	1.50	27 October 2022	75%
3rd Interim Dividend	1.50	24 January 2023	75%

The dividend pay-out for FY 2022-23 would be ₹ 98.92 crores including the proposed final dividend. Considering the sense of shareholders' expectations and past dividend history, the Board recommended/ declared dividends based on the parameters laid down in the Dividend Distribution Policy. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations') is available on the Company's website at https://www.vaibhavglobal.com/code-policies

TRANSFER TO RESERVE

The Board of Directors have decided to retain the entire amount of profits for FY 2022-23 in the profit and loss account and not to transfer any amount to the Reserves for the year under review.

CHANGE IN CAPITAL STRUCTURE

a) **Authorised Share Capital:**

During the year under review, there has been no change in the authorised share capital of the Company.

b) **Issued, Subscribed and Paid-up Share Capital:**

During the year under review, the Company has allotted 9,78,996 equity shares of ₹ 2/- each to eligible employees under Vaibhav Global Limited, Employee Stock Options Plan (As Amended)–2006 and 43,001 equity shares of ₹ 2/- each under Vaibhav Global Limited, Restricted Stock Unit Plan-2019 through Vaibhav Global Employee Stock Option Welfare Trust, in various tranches, pursuant to the exercise of Stock Options and Units respectively. Consequently, the paid-up share capital of the Company has increased by 10,21,997 equity shares of ₹ 2/- each during the year. As a result, the issued, subscribed and paid-up share capital of the Company has increased from ₹ 32,79,87,154 (divided into 16,39,93,577 equity shares of ₹ 2/- each) to ₹ 33,00,31,148 (divided into 16,50,15,574 equity shares of ₹ 2/- each). The equity shares issued under abovesaid employees benefit plans are ranked pari- passu with the existing equity shares of the Company.

Further, the Company has not issued any share with differential voting rights and sweat equity shares during the year under review.

EMPLOYEES BENEFIT PLAN(S)

a) Restricted Stock Unit Plan-2019: The Company has granted 5,79,055 stock units convertible into equal number of equity shares of face value of ₹ 2/- each to the eligible employees of the Company and its subsidiaries under 'Vaibhav Global Limited, Restricted Stock Unit Plan-2019' (hereinafter referred to as 'RSU-2019') during the year under review.

b) Management Stock Option Plan-2021: The Company has granted 25,374 stock options convertible into equal number of equity shares of face value of ₹ 2/- each to the eligible employees of the Company and its subsidiaries under Vaibhav Global Limited, Management Stock Option Plan-2021 (hereinafter referred to as 'MSOP-2021') during the year under review.

c) Employees Stock Option Plan-2021: The Company has granted 1,21,970 stock options convertible into equal number of equity shares of face value of ₹ 2/- each to the eligible employees of the Company and its subsidiaries under 'Vaibhav Global Limited, Employee Stock Option Plan-2021' (hereinafter referred to as 'ESOP-2021') during the year under review.

d) Employee Stock Options Plan (As Amended)-2006: The Company has not granted any stock option under 'Vaibhav Global Limited, Employees Stock Options Plan (As Amended)-2006' (hereinafter referred to as 'ESOP-2006') during the year under review.

All employees benefit plans of the Company i.e. RSU-2019, MSOP-2021, ESOP-2021 and ESOP-2006, are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 and are administered by Vaibhav Global Employee Stock Option Welfare Trust under the supervision of the Nomination, Remuneration and Compensation Committee of the Board. The required details pertaining to said plans are available on the Company's website: https://www.vaibhavglobal.com/esop. The Company issued and allotted equity shares as per its various employees benefit plans and there was no instance wherein the Company failed to implement any corporate action within the statutory time limit.

The Secretarial Auditors' certificate on the implementation of abovesaid plans in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 will be made available to the members for inspection during the 34th AGM.

CREDIT RATING:

During the year under review, CARE has reaffirmed the Company's credit rating for long-term/ short term bank facilities as CARE A; Stable / CARE A1 (Single A; Outlook: Stable / A One), which denotes adequate degree of safety regarding timely servicing of financial obligations and carry low credit risk. The rating on short-term bank facilities was withdrawn by CARE as it was subsumed under long term facilities.

Further, ICRA has also reaffirmed the rating as "A" for long term (Fund based) and A1 for short term (Non-fund based) bank facilities. The Outlook on the long-term facilities is Stable. This rating indicates adequate degree of safety regarding timely servicing of financial obligations and carry low credit risk.

HOLDING AND SUBSIDIARY COMPANIES

A. Holding Company:

Brett Enterprises Private Limited, holds 9,20,42,991 equity shares of ₹ 2/- each, representing 55.78% shareholding of the Company, is a holding Company of Vaibhav Global Limited.

B. Subsidiary Companies:

The Company has following subsidiaries and stepdown subsidiaries:

Subsidiaries

a) VGL Retail Ventures Ltd., Mauritius, a 100% subsidiary of the Company, which in turn holds 100% in Shop TJC Limited, UK.

b) STS Jewels Inc., USA, a 100% subsidiary of the Company, engaged in outsourcing gemstones & jewellery products primarily for the group.

c) STS Global Supply Limited (formerly: STS Gems Limited), Hong Kong, a 100% subsidiary of the Company, engaged in outsourcing jewellery and lifestyle products primarily for the group, which in turn holds 100% in PT. STS Bali and STS (Guangzhou) Trading Limited.

d) STS Global Limited (formerly: STS Gems Thai Limited), Thailand, a 100% subsidiary of the Company, engaged in outsourcing products for the group.

e) STS Global Limited (formerly: STS Gems Japan Limited), Japan, a 100% subsidiary of the Company, engaged in outsourcing products for the group.

f) Shop LC GmbH, Germany a 100% subsidiary of the Company, engaged in sale and marketing of fashion jewellery and lifestyle accessories through electronic media and operates a dedicated TV shopping channel and internet shopping website (www.shoplc.de) in the Germany.

g) Vaibhav Vistar Limited, a 100% subsidiary of the Company, deals in fashion jewellery and lifestyle products.

h) Vaibhav Lifestyle Limited, a 100% subsidiary of the Company, engaged in manufacturing and export of garments.

i) Encase Packaging Private Limited, a 60% subsidiary of the Company, engaged in the business of manufacturing and dealing in packaging materials.

Step-down Subsidiaries

a) Shop TJC Limited, UK (formerly: The Jewellery Channel Ltd.), a wholly-owned step-down subsidiary of the Company, engaged in the sale and marketing of fashion jewellery and lifestyle accessories through electronic media and operates a dedicated 24x7 TV shopping channel and internet shopping website (www.tjc.co.uk) and also a mobile app in the UK.

b) Shop LC Global Inc., USA (a 100% subsidiary of Shop TJC Limited, UK), a wholly-owned step-down subsidiary of the Company, engaged in sale and marketing of fashion jewellery and lifestyle accessories through electronic media and operates a dedicated 24x7 TV shopping channel and internet shopping website (www.shoplc.com) and also a mobile app in the US.

c) PT. STS Bali, Indonesia, a wholly-owned step-down subsidiary of the Company, engaged in outsourcing products for the group.

d) STS (Guangzhou) Trading Limited, China, a wholly-owned stepdown subsidiary of the Company, engaged in the business of import-export and trading of goods primarily for the group.

There is no associate company within the meaning of Section 2(6) of the Companies Act, 2013 (hereinafter referred to as 'the Act'). There is no company which has become or ceased to be subsidiary and /or associate of the company during the financial year 2022-23. There have been no material changes in the nature of the business of the subsidiaries during the year under review.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and all the subsidiaries forms a part of this Annual Report and have been prepared in accordance with Section 129(3) of the Act. Pursuant to Section 136 of the Act, the financial statements for the financial year ended 31 March 2023 in respect of each subsidiary are also available on the website of the Company, i.e. www.vaibhavglobal.com. A copy of the said financial statements shall be provided to shareholders upon request. A separate statement containing salient features of the financial statements of Company's subsidiaries in prescribed format AOC-1 which also provides details of the performance and financial position of each of the subsidiaries is annexed as **Annexure 1** to this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year under review, Mr. Nirmal Kumar Bardiya, Non-Executive Non-Independent Director of the Company, has retired from the directorship at 33rd AGM of the Company held on 2 August 2022. Mr. Santiago Roces and Mr. Harsh Bahadur have completed their tenure as Independent Director on 27 July 2022 and 25 September 2022 respectively. The Board placed on record their invaluable contribution and guidance to the Company/Board during their tenure as board members.

Further, on the recommendation of Nomination, Remuneration and Compensation Committee, the Board appointed Mr. Harsh Bahadur as an Additional Director under the category of Non-Executive Non-Independent Director w.e.f. 26 September 2022, liable to retire by rotation, which was subsequently approved/regularised by shareholders on 2 December 2022. The Board also appointed Mr. Harsh Bahadur as Non-Executive Chairman of the Board w.e.f 26 September 2022.

The shareholders of the Company, at 33rd Annual General Meeting, has approved (i) the re-appointment of Mrs. Sheela Agarwal as Non-Executive Non-Independent Director of the Company, liable to retire by rotation (ii) the appointment of Ms. Stephanie Renee Spong as Non-Executive Woman Independent Director on the Board for a period of two years i.e. 6 September 2021 to 5 September 2023.

Pursuant to Section 152 of the Companies Act, 2013 (hereinafter referred to as "the Act"), Mr. Pulak Chandan Prasad, Non-executive Director, who has been longest in the office, is liable to retire by rotation at the ensuing 34th Annual General Meeting. He is eligible for re-appointment and has offered himself for re-appointment as Director of the Company. The Board recommended the same to the shareholders of the Company for their approval.

On the recommendation of Nomination, Remuneration and Compensation Committee, the Board of Directors, has approved the re-appointment of Ms. Stephanie Renee Spong as a Non-Executive Woman Independent Director of the Company for the second term of five years from 6 September 2023 to 5 September 2028 subject to the approval of shareholders of the Company. In the opinion of the Board, she possesses adequate skill, knowledge, expertise, integrity and experience as determined by the Company being a Board Member and she fulfil the conditions of independence specified in the Act and the SEBI (LODR) Regulations and that she is independent of the management. Keeping in view of above, the Board has recommended her re-appointment as a Non-Executive Woman Independent Director of the Company for the approval of shareholders in the ensuing 34th Annual General Meeting.

During the year under review, Mr. Nitin Panwad was appointed as Group Chief Financial Officer, being a KMP, in place of Mr. Vineet Ganeriwala w.e.f. 27 October 2022.

Pursuant to the provisions of Section 203 of the Act, Mr. Sunil Agrawal, Managing Director, Mr. Nitin Panwad, Group Chief Financial Officer and Mr. Sushil Sharma, Company Secretary are the Key Managerial Personnel (KMP) of the Company as on 31 March 2023.

a) **Board Evaluation and Remuneration Policy**

Pursuant to the provisions of the Act, the Board has carried out an annual performance evaluation of its own performance, board committees and of the directors individually (including Independent Directors) as per the criteria defined in the Nomination and Remuneration policy and expressed its satisfaction. The Independent Directors in their separate meeting, have evaluated the performance of Non-Independent Directors and the Board as a whole and Chairman of the Board. Furthermore, the Board is of the opinion that all the directors, as well as the directors appointed / re-appointed during the year, are persons of high repute, integrity & possess the relevant expertise, skill & experience and qualification in their respective fields. The criteria of evaluation and directors' skill/expertise etc. are described in the 'Corporate Governance Report' and forms a part of this Report. The Nomination and Remuneration Policy of the Company, containing selection and remuneration criteria of directors, senior management personnel and performance evaluation of Directors/Board/Committees/Chairman, has been designed to keep pace with the dynamic business environment and market-linked positioning. During the year, the Company has updated Nomination and Remuneration policy to align it with the amendments under the SEBI (LODR) Regulations. The amended Policy is available on the Company's website at https://www.vaibhavglobal.com/code-policies. The detail of the remuneration paid to the directors during the year is provided in the 'Corporate Governance Report' and forms a part of this Report.

b) **Board Meetings**

During the year, four (4) Board Meetings were convened and held, the details of which are given in the 'Corporate Governance Report', forms a part of this Report. The maximum interval between any two meetings did not exceed 120 days as prescribed under the Act.

c) **Committees of the Board**

Details of the committees, along with their composition, charters and meetings held during the year, are provided in the 'Corporate Governance Report', forms a part of this Report. During the financial year 2022-23, the Board has accepted all the recommendations of its committees.

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 Act, and Regulation 16(1)(b) of SEBI (LODR) Regulations. Further, all necessary declarations with respect to independence have been received from all the Independent Directors and also received the confirmation that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. The terms and conditions for the appointment of the Independent Directors are given on the website of the Company. The Board is of the opinion that Independent Directors of the Company fulfil the conditions of independence specified in the Act and the SEBI (LODR) Regulations and that they are independent of the management.

e) **Board Diversity**

The Company recognises and embraces the benefits of having a diverse Board of Directors to enhance the quality of its performance. The Company considers increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. The identified key skills/expertise/competencies of the Board and mapping with individual director are provided in the 'Corporate Governance Report', forms a part of this Report.

f) **Board Policies/Codes**

The Company has duly framed policies and codes which are required under the Act, SEBI (LODR) Regulations and other Laws/Rules/Regulations as applicable on the Company. The policies/codes as required to disclose on the website of the Company are available at https://www.vaibhavglobal.com/code-policies. The link of all policies is provided in the 'Corporate Governance Report', forms a part of this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 of the Act, 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 Act, to recommend the amount of expenditure to be incurred on the activities and to monitor the CSR policy of the Company from time to time. The Company has developed and implemented a CSR Policy containing projects and programs, which is available on Company's website at https://www.vaibhavglobal.com/code-policies.

Your Company has spent a sum of ₹ 205.55 lacs under CSR activities during the year. A report on CSR activities, i.e. initiatives taken during the year, in the prescribed format as required under section 134(3)(o) read with section 135, inter-alia, contains composition of the CSR committee is annexed herewith as **Annexure 2**, which forms a part of this Report. The other initiatives undertaken by the Company and its subsidiaries for the help of the community, over and above the statutory requirements, are highlighted under 'CSR Activities' section of the Management Discussion and Analysis Report.

AWARDS AND RECOGNITIONS

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

1. Conferred with 'Certificate of Recognition' by the Institute of Company Secretaries of India for CSR Excellence under Small & Emerging Category.

2. Recognized with 'India Risk Management Award' under 'Manufacturing Sector' by ICICI Lombard and CNBC-TV 18. The award is presented annually to organizations demonstrating high standards of risk management practices.

3. Awarded with 'Diplomatist Business Award' in digital retailer of fashion jewelry and lifestyle products by Diplomatist Magazine.

4. Mr. Sunil Agrawal, Managing Director was recognized as 'Business Leader of the Community for 2023' by Indian Diamond and Colorstone Association (IDCA).

5. Featured as 'Best Company to Work for 2022' by Silicon India for a transparent and enterprising work culture.

6. Ranked amongst top 125 companies in India by Economic Times & Statista and was conferred with 'India's Growth Champion 2022' award for achieving one of the highest percentage revenue growth between 2019 and 2022.

7. Certified as 'India's Top 50 Best Workplaces™ in India 2023' by Great Place To Work® under manufacturing category.

DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Act, read with the Companies (Acceptance of Deposits) Rule, 2014. There are no outstanding deposits as on 31 March 2023.

PARTICULAR OF LOANS, GUARANTEES AND INVESTMENT

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Act, are given in the respective notes to the standalone financial statements of the Company.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI (LODR) Regulations. 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 Act, in the prescribed form AOC-2 is annexed herewith as **Annexure 3**.

All related party transactions are placed before the Audit Committee and the Board of Directors for their review and approval. Prior omnibus approval of the Audit Committee is obtained on annual basis for the transactions which are planned/repetitive in nature and omnibus approvals are taken as per the policy laid down for unforeseen transactions. Related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions etc. of the transactions. During the year, the Board has amended the policy on the related party transactions and a policy on material subsidiaries. The updated policies are available on the Company's website at https://www.vaibhavglobal.com/code-policies

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 organisational structure, authority levels, internal rules and guidelines for conducting business transactions. The Company intends to undertake further measures as necessary in line with its intent to adhere to the procedures, guidelines and regulations, as applicable, in transparent manner.

During the year under review, Deloitte Touche Tohmatsu India LLP was engaged as Internal Auditors of the Company. They carried out the internal audit of the Company's operations and reported its findings to the Audit Committee. Internal auditors also evaluated the functioning and quality of internal controls and provided assurance of its adequacy and effectiveness through periodic reporting. Internal audit was carried out as per risk-based internal audit plan, which was reviewed by the Audit Committee of the Company. The Audit Committee periodically reviewed the findings and suggestions for improvement and was apprised of the implementation status in respect of the actionable items. For more details, please refer 'Internal Controls and their Adequacy' section of the Management Discussion and Analysis Report, a part of this Report.

RISK MANAGEMENT

The Company has in place a Risk Management framework to identify, evaluate and monitor business risks and challenges across the Company, that seek to minimise the adverse impact on business objectives and capitalise on opportunities. The Company's success as an organisation largely depends on its ability to identify such opportunities and leverage them while mitigating the risks that arise while conducting its business. The Company has also framed, developed and implemented a Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimise adverse impact on 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. The risk management committee monitor and review the risk management plan and to perform functions as defined under the Act and SEBI (LODR) Regulations. During the year, the committee inter-alia reviewed and amended the risk management policy of the Company. The updated policy is available at the website of the Company. For more details, please refer 'Risk Management' section of the Management Discussion and Analysis Report, a part of this Report.

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

Pursuant to Section 139 of the Act, the shareholders at 33rd Annual General Meeting (AGM) has reappointed M/s B S R & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for the second term of five years commencing from 1 April 2022 to 31 March 2027 and they shall hold office from the conclusion of 33rd AGM till the conclusion of 38th AGM of the Company.

M/s B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 101248W/W-100022), statutory auditors of the Company, have submitted Auditors' Reports on the financial statements (standalone and consolidated) of the Company for the financial year ended 31 March 2023, which forms a part of this Annual Report. The Reports on standalone and consolidated financials does not contain any qualification, reservation, adverse remark or disclaimer. Information referred to in the Auditors' Reports are self-explanatory and do not call for any further comments.

B. Secretarial Auditors

In terms of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Vinod Kothari & Company, Practicing Company Secretaries, have been reappointed as Secretarial Auditors of the Company to conduct the secretarial audit of the Company for the financial year 2022-23. The Secretarial Audit Report for the financial year 2022-23 is attached herewith as **Annexure 4**. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditors in their Report. Information referred to in the Secretarial Auditors' Report are self-explanatory and do not call for any further comments.

Annual Secretarial Compliance Report

A Secretarial Compliance Report, pursuant to regulation 24A of the SEBI (LODR) Regulations, for the financial year 2022-23 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, shall be obtained from M/s Vinod Kothari & Company, Practicing Company Secretaries and shall be placed on the website of the Company and Stock Exchanges.

The unlisted Indian subsidiaries does not fall under the criteria of secretarial audit as prescribed under Section 204 of the Act and Regulation 24A of the SEBI (LODR) Regulations.

C. Cost Audit

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act is not applicable to the Company.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

INVESTOR RELATIONS

Your Company interacted with Indian and overseas investors and analysts through one-on-one meetings, conference call and regular quarterly meetings during the year. Earnings call transcripts/recording of the meeting on quarterly/event-based meetings are posted on the website of the Company.

PREVENTION OF INSIDER TRADING

In compliance with the provisions of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI (PIT) Regulations'), the Board has adopted a code of conduct to regulate, monitor and report trading by Designated Persons to preserve the confidentiality of price sensitive information, to prevent misuse thereof and regulate trading by designated persons. It prohibits the dealing in the Company's shares by the promoters, promoter group, directors, designated persons and their immediate relatives, and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window, to deal in the Company's shares, is closed. Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the SEBI (PIT) Regulations. The code is available on the Company's website at https://www.vaibhavglobal.com/code-policies

The Board of Directors have also formulated a code of practices and procedures for fair disclosure of unpublished price sensitive information containing policy for determination of 'legitimate purposes' as a part of this Code, which is available on the Company's website at https://www.vaibhavglobal.com/code-policies

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company is fully committed to uphold and maintain the dignity of women working in the Company. The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition, and redressal of sexual harassment at workplace as per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder. In line with the same, the Company has formulated an Anti-Sexual Harassment Policy ('Policy'). All employees (permanent, contractual, temporary and trainees) are covered under this policy. An Internal Complaints Committee (ICC) constituted under the policy is responsible for redressal of complaints related to sexual harassment at the workplace. The policy is available on the Company's website at https://www.vaibhavglobal.com/code-policies. During the year under review, no complaint was received by the ICC committee.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism/Whistle Blower Policy ('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 behaviour, actual or suspected fraud or violation of the Company's code of conduct or policy. The policy is available on the Company's website at https://www.vaibhavglobal.com/code-policies. During the year under review, the Company has not received any complaint under this policy.

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 made by the employees of the Company.

PARTICULAR OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure 5**.

Information required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate exhibit, forming part of this report, available on the website of the Company at https://www.vaibhavglobal.com/shareholder_communication/agm-egm-postalballot.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Act, read with Companies (Management & Administration) Rules, 2014, the annual return in the prescribed form is available on the website of the Company at https://www.vaibhavglobal.com/shareholder_communication/agm-egm-postalballot.

CORPORATE GOVERNANCE REPORT

A report on Corporate Governance and Certificate from the Company Secretary in Practice confirming compliance of conditions, as stipulated under SEBI (LODR) Regulations, forms an integral part of this Annual Report. The Managing Director of the Company has confirmed and declared that all the members of the Board and the senior management personnel have affirmed compliance with the code of conduct.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report of the financial conditions and results of operations of the Company for the year under review, as required under regulation 34(2) (e) of SEBI (LODR) Regulations, is being given separately and forms a part of this annual report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The importance of ESG, which stands for Environmental, Social and Governance, has been so far increased globally that almost all businesses have begun to integrate it into their operations and business strategies. Over the years, your Company has adopted ESG framework in the organisation through its mission, strategy, goals, values etc and believes in communicating its ESG performance in a transparent manner. In addition to statutory requirement for publishing Business Responsibility Report, your Company had also published its maiden Interim ESG Report for H1 and Annual ESG Report for financial year 2021-22 and is publishing Annual ESG Report for 2022-23.

We are proud to publish our 1st Business Responsibility and Sustainability Report ("BRSR") describing the initiatives taken by the Company from an environmental, social and governance perspective, in a specified format which forms a part of this Annual Report. The said report is also available on the website of the Company.

The Company has BRSR Policy, aligned with the nine principles of the National Guidelines on Responsible Business Conduct notified by the Ministry of Corporate Affairs, Government of India, which is also available on the website of the Company.

SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and that such systems were adequate and operating effectively and the Company has complied with all applicable Secretarial Standards during the year under review.

LISTING OF SHARES

The shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and the listing fee for the year 2023-24 has been duly paid.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Act, in preparation of annual accounts for the financial year ended 31 March 2023 and state that:

a) in the preparation of the annual accounts for the financial year ended 31 March 2023, 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 31 March 2023 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 Act, 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 were operating effectively; and

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.

UNCLAIMED DIVIDEND

Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), mandates that the companies to transfer the amount of dividend, which remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules also mandate that the share on which dividend has not been paid or claimed for seven consecutive years or more be transferred to the IEPF.

The detail of unclaimed dividends and their corresponding shares would become eligible for transfer to IEPF on the dates mentioned below:

Divided for the Year	Type of Dividend	Dividend per share (₹)	Date of declaration	Due date of transfer to IEPF	Unclaimed dividend as on 31 March 2023 (₹)	Face Value of share on which dividend declared (₹)
2018-19	Interim dividend	5.00	29 October 2018	5 December 2025	50,145.00	10.00
2018-19	Final dividend	5.00	30 July 2019	31 August 2026	54,895.00	10.00
2019-20	Interim dividend	7.00	29 January 2020	3 March 2027	61,551.52	10.00
2019-20	Special Interim dividend	19.74	19 March 2020	25 May 2027	2,38,301.28	10.00
2019-20	Final dividend	7.00	30 July 2020	5 September 2027	57,711.00	10.00
2020-21	1st interim dividend	5.00	30 July 2020	4 September 2027	43,240.00	10.00
2020-21	2nd interim dividend	5.00	29 October 2020	3 December 2027	38,489.00	10.00
2020-21	3rd interim dividend	7.50	29 January 2021	4 March 2028	63,034.50	10.00
2020-21	Final dividend	1.50	29 July 2021	1 September 2028	78,766.00	2.00
2021-22	1st interim dividend	1.50	29 July 2021	3 September 2028	68,205.50	2.00
2021-22	2nd interim dividend	1.50	27 October 2021	30 November 2028	84,211.50	2.00
2021-22	3rd interim dividend	1.50	27 January 2022	7 March 2029	83,125.76	2.00
2021-22	Final dividend	1.50	2 August 2022	3 September 2029	1,17,121.82	2.00
2022-23	1st interim dividend	1.50	2 August 2022	3 September 2029	1,31,844.23	2.00
2022-23	2nd interim dividend	1.50	27 October 2022	28 November 2029	1,02,058.90	2.00
2022-23	3rd interim dividend	1.50	24 January 2023	26 February 2030	79,756.97*	2.00

*unclaimed as on 17 May 2023. The Company has issued demand draft to the shareholders, whose banking detail were not updated. The said amount shall be adjusted accordingly for demand drafts which will remain uncashed, if any, after completion of three months from its issue date.

Shareholders may note that both the unclaimed dividend and corresponding shares, which have been transferred to IEPF in previous financial years, including all benefits arising on such shares, can be claimed from IEPF as per the procedure provided under the applicable provisions of the Companies Act, 2013. The Company sends periodic intimation to shareholders, advising them to lodge their claims with respect to unclaimed dividend.

Mr. Sushil Sharma, Company Secretary, has been appointed as nodal officer to ensure compliance with the IEPF Rules. The contact details of nodal officer and detail of unpaid/unclaimed dividend are available on the website of the Company, i.e. https://www.vaibhavglobal.com/dividend.

OTHER DISCLOSURES

During the financial year under review:

1. There are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the Company;

2. There are no material/significant changes occurred between the end of the financial year 2022-23 and the date of this report which may impact the financial position of the Company;

3. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year is not applicable; and

4. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosures to be made under Section 134(3)(m) of the Act 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. However, the Company always focuses on conservation of energy, wherever possible. The Company is making continuous efforts to conserve energy by adopting innovative measures to reduce wastage and optimise consumption. Some of the specific measures undertaken are:

(i) Steps taken by the Company for utilising alternate sources of energy:

- **Renewable Energy**

  During the year, the Company has generated 47.67 lacs KWh electricity through renewable energy. The Company's total solar capacity is 3.23 MW. The Company is addressing 100% power requirements of its two major manufacturing units of Jaipur through renewable energy.

- **Electrical Vehicle**
  Towards reduction of carbon footprint, the Company has distributed 100 electric scooters, during the year, to its employees for their commute. The Company has distributed 184 electric scooters in total, including this year's distribution, for employees' commute. The Company is using one electric car for its routine transportation.

- **Green Building**
  Our manufacturing unit at the Special Economic Zone (SEZ) in Jaipur, Rajasthan, is a LEED Platinum certified building.

- **Water Management**
  We have rainwater harvesting structures of 6100 KL of water across all units of the Company. The Company recycle 48 KL per day, equivalent to ~17,500 KL annually through its ETP/STP plant. Our mission is to conserve water through rainwater harvesting to replenish depleting groundwater table and to provide clean drinking water. There are underground tanks at our manufacturing units with a total capacity to hold 500 KL rain water.

- **Bio-diversity**
  We have accelerated efforts to enhance the green coverage at our plants and surroundings. During the year, we planted ~1400 trees, taking our cumulative plantation to over 7,000 trees. In order to promote biodiversity in Rajasthan, we initiated a multi-layer plantation akin to forest in the rural areas and planted 28,000 saplings in two acres of land for Miyawaki forest.

These initiatives are in align with our vision to become Carbon Neutral in Scope 1 and Scope 2 GHG emissions by 2031 & pursuing to become Carbon Neutral in Scope 3 GHG emissions.

(ii) **Capital investment on energy conservation equipment:**

During the year, your Company has incurred ₹ 45 lacs to procure electric vehicles.

B. Technology Absorption

(i) **The efforts made towards technology absorption:**

Your Company possesses an in-house research and development team, which is continuously working towards more efficient jewellery production, improved processes and better designs. Your Company constantly strives for the latest technology for its manufacturing processes. Towards technology and process upgradation in different segments, the Company has installed following technologies during the year:

a) **SISMA LM-D180 Laser welding** - The machine is used specially for laser welding process in Platinum, Silver and Gold metal.

b) **Gold fiber laser cutting machine SW-FLC-GOLD** – The machine is used for laser cutting and engraving process in Gold, Silver and Brass.

c) **Electroplating Plant Walter Lemmen** – Fully automatic system controlling the timer, voltage, water quality and electrolytes level. Plating tanks are made with special PP-N material.

d) **Muffle furnace:** The outer casing is made of mild steel sheet, and powder coated. Heating element are made of KANTHAL A-1 wire and backed by high temperature ceramic wool insulation, which avoids loss of energy.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:**

The steps taken towards technology absorption by the company helped to improve its processes, product, save energy and reduce cost.

(iii) **Imported technology:** The Company has imported Electroplating Plant Walter Lemmen, SISMA LM-D180 Laser welding and Gold fiber laser cutting machine, during the year under review, which have been fully absorbed.

(iv) **Expenditure incurred on Research and Development:** Nil

C. Foreign Exchange Earnings and Outgo

The information on foreign exchange earnings and outgo during the year under review is as under:

Sr. No.	Particulars	₹ in lacs
1.	Foreign exchange earnings	56,429.60
2.	Foreign exchange used	15,815.07

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude and wish to place on record its appreciation for the dedication and commitment of the 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 the future too. We also express gratitude to shareholders for reposing their unstinted trust and confidence in the management of the Company.

We wish and pray for all to stay safe, healthy, and Happy!

For and on behalf of the Board of Directors

Harsh Bahadur
Chairman
DIN: 00724826

Place: Delhi
Date: 17 May 2023

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 ₹)

Particulars	Subsidiaries									Step Down Subsidiaries			
Sr. No.	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**
Name of Subsidiary	**STS Jewels Inc., USA**	**STS Global Limited (formerly: STS Gems Thai Limited), Thailand**	**STS Global Supply Limited (formerly: STS Gems Limited), Hong Kong**	**STS Global Limited (formerly: STS Gems Japan Limited), Japan**	**VGL Retail Ventures Limited, Mauritius**	**Vaibhav Vistar Limited, India**	**Encase Packaging Pvt. Limited, India**	**Vaibhav Lifestyle Limited, India**	**Shop LC GmbH, Germany**	**PT. STS Bali**	**Shop TJC Limited (formerly : The Jewelry Channel Limited, UK)**	**Shop LC Global Inc., USA**	**STS (Guangzhou) Trading Limited, China**
The date since when subsidiary was acquired	27 January 2006	24 January 2006	24 January 2006	24 January 2006	4 August 2005	2 December 2020	15 March 2022	5 December 2020	9 March 2021	24 March 2014 (Date of Incorporation	15 December 2005	30 January 2007	16 May 2018
Reporting Period for the Subsidiary Concerned, if different from the holding Company's reporting period	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023	1 April 2022 to 31 March 2023
Reporting Currency and exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	USD 1 = ₹ 82.243	THB 1 = ₹ 2.411	HKD 1 = ₹ 10.4769	JPY 1 = ₹ 0.618	USD 1 = ₹ 82.243	INR 1 = 1	INR 1 = 1	INR 1 = 1	EURO 1 = ₹ 89.513	Rupiah 1 = ₹ 0.00549	GBP 1 = ₹ 101.693	USD 1 = ₹ 82.243	Chinese Yuan 1 = ₹ 11.976
Share Capital	41,121,500	84,388,889	91,673,302	46,335,825	3,850,751,563	99,999,940	50,000,000	6,000,000	2,237,832	7,897,934	2,347,484,931	273,869,190	16,358,059
Reserves & Surplus	427,961,760	177,212,490	426,800,312	(48,533,796)	13,310,782,633	(14,267,353)	(17,193,048)	(51,766,647)	(1,117,978,096)	162,367,621	13,805,168,568	4,950,136,323	219,603,736
Total Assets	939,906,060	412,369,700	774,253,091	5,159,536	1,181,971,770	118,062,808	89,826,412	132,929,475	1,111,006,625	222,965,531	3,998,431,454	8,996,259,689	358,960,965
Total Liabilities	470,822,799	150,768,321	280,295,538	7,388,398	5,143,137	32,330,220	57,019,460	178,696,122	2,226,746,888	52,699,976	2,183,451,468	4,115,122,674	122,999,171
Investments	-	-	24,516,060	30,891	15,984,705,562	-	-	-	-	-	14,337,673,514	342,868,498	-
Turnover	1,100,291,336	770,376,003	805,850,513	296,177	-	-	96,851,498	114,800,660	1,285,044,891	309,400,385	7,624,079,878	18,141,616,480	899,654,779
Profit before Taxation	92,138,862	36,937,800	11,468,109	(362,883)	846,394,652	(7,967,031)	4,446,070	(29,910,219)	(596,227,449)	12,156,940	840,168,470	1,245,062,717	32,362,110
Provision for Taxation	19,710,851	9,200,360	-	-	(125,667)	276,934	-	-	-	4,194,954	(4,309,953)	297,620,612	3,336,577
Profit after Taxation	72,428,011	27,737,440	11,468,108	(362,883)	846,520,319	(8,243,965)	4,446,070	(29,910,219)	(596,227,449)	32,776,802	844,478,423	947,442,105	29,025,533
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	60%	100%	100%	100%	100%	100%	100%

Note:

1. Name of Subsidiaries which are yet to commence operations: NA
2. Name of Subsidiaries which have been liquidated or sold during the year: NA

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 31 March 2023.

For and on behalf of the Board of Directors
Vaibhav Global Limited

Harsh Bahadur
Chairman
DIN: 00724826

Place: Delhi
Date: 17 May 2023

Sunil Agrawal
Managing Director
DIN: 00061142

Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548

Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535

Place: Jaipur
Date: 17 May 2023

Annexure -2

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief Outline on CSR Policy of the Company

VGL is committed to build a sustainable enterprise for the benefit of its present and future generations of stakeholders. The Company shall integrate and follow best practices into its business strategies and operations, to manage the three challenges – economic prosperity, social development and environmental integrity. Towards this commitment, the Company shall:

a) Build a sustainable enterprise that effectively balances financial strengths with social and environmental responsibilities.

b) Deliver sustainable top-line and bottom-line growth while maintaining the highest corporate governance standards.

c) Reduce its environmental footprint by investing in eco-friendly and reliable technologies and practices.

d) Increase efficiency by optimum utilization of resources and technology.

e) Promote sustainable farming practices to boost crop productivity in rural India through its soil testing facilities and other advisory services.

f) Work towards improving the quality of life by making the communities self-reliant in areas within which it operates.

g) Build lasting social capital through interventions in the infrastructure, healthcare, education, vocational domains and other social welfare initiatives for the community residing in the vicinity of its plants and other places in India.

h) Ensure welfare, growth and safety of all people associated with the Company.

i) Empower its employees and continuously develop their knowledge and skill sets, so that they realize their true potential and drive the Company's growth.

j) Promote inclusive growth and equal opportunity by retenting a caste, gender and religion neutral organization.

Focus areas

- Eradicating hunger, poverty and malnutrition.
- Promoting healthcare including preventive healthcare.
- Promoting education through schools and other organization.
- Promoting education, enhancing vocational skills.
- Promoting gender equality and empowering women, in particular.
- Ensuring environmental sustainability, including plantation by school children.
- Disaster management, including relief, rehabilitation and reconstruction activities.

2. Composition of CSR Committee

Sr. no.	Name of the director	Designation / nature of directorship	Number of CSR committee meeting during the year	
			Held	Attended
1.	Mr. Sunil Agrawal	Chairman of CSR Committee, Executive Director	1	1
2.	Mr. Harsh Bahadur	Member, Non-Executive Non-Independent Director*	1	1
3.	Ms. Stephanie Renee Spong	Member, Non-Executive Independent Director	1	1

*Mr. Harsh Bahadur completed his tenure as an Independent Director on 25 September 2022. He was further appointed as Non-Executive Non-Independent Director on the Board w.e.f. 26 September 2022.

3. Web Links Where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are Disclosed on The Website Of the Company:

- The composition of the CSR committee is available on our website at : https://www.vaibhavglobal.com/committees-directors
- The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013, which contains the CSR projects as approved by the Board. The CSR Policy of the Company is available on our website, at https://www.vaibhavglobal.com/code-policies

4. Details of Impact Assessment of CSR Projects Carried Out in Pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. Details of the Amount Available for Set Off In Pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Amount Required for Set-Off for the Financial Year, if any:

₹ in Lacs

Sr. No	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set off for the financial year, if any
1	2021-22	₹ 21.67	-

6. **Average net profit of the Company as per Section 135(5):** ₹ 9,871.09 lacs

7. (a) **Two percent of average net profit of the Company as per section 135(5):** ₹ 197.42 lacs

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL

   (c) **Amount required to be set off for the financial year, if any:** NIL

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 197.42 lacs

8. (a) **CSR amount spent or unspent for the financial year:**

₹ in lacs

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of transfer
₹ 205.55	NIL	NA	NA	NIL	NA

(b) **Details of CSR amount spent against ongoing projects for the financial year:** NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No	Location of the project		Amount spent for the project (₹ in lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - through Implementing Agency	
				State	District			Name	CSR Registration number
1	Eradicating hunger, poverty and malnutrition	(i)	Yes	Rajasthan	Jaipur	204.63	No	Akshay Patra foundation	CSR00000286
2	Eradicating hunger, poverty and malnutrition	(i)	Yes	Rajasthan	Jaipur	0.92	No	Bal Sambal Bal Vikas Anusandhan Sansthan	CSR00018045
	Total					**205.55**			

(d) **Amount spent in Administrative Overheads:** NIL

(e) **Amount spent on Impact Assessment, if applicable:** NA

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 205.55 lacs

(g) **Excess amount for set off, if any**

Sr. No.	Particular	Amount (₹ In lacs)
i.	Two percent of average net profit of the Company as per Section 135(5)	197.42
ii.	Total amount spent for the Financial Year	205.55
iii.	Excess amount spent for the financial year [(ii)-(i)]	8.13
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	8.13

9. a **Details of unspent CSR amount for the preceding three financial years:** The Company has spent the prescribed 2% CSR amount on various CSR initiatives in the last three financial years.

   b **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable. The Company does not have any ongoing projects as defined under CSR Rules.

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** No capital asset was created / acquired during FY 2022-23 through CSR spend.

    a **Date of creation or acquisition of the capital asset(s):** None

    b **Amount of CSR spent for creation or acquisition of capital asset:** NIL

    c **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable

    d **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

11. **Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):** Not applicable. During the year 2022-23, the Company has spent more than 2% of the average net profit as per Section 135(5).

Sunil Agrawal
Managing Director & Chairman - CSR Committee
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Harsh Bahadur
Chairman of the Board
DIN: 00724826
Place: Delhi
Date: 17 May 2023

Annexure-3

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 transaction 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**
NIL							

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**
NIL					

Pursuant to SEBI (LODR) Regulations and Related Party Transaction Policy of the Company "A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. Hence, there are no material contracts / arrangements during FY 2022-23.

Harsh Bahadur
Chairman
DIN: 00724826

Place: Delhi
Date: 17 May 2023

Annexure-4

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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 'Company' or 'VGL') for the financial year ended 31 March 2023 ('Audit Period') in terms of the engagement letter dated 20.01.2023. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/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, subject to our comments herein, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

a) The Companies Act, 2013 ('Act') and the rules made thereunder including any re-enactment thereof;

b) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;

c) The Depositories Act, 1996 and the Regulations and bye- laws framed thereunder;

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

e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations');

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

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

h) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to the extent applicable to / dealing with the Company;

j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

The Management of the Company has confirmed that no specific law is applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has complied with the provisions of the applicable Act, rules, regulations, guidelines, standards etc.

Recommendations as a matter of best practice:
In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

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 Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance with due compliance of the Act and SS-1. Further, 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.

All the decisions are carried through unanimous approval and there was no minuted instance of dissent in Board or Committee meetings.

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

We further report that during the Audit Period, the Company has not undertaken any specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc, except the following:

Issue of Equity Shares under Employee Benefit Scheme(s)

The Company has allotted 9,78,996 equity shares of ₹ 2/- each to eligible employees under Vaibhav Global Limited, Employee Stock Options Plan (As Amended) – 2006 (ESOP-2006) and 43,001 equity shares of ₹ 2/- each under Vaibhav Global Limited, Restricted Stock Unit Plan 2019 (RSU-2019) through Vaibhav Global Employee Stock Option Welfare Trust, in various tranches, pursuant to the exercise of stock options and RSU respectively. Consequently, the paid-up share capital of the Company has increased by 10,21,997 equity shares of ₹ 2/- each. As a result, the issued, subscribed and paid-up share capital of the Company increased from ₹ 32,79,87,154 (divided into 16,39,93,577 equity shares of ₹ 2/- each) to ₹ 33,00,31,148 (divided into 16,50,15,574 equity shares of ₹ 2/- each).

The equity shares issued under above stock options/ RSU plan rank pari-passu with the existing equity shares of the Company.

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Nitu Poddar
Partner
Membership No.: A37398
CP No.:15113
UDIN: A037398E000319119
Peer Review Certificate No.: 781/2020

Place: New Delhi
Date: 17 May 2023

The report is to be read with our letter of even date which is annexed as **Annexure 'I'** and forms an integral part of this report.

Annexure I

Auditor and Management Responsibility

ANNEXURE TO SECRETARIAL AUDIT REPORT (NON- QUALIFIED)

To,
The Members,
Vaibhav Global Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in **Annexure II**;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute. We have conducted online verification & examination of records, as facilitated by the Company;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
6. We have held discussion with the management on several points and wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc;
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
10. 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.

Annexure II

LIST OF DOCUMENTS

1. Minutes for the meetings of the following held during the Audit Period:
    a. Board of Directors;
    b. Audit Committee;
    c. Nomination and Remuneration Committee;
    d. Corporate Social Responsibility Committee;
    e. Stakeholders Relationship Committee;
    f. Risk Management Committee;
    g. Allotment Committee;
    h. Annual General Meeting;
    i. Postal Ballot.
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
3. Resolutions passed by circulation;
4. Agendas of various Board and Committee meetings;
5. Annual Report for financial year 2021-22;
6. Draft financial statement for financial year 2022-23;
7. Directors' disclosures under the Act and rules made thereunder;
8. Statutory registers maintained under the Act;
9. Forms filed with the Registrar;
10. Policies framed under LODR and the Act;
11. Code of Conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons;
12. Memorandum of Association and Articles of Association of the Company.

Annexure-5

PARTICULAR OF EMPLOYEES

(A) INFORMATION AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of Remuneration of Directors to Median Remuneration of employee (MRE) and percentage increase /(decrease) in remuneration:

Sr. No.	Name of Director	Designation	Ratio of Remuneration to MRE#	% Increase / (Decrease) in Remuneration#
1.	Mrs. Sheela Agarwal	Non-Executive Non-Independent Director	0.80	-
2.	Mr. Nirmal Kumar Bardiya[1]	Non-Executive Non-Independent Director	1.85	(22.28)
3.	Mr. Harsh Bahadur	Non-Executive Non-Independent Director	8.01	-
4.	Mr. Sunil Goyal	Independent Director	2.11	-
5.	Mr. James Patrick Clarke	Independent Director	14.06	9.24
6.	Mr. Santiago Roces[2]	Independent Director	5.62	7.14
7.	Mr. Sanjeev Agrawal	Non-Executive Non-Independent Director	1.28	60.00
8.	Ms. Stephanie Renee Spong	Independent Director	10.81	7. 76

\# Based on annualized remuneration including sitting fees and profit related commission paid/payable during the financial year 2022-23. The is no change in the remuneration (sitting fees / profit related commission) during the financial year. However, the increase/decrease in remuneration was due to no. of meeting attended by directors and exchanges rate fluctuation in case of payment to directors in USD.

[1] Mr. Nirmal Kumar Bardiya retired from the directorship on 2 August 2022.

[2] Mr. Santiago Roces completed his tenure as an Independent Director on 27 July 2022

2. During the financial year, the percentage increase in gross remuneration of Group CFO (Mr. Vineet Ganeriwala) and Company Secretary was 7.00% and 19.80% respectively.

3. The median remuneration of employees (MRE) was ₹ 3,74,508 as on 31 March 2023 and ₹ 3,40,116 as on 31 March 2022. There was increase of 10.11% in MRE during the financial year 2022-23.

4. Total permanent employees on the rolls of Company were 1,199 employees as on 31 March 2023.

5. Average salary increase of non-managerial personnel was 7.50% and that of managerial personnel was NIL during the financial year 2022-23. There are no exceptional circumstances for increase in managerial remuneration.

6. Remuneration paid during the financial year ended 31 March 2023 is as per the Remuneration Policy of the Company.

7. **Disclosure u/s 197(14) of the Companies Act, 2013:** Details of remuneration received by Mr. Sunil Agrawal, Managing Director from Shop LC Global Inc., USA, step-down subsidiary, is provided in consolidated financial statements forms part of this Report.

B) INFORMATION AS PER RULE 5(2) READ WITH RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required under rule 5(2) read with rule 5(3) is provided in a separate exhibit forming part of this annexure and is available on the website of the Company at https://www.vaibhavglobal.com/shareholder_communication/agm-egm-postalballot.

Corporate Governance Report

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the application of best management practices, compliances of law and adherence to ethical standards to achieve the Company's objectives of enhancing shareholder value and discharging 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 levels of transparency, disclosures, 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 good Corporate Governance goes beyond working results and financial priority and is a pre-requisite for the attainment of excellent performance.

As a testimony of the same, your Company had been adjudged as the 'Best Governed Company' (Listed Segment: Emerging Category) by the Institute of Company Secretaries of India at the 20th edition of the ICSI National Awards for Excellence in Corporate Governance for the year 2020.

GOVERNANCE STRUCTURE

Your Company's governance philosophy is executed through a multi-layer governance structure with clearly defined roles and responsibilities for every constituent of the governance system.

Board of Directors: The Board of Directors is responsible for the strategic supervision and overseeing the management performance and governance of the Company on behalf of the shareholders and other stakeholders. The Board exercises independent judgment and plays a vital role in monitoring the Company's affairs and ensures adherence to the standards of corporate governance, transparency, integrity of accounting & financial reporting system and appropriate systems of effective controls. The Board also do strategic sessions separately.

Board Committees: To effectively discharge the obligations and to comply with the statutory requirements, the Board has constituted various Board committees. The committees deal with specific areas that are assigned to them for either final decision-making or giving appropriate recommendations to the Board. All the committees are responsible for discharging their roles and responsibilities as per its defined charter.

Chairman: The Company has separate position of Chairman and Managing Director to create more balanced governance structure. The Chairman acts as the leader of the Board and is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for long term benefits of the Company and for all its stakeholders. The Chairman presides over the meetings of the Board and the shareholders.

Managing Director (MD): The MD is responsible for upholding successful company's operations by implementing business strategies aligned to the vision and purpose-driven mission of the Company. The MD priorities include designing and executing long-term strategy based on organic and inorganic initiatives, defining the innovation and business reimagination agenda for the Company, motivate and provide leadership to the workforce and fostering business relationships.

Core Management Team: The core management team, to set and deliver the strategic long term growth agenda for the Company by creating and delivering best class practices, processes and products. The team drives the growth ambition and sustainability initiatives across the organisation.

Team Leaders: The team leaders are department heads to support the core management team and participate in strategic discussions and share perspectives on key strategic matters.

2. BOARD OF DIRECTORS

A) Board Composition

87.5%	37.5%	25%
Non-Executive Directors	Independent Directors	Female Directors

As on 31 March 2023, the Board of the Company comprises of eight directors, headed by Non-Executive Chairman. The Board consists of one Executive Director (Managing Director), three Non-Executive Independent Directors and four Non-Executive Non-Independent Directors. The Board has an appropriate mix of professionals, experience and knowledge which enables the Board to discharge its responsibilities effectively. Profiles of the Directors are available on the website of the Company viz. www.vaibhavglobal.com

Director's Details

Category of Director	No. of Directors	Name of Director	DIN	Promoter / Promoters Group	Date of first Appointment	Current Tenure	Shareholding in VGL
Executive Directors	1	Mr. Sunil Agrawal	00061142	Yes	08/05/1989	Managing Director upto 31/01/2024	1,40,700
Non-Executive Non- Independent Directors	4	Mrs. Sheela Agarwal	00178548	Yes	10/11/2008	NA[1]	1,13,200
		Mr. Pulak Chandan Prasad	00003557	No	29/10/2013	NA[1]	Nil
		Mr. Sanjeev Agrawal	00092746	Yes	29/10/2020	NA[1]	42,100
		Mr. Harsh Bahadur[2]	00724826	No	26/09/2022	NA[1]	Nil
Independent Directors	3	Mr. James Patrick Clarke	07725381	No	07/02/2017	Upto 06/02/2024	Nil
		Mr. Sunil Goyal	00110601	No	08/03/2017	Upto 07/03/2025	Nil
		Ms. Stephanie R. Spong	09295604	No	06/09/2021	Upto 05/09/2023	Nil

[1] Director liable to retire by rotation.

[2] During the year, Mr. Harsh Bahadur had completed his tenure as an independent Director on 25 September 2022. He was further appointed as Non-Executive Non-Independent Director on the Board w.e.f. 26 September 2022.

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

Directorship and Committee's Membership

Name of Director	Number of Directorship(s) held in other Indian public limited companies[1]	Directorship in other listed entities			Committee(s) position (including VGL)[2]	
		Name of the Listed entity	Category of Directorship*	Resigned in last 3 years	Membership	Chairmanship
Mr. Sunil Agrawal	1	Nil	-	Nil	1	Nil
Mrs. Sheela Agarwal	1	Nil	-	Nil	Nil	Nil
Mr. Pulak Chandan Prasad	2	Triveni Turbine Ltd. Berger Paints India Ltd.	NE NEI	Just Dial Ltd (01.09.2021)	1	Nil
Mr. Harsh Bahadur	1	Indian Terrain Fashions Ltd.	NEI	Nil	2	Nil
Mr. James Patrick Clarke	Nil	Nil	-	Nil	Nil	Nil
Mr. Sunil Goyal	1	Nil	-	Shree Rajasthan Syntex Ltd (11.11.2020)	Nil	2
Ms. Stephanie R. Spong	Nil	Nil	-	Nil	1	Nil
Mr. Sanjeev Agrawal	Nil	Nil	-	Nil	1	Nil

[1] Excludes Directorship in Foreign Companies, Private Limited Companies and Section 8 Companies.

[2] For the purpose of considering the Committee Membership and Chairmanship of a Director, the Audit Committee and the Stakeholders' Relationship Committee of all Public Limited Companies has been considered.

*NE -Non-Executive Non-Independent Director, NEI - Non - Executive Independent Director

None of the Directors on the Board is a director in more than seven listed entities. None of the Non-Executive Directors is an Independent Director in more than seven listed entities as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI (LODR) Regulations'). Further, the Managing Director do not serve as Independent Director in any other listed company. None of the Directors held directorships in more than twenty Indian companies, with more than ten public limited companies. All Directors are in compliance with the limit on Directorships / Independent Directorships of listed companies as prescribed under Regulation 17A of the SEBI (LODR) Regulations.

None of the Directors on the Board is a member of more than ten committees or chairman of more than five committees (Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/she is a director. Necessary disclosures regarding their committee positions have been made by all the directors.

The Company has not issued any convertible instruments to the directors.

B) Chairman of the Board

Mr. Harsh Bahadur acted as Non-Executive Chairman of the Board. The Chairman presides over the meetings of the Board and of the shareholders of the Company.

C) Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of Companies Act, 2013 ('the Act'), the SEBI (LODR) Regulations and the Nomination and Remuneration policy of the Company.

Independent Directors have confirmed that they meet the criteria of independence as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations and Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the provision of the Act.

In terms of Regulation 25(8) of the SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board is of the opinion that the Independent Directors fulfil the independence criteria specified in the Act and the SEBI (LODR) Regulations and that they are independent of the management. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Data bank maintained with the Indian Institute of Corporate Affairs.

D) Woman Independent Director

Pursuant to the requirement of Regulation 17(1)(a), Ms. Stephanie R. Spong is a Non-Executive Woman Independent Director on the Board of the Company.

E) Board Skills and Expertise

The Board of the Company is composed of appropriately qualified people with a broad range of experience relevant to the business of the Company, which is important to achieve effective corporate governance and sustained commercial success of the Company. All appointments at Board level are made on merit, in the context of skills, experience, independence, knowledge and integrity, which the Board requires to be effective.

The Board of Directors have, based on the recommendations of the Nomination, Remuneration and Compensation Committee, identified the following key skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors.

Key skills and attributes which are considering while identifying, selecting and nominating the candidate to serve on the Board of the Company.

Business	Experience and understanding of the Industry, business environment, economic conditions, Strategic thinking
Financial	Knowledge and understanding of finance management, accountancy, ability to read and understand financial statements
Board Services and Governance	Experience as director on other's Board, maintaining Board and management accountability, observing good governance practices
Specialized Skills	Specialized knowledge of Accounting/ Finance/ Law/Management / Information Technology / Sales & Marketing/ Procurement / Manufacturing / Human Resource Management / E-commerce/ Public relations/ Corporate Social responsibility/Administration etc.
Leadership and sound Judgement	Leadership and sound judgement ability in regular and complex business environment.
Other diversity	Representation of gender, ethnic, geographic, culture and other perspective to compliment Board's understanding of our customers, employees, governments, community and various other stakeholders in different geographies.

Expertise Skill of individual directors are highlighted below:

Name of the Director	Attributes					
Mr. Sunil Agrawal	●	●	●	●	●	●
Mr. Harsh Bahadur	●	●	●	●	●	●
Mrs. Sheela Agarwal	●	●	●		●	●
Mr. Pulak Chandan Prasad	●	●	●	●	●	●
Mr. James Patrick Clarke	●	●	●	●	●	●
Mr. Sunil Goyal	●	●	●	●	●	●
Ms. Stephanie R. Spong	●	●	●	●	●	●
Mr. Sanjeev Agrawal	●	●	●	●	●	●

F) Conduct of Board proceedings

The day-to-day matters concerning the business are conducted by the executives of the Company under the direction of Managing Director with ultimate supervision by the Board. The Company holds Board Meetings at regular intervals. The Directors are informed about the venue, date and time of the meeting in advance in writing at their registered e-mail. Detailed agenda papers along with explanatory statements are circulated to the Directors in advance. The Board has complete access to all information of the Company. All information stipulated in the Companies Act and SEBI (LODR) Regulations, are regularly provided to the Board as a part of the agenda papers. Directors actively participate in the Board meetings and contribute significantly by expressing their views, opinions and suggestions. Video conferencing facilities are used to facilitate directors for participation in the meeting. Decisions are taken after proper and thorough discussions. The Board periodically reviews the compliance report of all laws applicable to the Company and its subsidiaries.

G) Attendance of Directors at Board Meetings and Annual General Meeting (AGM)

4	100%	89%
Board Meetings held	Attendance at Board Meetings	Attendance at AGM

The Company held four Board Meetings during FY 2022-23 and the gap between two Meetings did not exceed 120 days. The necessary quorum was present at all the Board Meetings.

The directors' attendance at Board Meetings and Annual General Meeting held during the year are given below:

Name of Director	Attendance at 33rd AGM held on 02 August 2022	Attendance at the Board Meeting held on				No. of Board Meetings		%age of attendance at Board Meetings
		23 May 2022	2 August 2022	27 October 2022	24 January 2023	Held	Attended	
Mr. Sunil Agrawal	√	√	√	√	√	4	4	100%
Mr. Nirmal Kumar Bardiya[1]	×	√	NA	NA	NA	1	1	100%
Mrs. Sheela Agarwal	√	√	√	√	√	4	4	100%
Mr. Pulak Chandan Prasad	√	√	√	√	√	4	4	100%
Mr. Santiago Roces[2]	NA	√	NA	NA	NA	1	1	100%
Mr. Harsh Bahadur	√	√	√	√	√	4	4	100%
Mr. James Patrick Clarke	√	√	√	√	√	4	4	100%
Mr. Sunil Goyal	√	√	√	√	√	4	4	100%
Mr. Sanjeev Agrawal	√	√	√	√	√	4	4	100%
Ms. Stephanie R. Spong	√	√	√	√	√	4	4	100%
Attendance percentage	89%	100%	100%	100%	100%			

[1] Mr. Nirmal Kumar Bardiya retired from the directorship on 2 August 2022.

[2] Mr. Santiago Roces completed his tenure as an Independent Director on 27 July 2022.

Apart from the Board Meetings, two strategic meetings were conducted by the Board members during the year to discuss business opportunities, internal and external challenges, growth potentials and short term & long term strategies.

H) Independent Directors' meeting

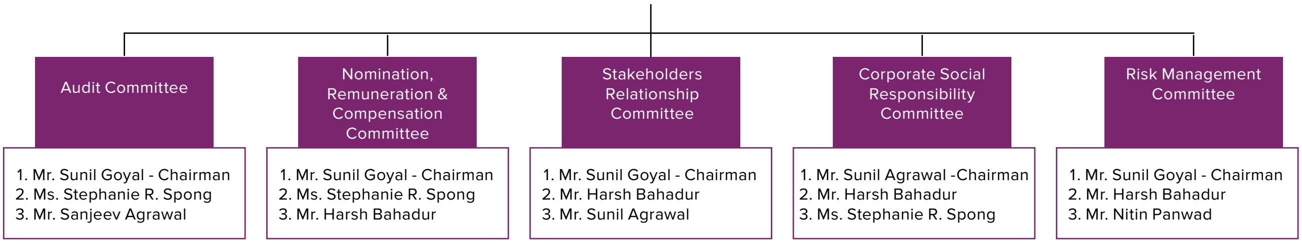
As per the requirement of the Companies Act, 2013 and Regulation 25(3) of SEBI (LODR) Regulations, the Independent Directors of the Company met on 23 May 2022, attended by all independent directors and discussed, reviewed the performance of Non-Independent Directors, the Board of Directors as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management & the Board and shown their satisfaction on the same.

I) Certificate of non- disqualification of directors

As per the requirements of SEBI (LODR) Regulations, a certificate issued by M/s. B K Sharma & Associates, Company Secretaries, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is available on the website of the Company.

3. BOARD COMMITTEES

Board Statutory Committees
(Composition as on 31 March 2023)



Audit Committee	Nomination, Remuneration & Compensation Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
1. Mr. Sunil Goyal - Chairman 2. Ms. Stephanie R. Spong 3. Mr. Sanjeev Agrawal	1. Mr. Sunil Goyal - Chairman 2. Ms. Stephanie R. Spong 3. Mr. Harsh Bahadur	1. Mr. Sunil Goyal - Chairman 2. Mr. Harsh Bahadur 3. Mr. Sunil Agrawal	1. Mr. Sunil Agrawal -Chairman 2. Mr. Harsh Bahadur 3. Ms. Stephanie R. Spong	1. Mr. Sunil Goyal - Chairman 2. Mr. Harsh Bahadur 3. Mr. Nitin Panwad

A. Statutory Committees

i) Audit Committee

4	3	66.67%	100%
Meetings	**Members**	**Independent director**	**Attendance**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations and the provisions of Section 177 of Act. During the year, the Audit Committee was reconstituted, and present members of the Committee are Mr. Sunil Goyal (Chairperson), Ms. Stephanie R. Spong and Mr. Sanjeev Agrawal. All Members of the Committee are financially literate. Mr. Sunil Goyal, Chairperson of the Committee, is having the relevant accounting and financial management expertise. The terms of reference of the Audit Committee are based on the role of the Audit Committee, as mentioned in Section 177 of the Act, Regulation 18 of the SEBI (LODR) Regulations and as determined by the Board which inter alia, includes the following:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
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 (3) 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. Modified opinion(s) in the draft audit report;
    h. Going concern assumption;
    i. Compliance with accounting standards.
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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, 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 non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower;

21. Reviewing compliance with the Insider Trading Regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;

22. Reviewing the information as specified in the para B of Part (C) of the Schedule II of the SEBI (LODR) Regulations;

23. To review and approve all transactions/ agreements with related parties, all transactions that may be entered into with any person otherwise than on arm's length basis and formulate a policy on materiality of related party transactions and also on dealing with Related Party Transactions.

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2022-23 is given hereunder:

Name of the Director	Category of the Director	Position held in the Committee	Attendance at Audit Committee Meeting held during 2022-23				Total No. of Meetings		%age of Attendance
			23 May 2022	02 August 2022	27 October 2022	24 January 2023	Held	Attended	
Mr. Sunil Goyal	Non – Executive Independent Director	Chairman	√	√	√	√	4	4	100%
Mr. Harsh Bahadur[1]	Non – Executive Independent Director	Member	√	√	NA	NA	2	2	100%
Mr. Nirmal Kumar Bardiya[2]	Non – Executive Non - Independent Director	Member	√	NA	NA	NA	1	1	100%
Mr. Sanjeev Agrawal[3]	Non – Executive Non - Independent Director	Member	NA	√	√	√	3	3	100%
Ms. Stephanie R. Spong[3]	Non – Executive Independent Director	Member	NA	NA	√	√	2	2	100%
Attendance percentage			100%	100%	100%	100%			

[1] Mr. Harsh Bahadur ceased as member of the committee w.e.f. 25 September 2022.
[2] Mr. Nirmal Kumar Bardiya ceased as member of the committee w.e.f. 23 May 2022.
[3] Mr. Sanjeev Agrawal and Ms. Stephanie R. Spong appointed as member of the Committee w.e.f. 23 May 2022 & 26 September 2022 respectively.

The gap between two Audit Committee Meetings did not exceed 120 days. Requisite quorum was present at the above Meetings. The Audit Committee meetings are usually attended by the Managing Director, Group CFO and the respective head of the departments, wherever required. The Company Secretary acts as the Secretary of the Audit Committee. The Statutory Auditors and Internal Auditors also attends the Audit Committee meetings by invitation. During the year, the Audit Committee reviewed key audit findings covering Operational, Financial and Compliance areas. Risk Mitigation Plan covering key risks affecting the Company were also presented to the Committee. Mr. Sunil Goyal, Chairperson of the Audit Committee, was present at the AGM of the Company held on 02 August 2022.

ii) Nomination, Remuneration and Compensation Committee

2	**3**	**66.67%**	**100%**
Meetings	**Members**	**Independent director**	**Attendance**

The Company has Nomination, Remuneration & Compensation Committee (NRC Committee) in terms of Section 178 of the Companies Act, 2013, Regulation 19 of the SEBI (LODR) Regulations, 2015 and Regulation 5 of SEBI (Share Based Employee Benefits) Regulations, 2014 / SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. During the year, the NRC Committee was reconstituted and present members of the Committee are Mr. Sunil Goyal (Chairperson), Ms. Stephanie R. Spong and Mr. Harsh Bahadur. The Terms of references of the Committee is in accordance with the Companies Act, 2013 and SEBI Regulations inter-alia includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

2. To determine the appropriate characteristics, skills and experience for the Board and Director(s);

3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

4. Devising a policy on diversity of board of directors;

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. Recommend to the board, all remuneration, in whatever form, payable to senior management;

8. To formulate terms and conditions of the Share based employee benefit Scheme(s), determine eligibility criteria, grant & vesting of options and to administer, supervise and recommend modifications in the same;

9. To perform duties / responsibilities / powers etc. as assigned by board from time to time under Share based employee benefit scheme(s) of the company.

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2022-23 is given hereunder:

Name of the Director	Category of the Directors	Position held in the Committee	Attendance at NRC Committee Meetings held during 2022-23		Total No. of Meetings		% age of Attendance
			23 May 2022	27 October 2022	Held	Attended	
Mr. Sunil Goyal	Non-Executive Independent Director	Chairman	√	√	2	2	100%
Mr. Harsh Bahadur[1]	Non-Executive Non-Independent Director	Member	√	√	2	2	100%
Mr. Nirmal Kumar Bardiya[2]	Non-Executive Non- Independent Director	Member	√	NA	1	1	100%
Ms. Stephanie R. Spong[3]	Non-Executive Independent Director	Member	NA	√	1	1	100%
Attendance percentage			100%	100%			

[1] Mr. Harsh Bahadur acted an Independent Director till 25 September 2022 and thereafter, he has been appointed as Non Executive Non- Independent Director.

[2] Mr. Nirmal Kumar Bardiya ceased as member of the committee w.e.f. 23 May 2022.

[3] Ms. Stephanie R. Spong appointed as member of the committee w.e.f. 23 May 2022.

The Company Secretary of the Company acts as Secretary to the Nomination, Remuneration and Compensation Committee. Requisite quorum was present at the above Meetings. Mr. Sunil Goyal, Chairperson of the NRC Committee, was present at the AGM of the Company held on 02 August 2022.

Performance Evaluation:

The Board has carried out an annual performance evaluation of its own performance, the Directors individually (including Independent Directors) and Board Committees as per the criteria defined in the Nomination and Remuneration policy and expressed its satisfaction. The Independent Directors, during the year, have evaluated the performance of Non-Independent Directors, the Board as a whole and Chairman of the Board. The selection and remuneration criteria of directors, senior management personnel and performance evaluation of Directors/ Board/ Committees/ Chairman are defined in the Nomination and Remuneration Policy. As per Nomination and Remuneration Policy of the Company, performance of the Board and Board's Committees were evaluated on various parameters such as structure, composition, quality, diversity, experience, competencies, performance of specific duties and obligations, quality of decision-making and overall Board effectiveness. Performance of individual directors was evaluated on parameters such as meeting attendance, participation and contribution, responsibility towards stakeholders and independent judgement. The Independent Directors were evaluated at additional parameters as provided in the policy, such as external expertise, devotion of sufficient time, strategic guidance to the Company etc. The performance of Chairman of the Company and Managing Director was also evaluated at the additional parameters.

Remuneration to Directors:

a) **Executive Director:** The Executive Director shall be eligible for remuneration, as may be approved by the shareholders of the Company on the recommendation of the NRC Committee and the Board of Directors. The office of executive director may be terminated by the Company or by him by giving prior notice in writing as per the policy of the Company. No severance fees are payable to the Executive Director and he shall not be entitled for any share-based employee benefit.

b) **Non-Executive/Independent Directors:** 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 and/or Committees thereof, as approved by the Board. The profit-linked commission may be paid within the monetary limit approved by the shareholders of the Company as a percentage of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013, and rules framed thereunder. Independent Directors shall not be entitled for any share-based employee benefit.

Details of remuneration, sitting fees, etc. paid/payable to Directors for the year ended 31 March 2023 is as under:

(Amount in ₹)

Sr. No.	Name of the Director	Salary	Sitting Fees	Profit related Commission	Total Remuneration	%age of Total remuneration
1.	Mr. Sunil Agrawal*	-	-	-	-	-
2.	Mr. Nirmal Kumar Bardiya[1]	-	2,35,000	-	2,35,000	1.59
3.	Mrs. Sheela Agarwal	-	3,00,000	-	3,00,000	2.03
4.	Mr. Sanjeev Agrawal	-	4,80,000	-	4,80,000	3.24
5.	Mr. Pulak Chandan Prasad	-	-	-	-	-
6.	Mr. Harsh Bahadur	-	720,000	22,80,000	30,00,000	20.27
7.	Mr. Sunil Goyal	-	7,90,000	-	7,90,000	5.34
8.	Mr. Santiago Roces[2]	-	-	6,80,508	6,80,508	4.60
9.	Mr. James Patrick Clarke	-	-	52,64,188	52,64,188	35.57
10.	Ms. Stephanie R. Spong	-	-	40,49,375	40,49,375	27.36
	Total		**25,25,000**	**1,22,74,071**	**1,47,99,071**	**100.00**

[1] Mr. Nirmal Kumar Bardiya retired from the directorship on 2 August 2022.

[2] Mr. Santiago Roces completed his tenure as an Independent Director on 27 July 2022.

* Mr. Sunil Agrawal is receiving remuneration from Shop LC Global Inc., USA, a step down subsidiary of the Company, detail is provided in the consolidated financial statements.

Succession Plan:

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Nomination, Remuneration and Compensation Committee works along with the Human Resource team of the Company for a structured leadership succession plan.

iii) Stakeholders' Relationship Committee

1	3	66.67%	100%
Meetings	Members	Non-Executive director	Attendance

The constitution and terms of reference of Stakeholders' Relationship Committee (SRC) are in compliance with the provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. During the year, the SRC Committee was reconstituted, and present members of the Committee are Mr. Sunil Goyal (Chairperson), Mr. Harsh Bahadur and Mr. Sunil Agrawal. The terms of reference of the SRC inter-alia includes:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2022-23 is given hereunder:

Name of the Director	Category of the Directors	Position held in the Committee	Attendance at Stakeholders Relationship Committee Meeting held on 29 March 2023	%age of Attendance
Mr. Sunil Goyal	Non-Executive Independent Director	Chairman	√	100%
Mr. Harsh Bahadur[1]	Non-Executive Non -Independent Director	Member	√	100%
Mr. Sunil Agrawal	Executive Director	Member	√	100%

[1] Mr. Harsh Bahadur acted an Independent Director till 25 September 2022 and thereafter, he has been appointed as Non-Executive Non- Independent Director.

The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship Committee. Requisite quorum was present at the above Meeting. Mr. Sunil Goyal, Chairperson of the Stakeholders' Relationship Committee, was present at the AGM held on 02 August 2022.

Details of Complaints received and resolved during the year

Particulars	No. of Complaints
Complaints pending as on 1 April 2022	Nil
Received during the year	130
Resolved during the year	130
Complaints outstanding as on 31 March 2023	Nil

The majority of complaints were pertaining to non-receipt of dividend.

Details of the Compliance Officer:
Name: Mr. Sushil Sharma
Designation: Company Secretary & Compliance Officer
Address: E-69, EPIP, Sitapura, Jaipur - 302 022
Tel: +91-141- 2771975
Email: investor_relations@vaibhavglobal.com

Investor's Grievance Redressal Mechanism: The Company has framed investor's grievance redressal mechanism, which provides an avenue for investors to voice their concerns and offers transparency on how grievances will be managed, which aims to reduce conflict and strengthen relationships between investors. This mechanism is available at https://www.vaibhavglobal.com/assets/investorhelpdesk/Investors_Grievance_Policy_VGL_v1.pdf

iv) Corporate Social Responsibility Committee

1	**3**	**66.67%**	**100%**
Meetings	**Members**	**Non-Executive director**	**Attendance**

The Company has a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013. During the year, the CSR Committee was reconstituted and present members of the Committee are Mr. Sunil Agrawal (Chairperson), Mr. Harsh Bahadur and Ms. Stephanie R. Spong. The Committee is also empowered to oversee the implementation of Business Responsibility and Sustainability Policies. The terms of reference of the CSR Committee are as follows:

a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII.

b. Recommend the amount of expenditure to be incurred on the activities.

c. Monitor the Corporate Social Responsibility Policy of the company from time to time.

d. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

   (i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

   (ii) the manner of execution of such projects or programmes;

   (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

   (iv) monitoring and reporting mechanism for the projects or programmes; and

   (v) details of need and impact assessment, if any, for the projects undertaken by the company.

   Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

e. Committee may identify other areas for CSR activities, from time to time.

f. authorise any person(s) to decide spending and identify projects/programmes under CSR and/or annual action plan within the limit approved/recommended by the Committee.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at www.vaibhavglobal.com. The Annual Report on CSR activities for FY 2022-23 forms a part of the Board's Report.

The composition of the Committee, meetings held during the year and attendance of the members during the financial year 2022-23 is given hereunder:

Name of the Director	Category of the Directors	Position held in the Committee	Attendance at CSR Committee Meeting held on 23 May 2022	% age of Attendance
Mr. Sunil Agrawal	Executive Director	Chairman	√	100%
Mr. Harsh Bahadur[1]	Non-Executive Non Independent Director	Member	√	100%
Mr. Nirmal Kumar Bardiya[2]	Non-Executive Non Independent Director	Member	√	100%
Ms. Stephanie R. Spong[3]	Non-Executive Independent Director	Member	NA	NA

[1] Mr. Harsh Bahadur acted an Independent Director till 25 September 2022 and thereafter, he has been appointed as Non-Executive Non- Independent Director.
[2] Mr. Nirmal Kumar Bardiya ceased as member of the committee w.e.f. 23 May 2022.
[3] Ms. Stephanie R. Spong appointed as member of the committee w.e.f. 23 May 2022.

Requisite quorum was present at the above Meeting. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility (CSR) Committee.

v) Risk Management Committee

2	**3**	**66.67%**	**100%**
Meetings	**Members**	**Non-Executive director**	**Attendance**

The Risk Management Committee (RMC) of the Company has been constituted pursuant to Regulation 21 of the SEBI (LODR) Regulations and reconstituted during the year. Mr. Nirmal Kumar Bardiya ceased as member of the Committee w.e.f. 23 May 2022 and Mr. Vineet Ganeriwala was replaced with Mr. Nitin Panwad as member of the Committee w.e.f. 27 October 2022. The terms of reference of the Risk Management Committee inter-alia include the following:

(1) To formulate a detailed risk management policy which shall include:

  (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

  (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

  (c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

The composition of the Committee, meetings held during the financial year 2022-23 and attendance of the members is given hereunder:

Name of the Member	Category/ Designation of the Member	Position held in the Committee	Attendance at RMC Meeting held on		Total No. of Meetings		% age of attendance
			3 September 2022	1 March 2023	Held	Attended	
Mr. Sunil Goyal	Non-Executive Independent Director	Chairman	√	√	2	2	100%
Mr. Harsh Bahadur	Non-Executive Non Independent Director	Member	√	√	2	2	100%
Mr. Vineet Ganeriwala[1]	Group CFO	Member	√	NA	1	1	100%
Mr. Nitin Panwad[1]	Group CFO	Member	NA	√	1	1	100%
Attendance percentage			100%	100%			

[1] Mr. Vineet Ganeriwala ceased as member of the Committee and Mr. Nitin Panwad was appointed as member of the committee w.e.f. 27 October 2022.

The gap between two Risk Management Committee Meetings did not exceed 180 days. Requisite quorum was present at the above Meetings. Mr. Nitin Panwad acts as a Chief Risk Officer (CRO) of the Company.

B Other Board's Committees

i) Allotment Committee

The Allotment Committee has been constituted for the approval, issue and allotment of shares/securities under the supervision of Board. It comprises three senior management personnel. During the year, the committee met 15 times i.e. on 30 May 2022, 10 June 2022, 22 June 2022, 01 August 2022, 22 August 2022, 01 September 2022, 14 September 2022, 22 September 2022, 15 November 2022, 02 December 2022, 27 December 2022, 23 January 2023, 16 February 2023, 13 March 2023 and 23 March 2023 for allotment and issue of shares under the Stock Option/RSU Plan(s) of the Company.

4. GENERAL BODY MEETINGS

a) Details of last three Annual General Meetings (AGM):

Meeting	Date	Time (IST)	Venue	Special Resolution passed
33rd AGM	02 August 2022	9:00 A.M.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) Deemed Venue: E-69, EPIP, Sitapura, Jaipur – 302022 (Rajasthan)	Appointment of Ms. Stephanie Renee Spong as an Independent Director of the Company
32nd AGM	29 July 2021	9:00 A.M.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) Deemed Venue: E-69, EPIP, Sitapura, Jaipur – 302022 (Rajasthan)	Nil
31st AGM	30 July 2020	9:00 A.M.	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) Deemed Venue: E-69, EPIP, Sitapura, Jaipur – 302022 (Rajasthan)	Re-appointment of Mr. Sunil Goyal as an Independent Director of the Company

All resolutions moved at the last AGM were passed by the requisite majority.

b) Extra – Ordinary General Meeting

There was no Extra – Ordinary General Meeting held during the year 2022-23.

c) Postal Ballot

During the year under review, the Company has passed the following resolution on 02 December 2022 through postal ballot, the notice of which, was duly sent on 02 November 2022:

Sr. No.	Type of Resolution	Particulars	Voting Pattern (%)	
			Favor	Against
1.	Ordinary Resolution	Approval of the appointment of Mr. Harsh Bahadur as a Non-Executive Non-Independent Director of the Company.	99.40	0.60

Procedure for Postal Ballot:

The Postal Ballot was conducted in accordance with Section 110 and 108 of the Act read together with Rule 22 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the General Circular Nos. 14/2020 dated 08.04.2020, 17/2020 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020, 39/2020 dated 31.12.2020, 10/2021 dated 23.06.2021, 20/2021 dated 08.12.2021 and 3/2022 dated 05.05.2022 issued by the Ministry of Corporate Affairs ("MCA Circulars"), Government of India. The shareholders were provided the facility to vote through e-voting. The postal ballot notice was sent to shareholders in electronic form having email addresses. The Company also published notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date were allowed to cast their votes through e-voting during the voting period fixed for this purpose. The result of e-voting by postal ballot was announced within 48 hours of conclusion of the e-voting period. The result was displayed on the website of the Company (www.vaibhavglobal.com) and was communicated to the Stock Exchanges and Registrar and Share Transfer Agents. Mr. B K Sharma, Practicing Company Secretary, was appointed as the Scrutiniser for postal ballot notice to scrutinise the postal ballot e-voting process in a fair and transparent manner.

At present, there is no special resolution proposed to be conducted through postal ballot.

5. MEANS OF COMMUNICATION

(i) Annual Report containing Financial Statements (Standalone and Consolidated), Board's Report, Management Discussion & Analysis (MD&A) Report, Business Responsibility Report/ Business Responsibility and Sustainability Report, Auditor's Report and other information are circulated to members and others who are entitled to it through permitted mode.

(ii) Financial results are published in leading local and national newspapers such as Business Remedies (All editions) and Financial Express (All editions).

(iii) All important information relating to the Company and its performance, including the financial results, shareholding pattern, corporate governance report etc. 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 disseminate all price sensitive information into the public domain by way of intimating the same to stock exchanges, i.e. BSE Ltd. and National Stock Exchange of India Ltd. immediately. The same is also displayed on the Company's website.

(v) In case of any query, shareholders may write to the Company Secretary at investor_relations@vaibhavglobal.com

(vi) The Company has made quarterly/event based presentations to investors and analysts.

6. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Jaipur, Rajasthan. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs ('MCA') is L36911RJ1989PLC004945.

(i) 34th Annual General Meeting (AGM):
Date and time: Wednesday, 2 August 2023 at 9.00 am

(ii) Financial year:
The Company follows April to March as the financial year. The next financial year of the Company would be from 1 April 2023 to 31 March 2024.

(iii) Date of book closure for AGM & Dividend: 1 July 2023

(iv) Dividend payment date: within 30 days from the date of declaration at 34th AGM.

(v) Stock Exchanges where equity shares are listed and scrip code:

(a) BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
Scrip Code: 532156

(b) 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

(vi) Listing Fees to the Stock Exchanges
The Company has paid listing fees in respect of financial year 2023-24 to BSE Limited and National Stock Exchange of India Limited.

(vii) Registrar & Share Transfer Agent (RTA):

KFin Technologies Limited
(formerly: KFin Technologies Pvt. Ltd.)
(Unit: Vaibhav Global Limited)
Selenium Tower B, Plot 31-32,
Gachibowli Financial District, Nanakramguda,
Hyderabad - 500 032
Email: einward.ris@kfintech.com
Tel No.: 1800 309 4001,
Whatsapp No. (91) 910 009 4099

(viii) Share transfer system

The Board has delegated the authority for approving transfer, transmission, dematerialisation of shares etc. to the Registrar and Share Transfer Agent (RTA). A summary of transactions so approved by the RTA is placed at the Board Meeting held quarterly. The Company obtains an annual certificate from Practising Company Secretaries as per the requirement of Regulation 40(9) of SEBI (LODR) Regulations and the same is filed with the Stock Exchanges and available on the website of the Company.

In terms of amended Regulation 40 of SEBI (LODR) Regulations w.e.f. 1 April 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24 January 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/splitting/ consolidation of securities, transmission/transposition of securities. Vide its Circular dated 25 January 2022, SEBI has clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

(ix) Dematerialisation of shares

99.97%	100%
Total Dematerialization	**Promoters' Dematerialization**

The Company has set up requisite facilities for dematerialisation of its equity shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The International Securities Identification Number (ISIN) for equity shares INE884A01027.

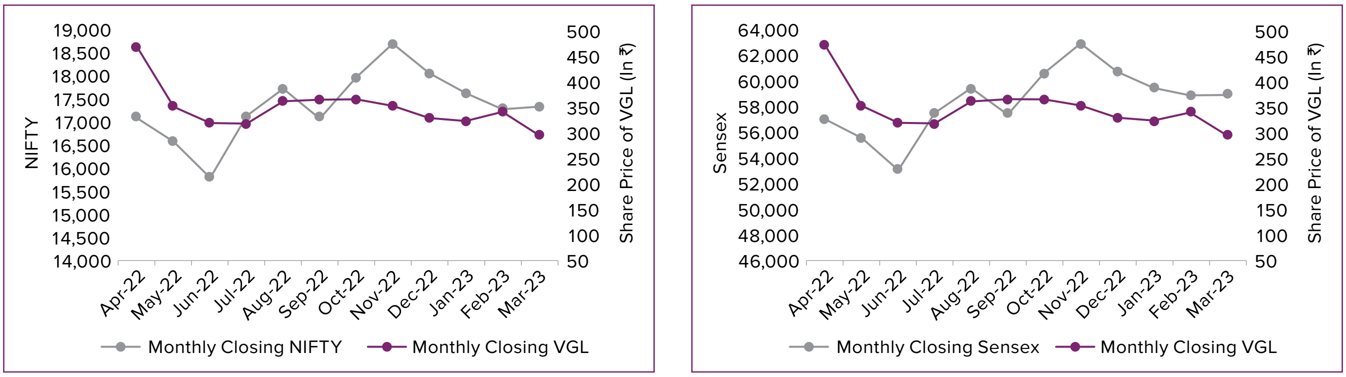
The status of dematerialisation as on 31 March 2023 is as under:

Mode		No. of Shares	% (Percentage)
1. Dematerialization Form	NSDL	14,89,43,967	90.26
	CDSL	1,60,29,927	9.71
Subtotal		**16,49,73,894**	**99.97**
2. Physical Form		41,680	0.03
Total		**16,50,15,574**	**100.00**

(x) Market price data

	VGL Price at BSE(₹)			VGL Price at NSE(₹)		
Month	**High Price**	**Low Price**	**Closing Price**	**High Price**	**Low Price**	**Closing Price**
Apr-22	539.95	374.80	469.65	522.75	374.45	468.00
May-22	463.00	330.30	337.15	463.65	330.00	335.75
Jun-22	354.25	296.00	299.50	357.60	296.25	299.90
Jul-22	340.90	288.00	298.40	368.75	287.90	298.30
Aug-22	375.50	293.55	346.60	375.65	291.10	347.95
Sep-22	418.00	333.50	351.55	418.00	332.75	351.65
Oct-22	383.90	332.90	351.40	384.00	332.65	352.25
Nov-22	355.60	313.75	337.90	356.15	314.05	337.65
Dec-22	358.65	301.95	310.80	359.10	302.60	310.90
Jan-23	314.15	289.20	304.70	314.90	289.50	304.20
Feb-23	344.75	288.05	322.30	345.15	288.40	324.40
Mar-23	334.15	268.60	272.50	333.85	268.70	272.85

Performance of the Company's share price in comparison to Nifty and Sensex

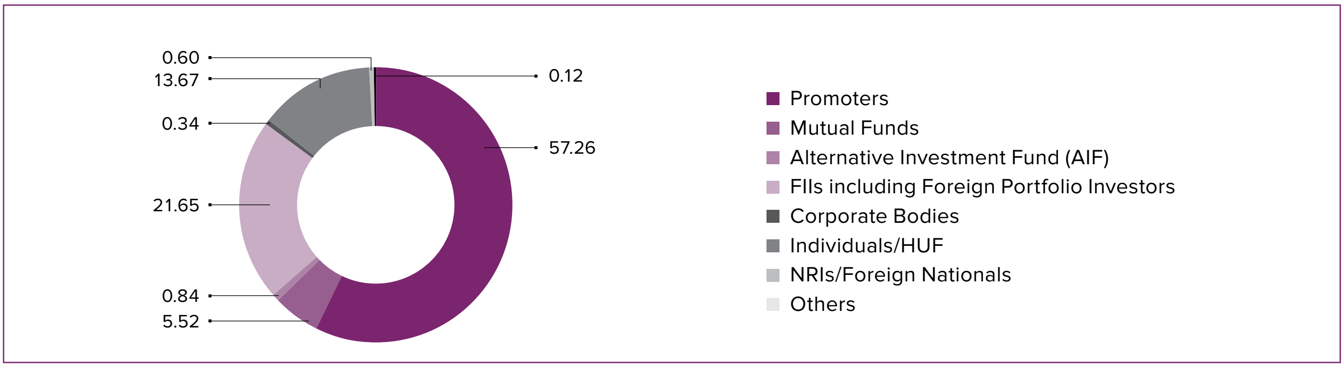


(xi) Distribution of shareholding as on 31 March 2023

No. of Equity Shares Range	Total Shares	% of Shareholding	No. of shareholder
below 5000	1,07,92,979	6.54	1,32,992
5001- 10000	12,33,183	0.75	339
10001- 20000	10,57,305	0.64	148
20001- 30000	5,57,646	0.34	44
30001- 40000	4,14,904	0.25	23
40001- 50000	5,31,189	0.32	23
50001- 100000	13,33,531	0.81	36
100001 & Above	14,90,94,837	90.35	56
Total	**16,50,15,574**	**100.00**	**1,33,661**

(xii) Shareholding Pattern as on 31 March 2023

Category	Number of Shares	% of shareholding
A. Promoters /Promoter Group		
Indian Promoters	9,42,49,191	57.12
Foreign Promoters	2,32,800	0.14
Sub-total (A)	**9,44,81,991**	**57.26**
B. Public		
Mutual Funds	91,11,414	5.52
Alternative Investment Fund (AIF)	13,84,379	0.84
FIIs including Foreign Portfolio Investors	3,57,22,116	21.65
Corporate Bodies	5,62,309	0.34
Individuals/HUF	2,25,65,983	13.67
NRIs/Foreign Nationals	9,89,417	0.60
VGL ESOP Trust	1,69,191	0.10
Investor Education and Protection Fund	10,930	0.01
Others	17,844	0.01
Sub-total (B)	**7,05,33,583**	**42.74**
Grand Total (A+B)	**16,50,15,574**	**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,& F64, EPIP, Sitapura, Jaipur - 302 022
- E-1 and E-2, SEZ – II, Sitapura - 302 022
- Unit 186/A, SDF-VI, Andheri (E), SEEPZ-SEZ, Mumbai - 400 096

(xiv) Office:

- E69, EPIP, Sitapura, Jaipur-302 022
- G1-35, EPIP, Sitapura, Jaipur - 302 022
- HW – 4070, H Tower, West Wing, 4th Floor, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

(xv) Investor Contracts

Shareholders may note that the share transmission, dividend payment and other investor related activities are attended to and processed at the office of Company's Registrar & Transfer Agents (RTA). For any grievances/ complaints, shareholders may contact the RTA at the address mentioned in point (vii). The contact details for suggestions, requests, queries, complaints etc, are available at https://www.vaibhavglobal.com/investor-helpdesk.

Shareholders holding shares in dematerialisation form should address all their correspondence to their respective Depository Participants (DP).

(xvi) The Company has no outstanding GDR/ADR/warrants as on 31 March 2023.

(xvii) Details of Directors seeking appointment/re-appointment

The brief profile of the Directors seeking appointment/ re-appointment is provided in the Notice of convening the 34th Annual General Meeting, which forms a part of the Annual Report.

(xviii) Credit Rating

The detail of credit rating obtained by the Company during the year is provided in the Board's Report, which forms a part of the Annual Report.

(xix) Other useful information to shareholders

- Shareholders/beneficial owners are requested to quote their folio no. /DP and client ID nos., as the case may be, in all correspondence with the RTA/Company.
- Simplified Norms for processing Investor Service Request: SEBI, vide its Circular dated 16 March 2023, has inter-alia, made it mandatory for holders of physical securities to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers to avail any investor service. Folios wherein any one of the above mentioned details are not registered by 1 October 2023 shall be frozen. The concerned Members are, therefore, urged to furnish the abovesaid details by submitting the prescribed forms duly filled by email from their registered email id to einward.ris@kfintech.com or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited (Unit:Vaibhav Global Limited) at Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032. For more details, kindly refer note no. 12 of Notice of the 34th AGM.
- To prevent fraudulent encashment of dividend instruments, members are requested to provide their bank account details (if not provided earlier) to the Company/RTA (if shares are held in physical form) or to the DP (if shares are held in demat 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.
- Shareholders are requested to provide their valuable suggestions for improvement of our investor services.
- We request shareholders whose shares are in the physical form to dematerialise their shares. Shareholders are requested to quote their e-mail IDs, telephone numbers for prompt reply to them communication.

7. DISCLOSURES

(i) The necessary disclosure of the related party transactions as required under the accounting standards have been made in the financial statements. None of the transactions with any of the related party was in conflict with the interests of the Company. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at https://www.vaibhavglobal.com/code-policies.

(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 the capital markets during the last three years. None of the Company's listed securities is suspended from trading.

(iii) The Company has a Whistle Blower policy for establishing a vigil mechanism for directors and employees to report concerns about any unethical behaviour. No person has been denied access to the Audit Committee. The policy is available on the website of the Company at https://www.vaibhavglobal.com/code-policies.

(iv) The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, as applicable, with regards to corporate governance.

Apart from the mandatory requirements, the Company has also implemented following discretionary requirements of SEBI (LODR) Regulations:

a) Internal auditors make quarterly presentation to the Audit Committee.

b) Appointment of Non-Executive Chairman of the Board and his position is separate from that of the Managing Director.

c) Sending the financial results to the shareholders quarterly at their email id registered with the Company/RTA/Depository.

d) The financial statements of the Company are with unmodified audit opinion.

(v) Major part of foreign exchange impact is notional, being arisen from consolidation of subsidiaries' financials in parent entity, without real conversion of currency. For the export receivables, arisen from exports from manufacturing and sourcing entities to the selling entities, there is a natural hedge available due to import of raw materials. Further, working capital from banks in foreign currencies also provides a natural hedge against export receivables. Further, the Company has managed the foreign exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company used forward exchange contracts to hedge against its foreign currency exposures relating to firm commitments. There were no materially uncovered exchange rate risks in the context of the Company's Foreign Exchange exposures. For more detail, please refer Management Discussion and Analysis Report, form a part of this annual report. The details of foreign currency exposure and risks are disclosed in Notes to the Annual Financial Statements.

The Company endeavours to monitor the prices of key commodities and formulates procurement strategies based on actual price movements and trends as well as the external regulatory environment and has adequate governance structures in place to align and review procurement strategies with external and internal dynamics. Since the Company has not entered into any derivative contract to hedge exposure to fluctuations in commodity prices, no disclosure is required pursuant to SEBI circular dated 15 November 2018.

(vi) During the year, no complaint was received by the Committee established, under Anti Sexual Harassment policy of the Company, pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Particulars	**No. of Complaints**
Complaints pending as on 1 April 2022	Nil
Received during the Year	Nil
Resolved during the Year	Nil
Complaints outstanding as on 31 March 2023	Nil

(vii) Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/ shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website.

The details of unclaimed dividends and shares transferred to IEPF, is provided at the website of the Company /IEPF Authority. The Members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and send a duly signed physical copy of the same to the Company, along with requisite documents enumerated in the web Form No. IEPF-5.

No claims shall lie against the Company in respect of the dividend/shares so transferred to IEPF.

The detail of outstanding dividends and the dates by which it can be claimed by the shareholders from the Company's Registrar and Transfer Agent are available on the Company's website and provided in the Board's Report.

(viii) The Company has adequate Directors and Officers insurance ('D and O insurance') for all their directors and officers.

(ix) During the financial year 2022-23, the Board has accepted all the recommendations of its Committees.

(x) The Company did not raise any funds through preferential allotment or qualified institutional placement during the year.

(xi) There is no share in the demat suspense account of the Company as on date of this report.

(xii) The detail of loans and advances in the nature of loan made to the entities in which directors are interested, as per Schedule V of SEBI (LODR) Regulations, is provided in the notes to the financial statements.

8. RISK MANAGEMENT

The Company has adopted a well-defined procedure for risk management. The risk management procedure provides identification and mitigation of internal as well as external risks of the Company. The risk management procedure is periodically reviewed by the Board. The Risk Management Committee monitor and review the risk management plan, cyber security and to perform functions as defined under SEBI (LODR) Regulations and the Companies Act, 2013. During the year, Risk Management Committee met on 03 September 2022 and 01 March 2023 inter-alia reviewed the Risk Management Policy, Major risk areas & mitigations action Plan and IT controls of the Company. For more detail, please refer Management Discussion and Analysis Report, form a part of this report.

VGL has been honoured with 'India Risk Management Award' under 'Manufacturing Sector' by ICICI Lombard and CNBC-TV 18. The award is presented annually to organisations demonstrating high standards of risk management practices.

9. MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report forms a part of the Annual Report and includes discussion on various matters.

10. SUBSIDIARIES

The Audit Committee reviews the significant issues, including financial statements pertaining to subsidiary companies. Attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary companies. The performance of subsidiaries is also reviewed by the Board quarterly. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at https://www.vaibhavglobal.com/code-policies. The Company have following three material subsidiaries as on the date of this Report and all compliance in this regard as provided in SEBI (LODR) Regulations are duly complied with.

Name of Material Subsidiary	Place of Incorporation	Date of Incorporation	Name of Auditors	Date of appointment
VGL Retail Ventures Limited	Mauritius	4 August 2005	Nexia Baker & Arenson, Mauritius	16 May 2022
Shop TJC Limited (Step-down Subsidiary)	UK	15 December 2005	DSK Partners LLP	20 May 2022
Shop LC Global Inc. (Step-down Subsidiary)	USA	30 January 2007	KNAV P.A.	03 April 2023

11. RECONCILIATION OF SHARE CAPITAL AUDIT

A qualified Practicing Company Secretary carried out a share capital audit quarterly reconciled and confirmed that the total admitted equity share capital with the National Securities Depository Limited ("NSDL"), the Central Depository Services (India) Limited ("CDSL") and shares in physical forms are in agreement with the total issued and listed equity share capital.

12. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Board members are provided with the necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board, Committees, Strategy and Management Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Updates on relevant statutory changes on important laws are periodically presented to the Board. The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at: https://www.vaibhavglobal.com/code-policies.

13. FEE PAID TO STATUTORY AUDITORS

During the year, total fees for all services paid by the Company and its subsidiaries, on a consolidated basis is ₹ 262.57 lacs, to the statutory auditor and all entities in the network firm/network entity of which auditors the statutory is a part. For details, kindly refer consolidated financial statements.

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 disclosed on the Company's website, i.e. https://www.vaibhavglobal.com/code-policies. 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 31 March 2023. A declaration to this effect, signed by Mr. Sunil Agrawal, Managing Director of the Company, is appended at the end of this report. The Senior Management Personnels of the Company have made disclosures to the Board confirming that there is no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

15. CODE FOR INDEPENDENT DIRECTORS

The Company has laid down a code of conduct for Independent Directors of the Company and the same is available on the Company's website, i.e. https://www.vaibhavglobal.com/code-policies.

16. WEBLINK OF CODES AND POLICIES

The code and policies of the Company are available at the website of the Company. The weblink of the same is provided for the ready reference:

Code/Policies	Web Link
Supplier Code of Conduct	https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880818621363.pdf
Code of conduct for Directors and Senior Management Personnel	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741319699082.pdf
Code Of Conduct for Independent Directors	https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887739209747.pdf
Code of Conduct to regulate, monitor and report trading by Designated Persons	https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887677586302.pdf
Code of practices and procedures for fair disclosure of unpublished price sensitive information	https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887640072479.pdf
Anti-Bribery & Corruption (ABC) policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757876236252369.pdf
Business Responsibility and Sustainability Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874521120902.pdf
Business Responsibility Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1769311952703893.pdf
Whistle Blower And Vigil Mechanism Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880567447119.pdf
Dividend Distribution Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888307092446.pdf
Nomination and Remuneration policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741363959589.pdf
Criteria for making payment to Non-Executive Directors	https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888235675638.pdf
Anti Sexual Harassment Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1759330754220977.pdf
Archival Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888179526910.pdf
Corporate Social Responsibility (CSR) Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888142480234.pdf
Famarlisation programme for Independent Director	https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880540696671.pdf
Policy for determination of Materiality of Events or Information	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741389167415.pdf
Policy for determining Material Subsidiaries	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741409704052.pdf
Related Party Transactions Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741433677943.pdf
Terms & conditions of appointment of Independent Directors	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874262297400.pdf
Human Right Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1765585659982239.pdf
Equal Opportunity Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf
Risk Management Policy	https://www.vaibhavglobal.com/admin_assets/images/ESG/1770656279177962.pdf

17. COMPLIANCE CERTIFICATE

The Compliance Certificate under regulation 17(8) of SEBI (LODR) Regulation, 2015 for the financial year ended 31 March 2023 is enclosed at the end of this report.

18. CORPORATE GOVERNANCE CERTIFICATE

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

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 2022-23.

For and on behalf of the Board of Directors

Sunil Agrawal
Managing Director
DIN: 00061142

Place: Jaipur
Date: 17 May 2023

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations for the Financial Year ended 31 March 2023)

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 31 March 2023, 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 the 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 2022-23 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
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group Chief Financial Officer
Place: Jaipur
Date: 17 May 2023

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Vaibhav Global Limited

We have examined the compliance of Corporate Governance by Vaibhav Global Limited ("Company") for the financial year ending on 31 March 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), on the basis of the examination of documents provided in **Annexure 1**.

Compliance with the conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with 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 Listing Regulations.

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 its affairs.

For Vinod Kothari & Company
Practising Company Secretaries
Unique Code: P1996WB042300

Nitu Poddar
Partner
Membership No.: A37398
CP No.: 15113
UDIN:A037398E000319121
Peer Review Certificate No.: 781/2020

Date: 17 May 2023
Place: New Delhi

ANNEXURE 1
LIST OF DOCUMENTS

1. Minutes for the meetings of the following held during the Audit Period:
    a. Board of Directors;
    b. Audit Committee;
    c. Nomination and Remuneration Committee;
    d. Stakeholders Relationship Committee;
    e. Risk Management Committee;
    f. Annual General Meeting and Postal Ballot;
    g. Allotment Committee.
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
3. Resolutions passed by circulation;
4. Agendas of Board and Committee meetings;
5. Terms of reference of Committees of the Board;
6. Annual Report for financial year 2021-22;
7. Directors disclosures under the Companies Act, 2013 and rules made thereunder;
8. Declaration by Independent Directors;
9. Policies framed under the Listing Regulations;
10. Stock exchange filing for corporate governance under Reg. 27 (2).

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L36911RJ1989PLC004945
2.	Name of the Listed Entity	Vaibhav Global Limited
3.	Year of incorporation	1989
4.	Registered office address	K-6B, Fateh Tiba, Adarsh Nagar Jaipur 302 004 (Raj.)
5.	Corporate address	E-69, EPIP, Sitapura, Jaipur - 302 022 Rajasthan, India
6.	E-mail	investor_relations@vaibhavglobal.com
7.	Telephone	91-141-2601020
8.	Website	www.vaibhavglobal.com
9.	Financial year for which reporting is being done	Financial Year 2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE)
11.	Paid-up Capital	₹ 33,00,31,148
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Akshay Singh Naruka T: +91 141 2771975 E: investor_relations@vaibhavglobal.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis	The disclosures are made on standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacture and exporter of fashion jewellery and related articles	Manufacture and exporter of fashion jewellery and related articles	94%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Fashion Jewellery and Gemstone	3211	94%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	3	7
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	6
International (No. of Countries)	13

b. **What is the contribution of exports as a percentage of the total turnover of the entity?** 99%

c. **A brief on types of customers:** Our customer base mainly comprised of our wholly owned subsidiaries based at US, UK, and Germany, which further resell to individual customers through their proprietary TV channels, website and other digital medium. Further, the company also has a small portion of other B2B business. We generally sell fashion jewellery and lifestyle products to these customers.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	979	813	83.04%	166	16.96%
2.	Other than Permanent (E)	232	196	84.48%	36	15.52%
3.	**Total employees (D + E)**	**1211**	**1009**	**83.31%**	**202**	**16.69%**
WORKERS						
4.	Permanent (F)	220	206	93.63%	14	6.37%
5.	Other than Permanent (G)	1426	1312	92.00%	114	8.00%
6.	**Total workers (F + G)**	**1646**	**1518**	**92.22%**	**128**	**7.78%**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	4	100%	-	-
2.	Other than Permanent (E)	6	6	100%	-	-
3.	**Total differently abled employees (D + E)**	**10**	**10**	**100%**	**-**	**-**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	1	1	100%	-	-
5.	Other than permanent (G)	9	7	77.77%	2	22.23%
6.	**Total differently abled workers (F + G)**	**10**	**8**	**80.00%**	**2**	**20.00%**

19. Participation/Inclusion/Representation of women-

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel	2	-	-

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31.48%	41.71%	33.11%	37.86%	62.08%	41.75%	12.01%	18.34%	12.87%
Permanent Workers	11.83%	0.00%	11.30%	10.61%	21.43%	11.10%	11.82%	9.84%	11.73%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Brett Enterprises Private Limited, India	Holding Company	-	No
2.	VGL Retail Ventures Ltd., Mauritius	Subsidiary Company	100%	No
3.	STS Jewels Inc., USA	Subsidiary Company	100%	No
4.	STS Global Supply Limited, Hongkong	Subsidiary Company	100%	No
5.	STS Global Limited, Thailand	Subsidiary Company	100%	No
6.	STS Global Limited, Japan	Subsidiary Company	100%	No
7.	Shop LC GmbH, Germany	Subsidiary Company	100%	No
8.	Vaibhav Vistar Limited, India	Subsidiary Company	100%	No
9.	Vaibhav Lifestyle Limited, India	Subsidiary Company	100%	No
10.	Encase Packaging Private Limited, India	Subsidiary Company	60%	No
11.	Shop TJC Ltd. UK	Step-down Subsidiary Company	-	No
12.	Shop LC Global Inc., USA	Step-down Subsidiary Company	-	No
13.	PT. STS Bali, Indonesia	Step-down Subsidiary Company	-	No
14.	STS (Guangzhou) Trading Limited, China	Step-down Subsidiary Company	-	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): ₹ 4,31,24,72,390

(iii) Net worth (in ₹): ₹ 6,07,08,79,916

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, the BRSR policy of the Company provides the grievance redressal mechanism for all stakeholders towards the principles adopted by the Company through email investor_relations@vaibhavglobal.com The Company also has a grievance redressal desk for community, customers and value chain partners on our website https://www.vaibhavglobal.com/inquiries-and-grievance-redressal	-	-	-	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	The company has also adopted investors grievance redressal mechanism, which can be accessed at https://www.vaibhavglobal.com/assets/investorhelpdesk/Investors_Grievance_Policy_VGL_v1.pdf	-	-	-	-	-	-
Shareholders	The company has also adopted investors grievance redressal mechanism, which can be accessed at https://www.vaibhavglobal.com/assets/investorhelpdesk/Investors_Grievance_Policy_VGL_v1.pdf	130	-	The majority of complaints were pertaining to non-receipt of dividend.	103	-	The majority of complaints were pertaining to non-receipt of dividend.
Employees and workers	The employees and workers of the Company can also report their grievances through Whistle Blower Policy, Human Right Policy, Equal Opportunity Policy and ABC Policy. Further, the Company's supplier code of conduct provides a grievance redressal mechanism to the supplier. The abovesaid policies/codes are available at https://www.vaibhavglobal.com/code-policies. The Company also has a grievance redressal desk for community, customers and value chain partners on our website (https://www.vaibhavglobal.com/inquiries-and-grievance-redressal)	-	-	-	-	-	-
Customers		-	-	-	-	-	-
Value Chain Partners		-	-	-	-	-	-
Other (please specify)							

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format-

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
This has been covered comprehensively in 'Risk Management Section' in Integrated Annual Report.					

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

	Disclosure Questions	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	Policy and management processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874521120902.pdf								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	a. ISO 9001:2015: Principle 2 b. LEED v4 Platinum Certificate: Principle 6 c. IGBC Certification: Principle 6 d. SMETA Audit: Principles 1,3,5,6 and 9 e. Workplace Conditions Assessment Audit: Principles 1,3,5,6 and 9								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	a) To become carbon neutral in scope 1 and 2 GHG emissions by FY31 b) To deliver one million meals per day to children in need by FY'31 through our one for one program : ***'Your Purchase Feeds….'***								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Kindly refer our ESG report at https://www.vaibhavglobal.com/reports								
	Governance, leadership and oversight									
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Reference is hereby being made to the MD's message of the Integrated Annual Report.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Sunil Agrawal, Managing Director								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The CSR Committee (under the supervision of the Board) is responsible for decision making and overseeing the status on sustainability related issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify**								
	P 1	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The Board of Directors/Committee reviews periodically. Compliance report across is submitted to the Board of Directors on quarterly basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y									

11		**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No, the same is being done internally.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Familiarization programs of Directors, Strategy meeting and semi-annual management committee meetings on broader strategy & performance of the group	100%
Key Managerial Personnel (other than BOD)	4		100%
Employees other than BOD and KMPs	78	All employees undergo training programs on a regular basis in the areas of 'On the Job Training', communication skills, stress management, human rights, fire & safety trainings, POSH, goal setting, semi-annual management committee meetings etc.	100%
Workers	12		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

There was no such incidence.

Monetary

	NGRBC Principle	Name of the regulatory / enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed: Not applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company believes in conducting its business in fair and transparent manner and does not indulge in bribery or corruption. The Company has anti-bribery & corruption policy, which apply to all employees and also applicable to relevant third parties and their employees deployed for the Company's activities, whether working from any of the Company's offices or any other location and being communicated to them prior to entering into a business relationship and as appropriate thereafter. A copy of the policy is available at the https://www.vaibhavglobal.com/admin_assets/images/ESG/1757876236252369.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: NIL

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest: Nil

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, as there was no such incident during the year.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year FY 2022-23	Previous Financial Year FY 2021-22	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	8% (₹ 45 lacs for purchase of electric scooters for employees' commute)	41% (₹ 543.55 lacs towards commissioning of solar power plant and electric vehicles)	These investments were made to sequestrate carbon emissions.*

*As a responsible corporate citizen, the company has set a target to become carbon neutral in Scope 1 and Scope 2 GHG emissions by 2031. We are also focussed and pursuing to become carbon neutral in Scope 3 GHG emissions.

To achieve these targets, we have undertaken certain actions directed to achieve carbon neutrality in future:

- We have commissioned 2 solar power plants in Jaipur (rooftop solution) and Bikaner (ground mounted solar panels). With a total installed capacity of 3.23 MW, today these solar power plants are addressing 100% power requirements for two of our major manufacturing units at Jaipur.
- Developed 2 Miyawaki forests in Jaipur spread across 2 acres of land. The effects of the Miyawaki technique are far-reaching. It helps in maintaining water level and reducing sound and dust pollution by over 30 times. The Miyawaki method of plantation is a multi-layer plantation which uses full vertical space. Here, the soil is shielded from direct sunlight resulting in very less evaporation. As a result, a robust fungible network is developed over these forests, which play an instrumental part in augmenting the forest cover.
- Our SEZ unit in Jaipur is LEED platinum certified, thus becoming one of the few buildings across India to be certified so.LEED certifications assess buildings on various parameters like water efficiency, energy efficiency and carbon emission reduction, among others.

- VGL's SEZ unit has also been certified as 'Net Zero Energy Building' (NZEB) status by IGBC. The certification is a testament of our consistent focus on sustainability.

- Distributed 184 electric scooters to our employees for their official commute.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) :** Yes

   b. **If yes, what percentage of inputs were sourced sustainably?**

At present, we are capable of overseeing sourcing till the first stage of procurement i.e., till our first supplier. We also remain committed to reducing the environmental impacts, respecting human rights and contributing to the well-being of local communities we operate within. As part of the ESG process, interactive sessions with vendors were conducted in India, Thailand and Indonesia on key ESG aspects, particularly on the principles of ethical & responsible sourcing. These sessions covered key ESG aspects including waste management, green building certification, carbon emissions and their abatement process, responsible sourcing and renewable energy, among others.

Believing in responsible sourcing, we are committed to ethical, legal, safe, fair and environmentally responsible business practices. We have 'Supplier code of conduct' in place. We encourage our supply chain partners to follow aspects of sustainable manufacturing in their business. Our supply chain partners are key stakeholders and are being updated on company's policies, quality guidelines, business plan through various engagement drives. Supplier are assessed on quality, cost, delivery and service parameters and action plan is generated for improvement. It is difficult to ascertain the percentage of our inputs which have been sourced sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The nature of our products is such that they don't have any concern for reclaiming, reusing or disposal liability.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If Yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Extended Producer Responsibility is not applicable on the Company.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	A) Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	813	813	100%	813	100%	NA	NA	-	-	813	100%
Female	166	166	100%	166	100%	166	100%	NA	NA	166	100%
Total	**979**	**979**	**100%**	**979**	**100%**	**166**	**17%**	**-**	**-**	**979**	**100%**
Other than Permanent employees											
Male	196	196	100%	196	100%	NA	NA	-	-	196	100%
Female	36	36	100%	36	100%	36	100%	NA	NA	36	100%
Total	**232**	**232**	**100%**	**232**	**100%**	**36**	**100%**	**-**	**-**	**232**	**100%**

   b. **Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	A) Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	206	206	100%	206	100%	NA	NA	-	-	206	100%
Female	14	14	100%	14	100%	14	100%	NA	NA	14	100%
Total	**220**	**220**	**100%**	**220**	**100%**	**14**	**6%**	**-**	**-**	**220**	**100%**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	A) Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Other than Permanent workers											
Male	1,312	1,312	100%	1,312	100%	NA	NA	-	-	1,312	100%
Female	114	114	100%	114	100%	114	100%	NA	NA	114	100%
Total	**1,426**	**1,426**	**100%**	**1,426**	**100%**	**114**	**8%**	**-**	**-**	**1,426**	**100%**

2. **Details of retirement benefits, for Current and Previous Financial Year.**

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98%	100%	Yes	98%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	72%	100%	Yes	73%	100%	Yes
Others-Group Health Insurance	28%	-	Yes	27%	-	Yes

3. **Accessibility of workplaces**

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   Yes, the premises / offices of the entity accessible to differently abled employees and workers are as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   Yes, link to the policy is: https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Any aggrieved employee may submit his/her grievance in writing and submit to the Grievance Box installed for the purpose or send his / her grievance on hrd@vaibhavglobal.com. (Detailed policy available at https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf)
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

The employees and workers of the Company are not associated with any of the Association/ Union.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-

8. **Details of training given to employees and workers:**

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	813	813	100%	813	100%	973	973	100%	973	100%
Female	166	166	100%	166	100%	161	161	100%	161	100%
Total	**979**	**979**	**100%**	**979**	**100%**	**1,134**	**1,134**	**100%**	**1,134**	**100%**
Workers										
Male	206	206	100%	206	100%	240	240	100%	240	100%
Female	14	14	100%	14	100%	15	15	100%	15	100%
Total	**220**	**220**	**100%**	**220**	**100%**	**255**	**255**	**100%**	**255**	**100%**

9. **Details of performance and career development reviews of employees and workers:**

Category	FY 23 Current Financial Year			FY 22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	813	813	100%	973	973	100%
Female	166	166	100%	161	161	100%
Total	**979**	**979**	**100%**	**1,134**	**1,134**	**100%**
Workers						
Male	206	206	100%	240	240	100%
Female	14	14	100%	15	15	100%
Total	**220**	**220**	**100%**	**255**	**255**	**100%**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. All the employees are covered under 'Health and safety management system'.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The entity has a well-defined 'Occupational Health & Safety Management System Procedures' in place. The framework involves risk identification, assessment and mitigation, with active participation of the concerned workforce.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, there is a proper reporting mechanism for the workers to report work related hazards.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

The employees and workers are covered by medical insurance and/or ESI for themselves and their families.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	0.77	0.50
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	3	2
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company considers employees as its most valued asset, and the Company prioritizes their health and safety. The majority of its personnel are employed in the manufacturing facilities. The Company has taken the following measures to assure a safe and healthy workspace:

1. EHS Policy, Insurance Systems, Training, Occupational Health, Inspection Systems, Audits, & Risk Assessments.
2. The Company has taken measures which are compliant with applicable healthcare and occupational health and safety requirements.
3. The Company emphasizes providing training on safety measures during induction to all new employees.
4. An EHS Committee has been formulated to assist and collaborate with management and achieving objectives as outlined in the 'EHS Policy'. The Committee deals with matters concerning health, safety, and the environment and delivers practical solutions to problems encountered, promotes safety awareness amongst all workers, and undertakes educational, training, and promotional activities.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-		-	-	
Health & Safety	-	-		-	-	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Internal safety assessment-100%
Working Conditions	Internal safety assessment-100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

The Company tracks accidents rates in all of its locations. A strong commitment of both management and workers ensures a safe working environment by adhering to the Company's strict approach towards adopting a health and safety-first mind-set in the execution of duties.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Key stakeholders are identified on the basis of the influence they have on the Company or on how they are materially influenced by the Company's decisions and the consequences of those decisions.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify	Purpose and scope of engagement including key topics and concerns raised during such engagement
Please refer to 'Stakeholder Engagement' section of the Integrated Annual Report				

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees workers covered (B)	% (B/A)	Total (C)	No. of employees workers covered (D)	% (D/C)
Employees						
Permanent	979	979	100%	1134	1134	100%
Other than permanent	232	232	100%	257	257	100%
Total Employees	1211	1211	100%	1391	1391	100%
Workers						
Permanent	220	220	100%	255	255	100%
Other than permanent	1426	1426	100%	1311	1311	100%
Total Workers	1646	1646	100%	1566	1566	100%

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent										
Male	813	0	0	813	100%	973	0	0	973	100%
Female	166	0	0	166	100%	161	0	0	161	100%
Other than Permanent										
Male	196	0	0	196	100%	214	0	0	214	100%
Female	36	0	0	36	100%	43	0	0	43	100%
Workers										
Permanent										
Male	206	0	0	206	100%	240	0	0	240	100%
Female	14	0	0	14	100%	15	0	0	15	100%
Other than Permanent										
Male	1312	0	0	1312	100%	1208	0	0	1208	100%
Female	114	0	0	114	100%	103	0	0	103	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	6,35,000 p.a.	2	21,74,688 p.a.
Key Managerial Personnel (except BoD)	2	48,55,000 p.a.	-	-
Employees other than BoD and KMP	813	4,11,996 p.a.	166	4,49,700 p.a.
Workers	206	2,39,070 p.a.	14	1,84,968 p.a.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human- rights impacts or issues caused or contributed to by the business? (Yes/No): Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The mechanism works by following the instructions outlined below:

a. We have a proper grievance redressal mechanism for human rights, wherein the aggrieved employee can contact the grievance officer personally, telephonically and through email at hrd@vaibhavglobal.com.

b. The senior management is then reported on the event happened for the remedial action to be taken.

c. The Company, through human resources department, periodically undertakes due diligence process for oversight of the mechanism and necessary corrective actions required, if any.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	2	-	Resolved by (Internal Complaints Committee) ICC
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour / Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

While dealing with the complaints as a part of grievance redressal mechanism (like POSH & Grievance Mechanism) every care is taken to conduct the enquiry in an impartial and peaceful manner to avoid any stressful conditions. The entire process is carried out in a highly confidential manner. Further, the company evaluates the whole process regularly.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No):

Yes. Human rights requirements form part of VGL's Supplier Code of Conduct. Suppliers are urged to respect human rights standards and to work towards them in all business activities. Any forced or compulsory labour is prohibited. A focus on child labour prohibition, minimum wages, and equal opportunities is communicated to our business partners.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	**100% of our plants and offices are internally assessed on these parameters.**
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

There were no significant risks / concerns arising from the above assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	1,67,20,546 million Joules	1,69,14,618 million Joules
Total fuel consumption (B)	14,33,245 million Joules	12,43,549 million Joules
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	1,81,53,791 million Joules	1,81,58,167 million Joules
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	240.43	269.35
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
The assessment was carried out internally.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No. none of our sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	37,703	42,410
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	37,703	42,410
Total volume of water consumption (in kilolitres)	18,945	20,352
Water intensity per rupee of turnover (Water consumed in KL/ turnover in crores)	43.40	41.61
Water intensity (optional) – in KL per crore turnover (Water consumed/ turnover)	124.10	120.37

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
The assessment was carried out internally.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Our locations are equipped with zero-liquid discharge mechanism. VGL India has effectively formulated the waste management systems for handling wastewater properly. VGL has installed ETP & STP plant to treat its generated wastewater, the treated wastewater is recycled for use to reduce the consumption of freshwater. These plants are recycling 17,500 KL of water per annum. Further, we have installed two rainwater storage tanks with total capacity of 500 KL. We are harvesting ~6,100 KL of rain water at multiple locations.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx*	µg/m3	15.0	18.0
SOx*	µg/m3	8.1	9.2
Particulate matter (PM)*	µg/m3	35.8 (PM2.5) 58.2 (PM10)	40.3 (PM2.5) 66.5 (PM10)
Persistent organic pollutants (POP)	-	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	-	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)^	-	Not Applicable	Not Applicable
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
* These values were assessed in Dec-22 and Nov-21 for FY23 and FY22 respectively.
^ We intend to assess this value in future.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	257	1,609
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	3,669	3,935
Total Scope 1 and Scope 2 emissions per crore of rupees of turnover		9.0	11.3
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		3,926	5,544

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
The assessment was carried out by Design2Occupancy Services LLP in FY22 and by RSM Astute Consulting Pvt. Ltd. in FY23.

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**
As a responsible corporate, we have undertaken various initiatives towards mitigating carbon emissions. The detail of those initiatives are as under

- **Afforestation:** During the year, we developed 2 Miyawaki forests in India across 2 acres of land and planted ~28,000 saplings in barren lands. These Miyawaki forests will become self-sustainable within next 2 years and will become 10 times denser than a conventional forest. We expect that these forests will sequestrate 850 tons of carbon every year. Apart from it, we have also planted additional 7,000 plants in various Government schools and RIICO gardens.
- **Electric Vehicles-** As part of our environmental initiatives, we purchased 184 electric scooters and one electric car for our employees. This investment is an extension of our ongoing conscious efforts to reduce Scope 2 carbon emissions value (equivalent to 25-28 ton per annum) and minimise our carbon footprint. With this investment, we have eliminated 11 buses from our fleet and also done away with requirement of 1 bus.
- **Solar Power-** We have commissioned two solar power plants in Jaipur (rooftop solution) and Bikaner (ground mounted solar panels). With a total installed capacity of 3.23 MW, currently these solar power plants are addressing 100% power requirements of our two major manufacturing units at Jaipur.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)***	0.40	0.86
E-waste **(B)**	0.36	1.08
Bio-medical waste **(C)**	NA	NA
Construction and demolition waste **(D)**	NA	NA
Battery waste **(E)**	NA	NA
Radioactive waste **(F)**	NA	NA
Other Hazardous waste. Please specify, if any. **(G)**	-	-
Other Non-hazardous waste generated **(H)**	-	-
Total (A+B + C + D + E + F + G + H)	**0.76**	**1.94**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**-**	**-**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations- Recyclers	0.76	1.94
Total	**0.76**	**1.94**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. The assessment was carried out by external recycling agencies.

* Company is in process on implementing mechanism to identify quantum of plastic waste generated. However, the plastic waste is regularly disposed off through Government approved recyclers whose amount is mentioned in this table.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Waste reduction has been one of our key focus areas to improve our operational efficiency and minimise the impact on the environment. The waste generated through our operations can be broadly classified as dry waste, wet waste and e-waste. We believe in and have aligned waste management practices to the '4R Policy' of Reduce, Recycle, Reuse and Reclaim in our operations and manage the solid waste efficiently. Few initiatives are provided below:

- 100% of bio-degradable waste (vegetables, food, leaves) generated is converted into manure.
- Reduction of paper consumption has been a key focus area within our business strategy.
- The Ozonator water treatment plant facilitates removal of dirt, inorganic chemical impurities, and odour from water. This lowers the risk of groundwater contamination. An ozonator can generate 10 gm of oxygen per hour to disinfect water.
- Wet scrubber installations reduce toxicity of fumes that are generated in the jewellery manufacturing process.

Considering the nature of our business, wherein chemicals are an essential part of our manufacturing process, we have taken Government approval to utilize those chemicals. Furthermore, we have agreements in place with Government approved vendors for the safe disposal of the said material.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not applicable.

S. No.	Locationof operations/office	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
N.A.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

The Company has not undertaken any such project.

Name and brief details of project	EIA Notification No.	Date	Whether conductedby independent external agency (Yes / No)	Results communicated inpublic domain (Yes / No)	Relevant Web link
N.A.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The Company is in compliance with all applicable environmental laws.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
N.A.				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations - Five

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Gem & Jewellery Export Promotion Council	National
2	Federation of Indian Export organization	National
3	Export Promotion Council for EOUs and SEZs	National
4	Export Promotion council for Handicrafts	National
5	Export Promotion Council of Apparel	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

The company is not involved in anti-competitive business conduct, hence there are no such corrective actions/ incidents undertaken.

Name of authority	Brief of the case	Corrective action taken
	N.A.	

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicator

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:** No such assessments were undertaken during the year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			NIL		

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

No such project was undertaken by the entity.

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
				N.A.		

3. **Describe the mechanisms to receive and redress grievances of the community.**

We have a community grievance redressal mechanism through which they can reach out to us and corrective actions, if required, are taken and implemented. The mechanism is available online on our website and can be accessed at https://www.vaibhavglobal.com/inquiries-and-grievance-redressal

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	13.65%	14.30%
Sourced directly from within the district and neighbouring districts	38%	52%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

We have a strong mechanism to address and respond to consumer complaints and their feedbacks. Furthermore, a compliant and redressal mechanism is also available on our website at https://www.vaibhavglobal.com/inquiries-and-grievance-redressal. Customer response and customer satisfaction are one of the most important factors of the Company. Customer satisfaction is at the core focus of management and is evident from the fact that we have excellent CSAT (Customer Satisfaction) scores of 95+ for both US and UK.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Environmental and social parameters relevant to the product, safe and responsible usage, Recycling and/or safe disposal are not being calculated as percentage of total turnover as the same is not applicable owing to the nature of our products.

	As a percentage to total turnover
Environmental and social parameters relevant to the product	N.A.
Safe and responsible usage	N.A.
Recycling and/or safe disposal	N.A.

3. **Number of consumer complaints in respect of the following:**

There were no complaints received by customers on below matters.

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-		-	-	
Advertising	-	-		-	-	
Cyber-security	-	-		-	-	
Delivery of essential Services	-	-		-	-	
Restrictive Trade Practices	-	-		-	-	
Unfair Trade Practices	-	-		-	-	
Other	-	-		-	-	

4. **Details of instances of product recalls on account of safety issues:**

No such instances were reported in the reporting period FY23.

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

We have a well-established framework on cyber security and risks related to data privacy. The Company's commitment to identify the risks, assess the implications and put in place systemized controls to limit any damage to the organization with respect to information security, privacy and securing the information assets.

Our risk management policy identifies cyber security and information risks and details the mechanism to identify and monitor the implications of the risk. The Policy is available at https://www.vaibhavglobal.com/code-policies.

We have implemented Information Security Management System Policies and Guidelines. These include policies and guidelines on cyber security, data privacy, acceptable usage, incident management etc., covering the 'Dos and Don'ts' for a user, actions/measures to be taken in case of a cyber security incident as well as the actions that will be taken in case of any security policy violation. These policies have been uploaded on the Company's intranet network and are accessible to our employees.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There is not such instance/ issue occurred during the year.

Independent Auditor's Report

To the Members of
Vaibhav Global Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Vaibhav Global Limited (the "Company")and its Vaibhav Global Employee Stock Option Welfare Trust ("ESOP trust") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of such ESOP trust as was audited by the other auditor, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Gemstone Inventories	
See Note 3(e) and 13 to standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Company deals primarily in fashion jewelry and lifestyle products which may be subject to changing consumer demands and fashion trends. Company uses Gemstones primarily in manufacturing the above products. Significant degree of judgment is thereby required to assess the NRV of the inventories and appropriate write down of items which may be ultimately sold below cost. Such judgment includes Company's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell. In view of the above, assessment of NRV and its consequential impact, if any, on the carrying value of Gemstone inventory has been identified as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: • Assessed the appropriateness of the accounting policy for inventories as per relevant Indian accounting standards. • Evaluated the design and implementation of key internal financial controls with respect to determination of NRV and tested the operating effectiveness of such controls on selected transactions. • Verified inventory ageing report by testing samples, selected using statistical sampling method. • Tested the weighted average rate computation of inventory samples, selected using statistical sampling method. • Evaluated the judgement and assumptions taken for valuation of inventory by involving subject matter expert, wherever required.

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report(s) thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

MANAGEMENT'S AND BOARD OF DIRECTORS'/ BOARD OF TRUSTEES' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/Board of Trustees of the ESOP trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/ ESOP trust 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, that were operating effectively for ensuring 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.

In preparing the standalone financial statements, the respective Management and Board of Directors/Board of Trustees are responsible for assessing the ability of each company/trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Board of Trustees either intends to liquidate the company/ ESOP trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are responsible for overseeing the financial reporting process of each company/ ESOP trust.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the

disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of ESOP trust of the Company to express an opinion on the standalone financial statements. For the ESOP trust included in the standalone financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements an ESOP trust included in the standalone financial statements of the Company whose financial statements reflect total assets (before consolidation adjustments) of ₹ 502.98 lacs as at 31 March 2023, total income (before consolidation adjustments) of ₹ 20.23 lacs, excess of income over expenditure (before consolidation adjustments) of ₹ 11.08 lacs and net cash inflows (before consolidation adjustments) amounting to ₹ 96.91 lacs for the year ended on that date, as considered in the standalone financial statements. The financial statements of this ESOP trust has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of ESOP trust, is based solely on the report of such other auditor.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such ESOP trust as was audited by other auditor, as noted in the "Other Matter" paragraph, 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.

   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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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 and based on the consideration of the report of the other auditor on separate financial statements of the ESOP trust, as noted in the "Other Matter" paragraph:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management of the Company whose financial statements has been audited under the Act has represented to us that, to the best of it's knowledge and belief, as disclosed in the Note 44 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Company whose financial statements has been audited under the Act has represented to us that, to the best of it's knowledge and belief, as disclosed in the Note 44 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

As stated in Note 20 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUM8320

Place: Jaipur
Date: 17 May 2023

Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Vaibhav Global Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment (including right-of-use assets) by which all property, plant and equipment (including right-of-use assets) are verified in a phased manner over a period of two years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company. In respect of immovable properties taken on lease and disclosed as right-of-use assets in the standalone financial statements, the lease agreements are in the name of the Company. Further, based on the direct confirmations received from bank, where such deeds are kept as security against loan, title deed of immovable properties are held in the name of the Company as on balance sheet date.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records substantially. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows (also refer Note 41 to the standalone financial statements):

(Amount in ₹ Lacs)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	(Excess)/ shortage	Whether return/ statement subsequently rectified
March 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	10,817.54	9,921.48	896.06	Yes*
		Trade receivables	11,717.99	11,843.33	(125.34)	Yes*
		Trade payables	5,309.41	3992.72	1,316.68	Yes*
June 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	11,430.08	10,575.69	854.39	Yes*
		Trade receivables	12,928.44	12,140.73	787.72	Yes*
		Trade payables	6,478.62	5,217.22	1,261.40	Yes*
September 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	12,232.70	11,379.23	853.47	Yes*
		Trade receivables	10,516.07	10,417.21	98.87	Yes*
		Trade payables	4,833.51	3,269.36	1,564.15	Yes*
December 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	11,609.39	11,054.01	555.38	Yes*
		Trade receivables	12,641.29	12,602.28	39.01	Yes*
		Trade payables	5,121.53	4,180.19	941.34	Yes*

*The Company submits provisional drawing power (DP) statements on monthly basis to the lead bank latest by 15th of the next month and also to other member banks, in which DP limit is computed as per the terms and conditions of the sanction letter. The difference between DP statement and financial statement arise since DP statements are prepared on a provisional basis after exclusion of certain items of inventory, debtors, creditors and valuation of inventories is done as per the bank sanction letter. Further, the Company submit Quarterly Review Statements (QRS) to lead bank, which is tallied with the books of accounts, and which could be different from DP statement submitted provisionally. In financial year 2022-23, the actual utilization of working capital remained within the bank sanction/DP limits.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee and granted unsecured loans, to subsidiaries in respect of which the requisite information are as below, further the Company has not provided security or provided advances in the nature of loans to subsidiaries and has not made investments, provided guarantee or security, and granted any loans and advances in the nature of loans, secured or unsecured to limited liability partnership and other parties:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans, or stood guarantee, to any other entity as below:

(Amount in ₹ Lacs)

Particulars	Guarantees	Loans
Aggregate amount during the year		
Subsidiaries*	471.00	834.11
Others	Nil	Nil
Balance outstanding as at balance sheet date		
Subsidiaries*	971.00	1,426.00
Others*	Nil	Nil

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the loan of ₹ 1,024.00 lacs given to M/s Vaibhav Lifestyle Limited (wholly owned subsidiary) and ₹ 89.00 lacs given to M/s Encase Packaging Private Limited (subsidiary) which are repayable on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Also refer note 17.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

(Amount in ₹ Lacs)

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan			
- Repayable on demand (A) (also refer note 46)	834.11	Nil	834.11
- Agreement does not specify any terms or period of Repayment (B)	Nil	Nil	Nil
Total (A+B)	**834.11**	**Nil**	**834.11**
Percentage of loans/advances in nature of loan to the total loans	100%	Nil	100%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ('GST').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to GST, Duty of Customs and Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (in ₹ Lacs)	Amount paid under protest (in ₹ Lacs)	Period for which the amount relates	Forum where dispute is pending	Remarks, if any
IncomeTax Act, 1961	Income Tax	4.08	10.00	Assessment Year 2007-08	Assessing Officer	None
		8.10	1.61	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)	None
		73.97	73.97	Assessment Year 2009-10	Rajasthan High Court	None
		149.58	53.38	Assessment Year 2013-14	Rajasthan High Court	None
		2,645.23	Nil	Assessment Year 2017-18	Income Tax Appellate Tribunal	None
		44.81	44.81	Assessment Year 2019-20	Assessing Officer	None
Customs Act	Duty of Customs	4.80	Nil	April 2019 to May 2019	Commissioner (Appeals),Customs	None
		2.71	Nil	August 2014	CESTAT, Delhi	None
Goods and Services Tax Act	Goods and Services Tax	333.90	Nil	November 2018 to December 2019	Directorate General of GST Intelligence	None

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us by management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as detailed in Note 44 to the standalone financial statements. For reporting on this clause / sub clause, while we have performed audit procedures set out in the Guidance Note on CARO 2020, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUM8320

Place: Jaipur
Date: 17 May 2023

Annexure B to the Independent Auditor's Report

on the standalone financial statements of Vaibhav Global Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of Vaibhav Global Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone 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 with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUM8320

Place: Jaipur
Date: 17 May 2023

Standalone Balance Sheet
as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	5,198.23	5,225.86
Capital work-in-progress	5	-	34.83
Right-of-use assets	6	935.73	906.84
Other intangible assets	7	308.11	185.66
Intangible assets under development	8	21.47	12.50
Financial assets			
Investments	9	30,736.76	30,236.76
Loans	17	313.00	-
Other financials assets	10	131.65	194.37
Deferred tax assets (net)	35	1,788.03	1,684.11
Other tax assets (net)	11	1,125.63	1,316.36
Other non-current assets	12	25.52	33.36
Total non-current assets		**40,584.13**	**39,830.65**
Current assets			
Inventories	13	12,075.25	11,425.65
Financial assets			
Trade receivables	14	14,687.35	13,739.71
Cash and cash equivalents	15	2,302.54	1,555.81
Bank balance other than cash and cash equivalents	16	2,770.02	2,419.21
Loans	17	1,168.06	1,135.20
Other financial assets	10	4,438.12	3,293.83
Other current assets	18	1,923.22	1,832.82
Total current assets		**39,364.56**	**35,402.23**
Total assets		**79,948.69**	**75,232.88**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	3,297.63	3,275.96
Other equity			
Reserves and surplus	20	57,910.62	55,038.18
Total equity		**61,208.25**	**58,314.14**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities		101.39	64.88
Provisions	21	365.86	317.50
Total non-current liabilities		**467.25**	**382.38**
Current liabilities			
Financial liabilities			
Borrowings	22	10,752.67	9,382.73
Lease liabilities		26.55	18.13
Trade payables	23		
-Total outstanding dues of micro enterprises and small enterprises; and		167.42	276.93
-Total outstanding dues of creditors other than micro enterprises and small enterprises		6,221.41	5,503.50
Other financial liabilities	24	219.44	367.47
Other current liabilities	25	475.46	681.68
Provisions	21	410.24	305.92
Total current liabilities		**18,273.19**	**16,536.36**
Total liabilities		**18,740.44**	**16,918.74**
Total equity and liabilities		**79,948.69**	**75,232.88**
Significant accounting policies	**3**		

The accompanying notes are an integral part of the standalone financial statements.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Standalone Statement of Profit and Loss

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	26	43,640.45	48,909.60
Other income	27	10,012.25	10,170.96
Total income		**53,652.70**	**59,080.56**
Expenses			
Cost of materials consumed	28	25,620.65	29,452.91
Purchases of stock-in-trade	29	2,228.70	2,926.95
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	278.53	295.65
Employee benefits expense	31	5,806.49	5,889.07
Finance costs	32	429.92	258.78
Depreciation and amortisation expense	33	740.74	645.10
Other expenses	34	8,260.46	8,329.43
Total expenses		**43,365.49**	**47,797.89**
Profit before exceptional items and tax		**10,287.21**	**11,282.67**
Exceptional items	49	-	56.22
Profit after exceptional items		**10,287.21**	**11,226.45**
Tax expense	35		
Current tax		356.60	(159.84)
Deferred tax		(59.57)	(1,498.90)
Tax expense		**297.03**	**(1,658.74)**
Profit for the year (A)		**9,990.18**	**12,885.19**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit liability		(126.90)	111.37
(ii) Income tax relating to remeasurement of defined benefit liability		44.34	(38.92)
Other comprehensive income for the year, net of tax (B)		**(82.56)**	**72.45**
Total comprehensive income for the year (A + B)		**9,907.62**	**12,957.64**
Earnings per equity share	36		
Basic earnings per share (INR)		6.08	7.89
Diluted earnings per share (INR)		5.99	7.72
Significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
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Sheela Agarwal
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DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Standalone Statement of Changes in Equity

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

A EQUITY SHARE CAPITAL

Particulars	Note	Amount
Balance as at 01 April 2022		**3,275.96**
Changes in equity share capital due to prior period errors		-
Restated balance as at 01 April 2022		**3,275.96**
Changes in equity share capital during the year	19	24.34
Treasury shares	38	(2.67)
Balance as at 31 March 2023		**3,297.63**
Balance as at 01 April 2021		**3,253.67**
Changes in equity share capital due to prior period errors		-
Restated balance as at 01 April 2021		**3,253.67**
Changes in equity share capital during the year	19	26.19
Treasury shares	38	(3.90)
Balance as at 31 March 2022		**3,275.96**

B OTHER EQUITY

For the year ended 31 March 2023:

Particulars	Note	Reserves and Surplus						
		Securities premium	Share based payment reserve	Capital redemption reserve	Capital reserve	General reserve	Retained earnings	Total other equity
Balance as at 1 April 2022		**32,937.41**	**1,160.83**	**4,486.57**	**812.64**	**1,296.47**	**14,344.26**	**55,038.18**
Total comprehensive income for the year ended 31 March 2023								
Profit for the year		-	-	-	-	-	9,990.18	9,990.18
Other comprehensive income/(loss) for the year	35	-	-	-	-	-	(82.56)	(82.56)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**9,907.62**	**9,907.62**
Contributions and distributions								
Dividends	20	-	-	-	-	-	(9,879.57)	(9,879.57)
Equity-settled share-based payments	31	-	1,361.90	-	-	-	-	1,361.90
Share options exercised	20	2,668.59	(1,010.72)	-	-	-	-	1,657.87
Treasury shares	38	(175.38)	-	-	-	-	-	(175.38)
Balance as at 31 March 2023		**35,430.62**	**1,512.01**	**4,486.57**	**812.64**	**1,296.47**	**14,372.31**	**57,910.62**

Standalone Statement of Changes in Equity

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

For the year ended 31 March 2022:

Particulars	Note	Reserves and Surplus						
		Securities premium	Share based payment reserve	Capital redemption reserve	Capital reserve	General reserve	Retained earnings	Total other equity
Balance as at 01 April 2021*		**31,049.52**	**1,667.21**	**4,486.57**	**812.64**	**1,296.47**	**10,372.29**	**49,684.70**
Total comprehensive income for the year ended 31 March 2022								
Profit for the year		-	-	-	-	-	12,885.19	12,885.19
Other comprehensive income/(loss) for the year	35	-	-	-	-	-	72.45	72.45
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**12,957.64**	**12,957.64**
Dividends	20	-	-	-	-	-	(9,812.66)	(9,812.66)
Equity-settled share-based payments	31	-	925.22	-	-	-	-	925.22
Share options exercised	20	2,157.58	(1,431.60)	-	-	-	826.99	1,552.97
Treasury shares	38	(269.69)	-	-	-	-	-	(269.69)
Balance as at 31 March 2022		**32,937.41**	**1,160.83**	**4,486.57**	**812.64**	**1,296.47**	**14,344.26**	**55,038.18**

* There is no change in other equity due to prior period errror.

(Loss)/ gain on remeasurement of defined employee benefit plans (net of tax) amounting to ₹ (82.56) lacs and ₹ 72.45 lacs is recognised as a part of retained earnings for the year ended 31 March 2023 and 31 March 2022 respectively.

Significant accounting policies 3

The accompanying notes are an integral part of the standalone financial statements.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Standalone Cash Flow Statement

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

	Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash flow from operating activities**			
	Profit for the year		**10,287.21**	**11,226.45**
	Adjustment for :			
	Depreciation and amortisation expense	33	740.74	645.10
	(Gain)/ loss on unrealised foreign exchange difference (net)		(155.47)	113.88
	Equity-settled share-based payment transactions	31	408.88	268.25
	(Gain)/ loss on sale / write off of property, plant and equipment		(5.64)	2.60
	Liabilities no longer required written back		-	(5.51)
	Gain on sale of current investments (including change in fair value)		(0.76)	(0.02)
	Allowances for / write off doubtful debts and advances		28.15	15.09
	Dividend received	27	(8,059.26)	(8,443.75)
	Interest income	27	(355.48)	(211.91)
	Finance costs		429.92	258.78
	Operating profit before working capital changes:		**3,318.29**	**3,868.96**
	Working capital adjustments :			
	Decrease/ (increase) in trade receivable		98.21	(7,186.79)
	(Increase)/ decrease in inventories		(649.60)	422.84
	(Increase) in other assets		(1,172.04)	(791.71)
	Increase in trade payables, provisions, other current liabilities		213.61	2,120.30
	Cash generated from/ (utilised in) operating activities		**1,808.47**	**(1,566.40)**
	Income taxes paid (net)		165.87	532.05
	Net cash generated from/ (utilised in) operating activities (A)		**1,642.60**	**(2,098.45)**
B.	**Cash flow from investing activities**			
	Purchase of property, plant and equipment and other intangible assets		(741.88)	(930.25)
	Proceeds from disposal of property, plant and equipment		14.58	8.60
	Payment for right-of-use of assets		-	(0.52)
	Investment made in deposits		(2,712.10)	(2,484.12)
	Deposits matured		2,409.00	2,392.59
	Investment made in subsidiaries		(500.00)	(971.70)
	Repayment of loan given to subsidiaries		489.11	887.16
	Grant of loan to subsidiaries		(834.11)	(1,856.16)
	Dividend received		8,059.26	8,443.75
	Interest received		319.80	165.93
	Purchase of current investments		(749.89)	(225.00)
	Proceed from sale of current investments		750.65	225.02
	Net cash generated from investing activities (B)		**6,504.42**	**5,655.30**

Standalone Cash Flow Statement

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
C. Cash flow from financing activities			
Proceeds from exercise of share options		1,504.16	1,305.07
Movement in short term borrowings (net)		1,479.63	3,608.01
Dividend paid		(9,879.57)	(9,812.66)
Interest paid		(478.33)	(251.17)
Payment of lease liabilities		(26.18)	(1.00)
Net cash utilised in financing activities (C)		**(7,400.29)**	**(5,151.75)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		**746.73**	**(1,594.90)**
Opening balance of cash and cash equivalents		1,555.81	3,150.71
Closing balance of cash and cash equivalents		**2,302.54**	**1,555.81**
Cash and cash equivalents comprises			
Cash on hand	15	7.80	10.39
Balance with bank on current account	15	994.74	1,545.42
Deposits with original maturity of less than three months	15	1,300.00	-
		2,302.54	1,555.81
Less: Restricted cash and cash equivalents	15	(1,300.00)	-
Net Cash and cash equivalents		**1,002.54**	**1,555.81**
Significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.

Notes

1 The statement of cash flows has been prepared under the ‘indirect method’ as set out in Ind AS-7 “Statement of Cash Flows”, as specified under section 133 of the Companies Act, 2013.

2 Reconciliation of liabilities arising from financial activities:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance of short term borrowings	9,382.73	5,646.37
Movement in short term borrowings	1,479.63	3,608.01
Non cash changes - effect of foreign currency translation	(109.69)	128.35
Closing balance of short term borrowings	**10,752.67**	**9,382.73**

3 Refer note 34 for amount spent during the year ended 31 March 2023 and 31 March 2022 on construction / acquisition of assets and other purposes relating to Corporate social responsibility activities.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm’s Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

1. REPORTING ENTITY

Vaibhav Global Limited (hereinafter referred to as 'the Company' or 'VGL') is a company domiciled in India, with its registered office situated at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) in India. The standalone financial statements comprise financial statements of the Company (in which are included financial statements of Vaibhav Global Employee Stock Option Welfare Trust) ('Trust') for the year ended 31 March 2023. The Company deals in fashion jewellery and lifestyle products.

2. BASIS OF PREPARATION

a. Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 17 May 2023.

Details of the Company's accounting policies are included in Note 3.

b. Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. All amounts have been rounded off to the nearest lacs, except share data and as stated otherwise.

c. Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Liabilities for equity – settled share-based payment arrangement	Fair value
Net defined benefit (assets) / liability	Fair value of plan assets less present value of defined benefit obligations

d. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 6 – lease term - whether the Company is reasonably certain to exercise extension options.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 is included in the following notes:

- Note 35 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note 37 – measurement of defined benefit obligations: key actuarial assumptions.
- Note 40 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 47 – financial and non-financial assets

e. Measurement of fair value

The Company records certain financial assets and liabilities at fair value on a recurring basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.

c) Cost approach – Replacement cost method.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 38 – share-based payment; and
- Note 47 and 48 – financial instruments

f. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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3. SIGNIFICANT ACCOUNTING POLICIES

a. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies of Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

b. Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. For an item not at fair value through profit and loss (FVTPL) at transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost; and
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition

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Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Equity investments in subsidiaries and investments for which sufficient more recent information to measure fair value are not available are measured at cost. Other equity investments in scope of Ind AS 109 are measured at fair value through profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

iii. De-recognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

iv. Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments to hedge its foreign currency and commodity risks. Derivatives are measured at fair value. The treatment of changes in the value of derivative depends on their use as explained below:

Cash flow hedges:

Derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in other comprehensive income. Any ineffective elements of the hedge are recognised in the Statement of Profit and Loss.

If the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the Statement of Profit and Loss at the same time as the related cash flow.

Derivatives for which hedge accounting is not applied:

Derivative financial instruments for which hedge accounting is not applied are initially recognised at fair value on the date on which a derivative contract is entered and are subsequently measured at FVTPL.

c. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

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Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non - refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods along with the comparison of useful life as per Schedule II of the Act are as follows:

Asset	Estimated useful life (in years)	Useful life as per schedule II (in years)
Building	30	30
Plant and machinery	15	15
Plant and machinery – Solar plant	25	25
Electric installation	10	10
Furniture and fixtures	10	10
Office equipment	5	5
Computer	3	3
Vehicles	8	8
Lease hold improvement	Over the lease period or useful life of the asset, whichever is lower	Over the lease period or useful life of the asset, whichever is lower

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

iv. Leased assets

Leasehold improvements are amortised over their useful life or the lease period, whichever is lower.

Leasehold lands are amortized over the period of lease. Building constructed on leasehold land are depreciated based on the useful life as stated above, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

d. Intangible assets and Intangible assets under development

Intangible assets

i. Recognition and measurement

Intangible assets include computer software. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in Statement of Profit and Loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives for the current and comparative periods are as follows:

Asset	Estimated useful life (in years)
Computer software	3-5

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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Intangible assets under development

Intangible assets under development includes website development, which is capitalized as per the milestones defined in the management plan or contract with the vendor.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Obsolesces and defective inventories are duly provided for and valued at net realisable value or cost whichever is lower. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

Identification of a specific item and determination of estimated net realizable value involve technical judgments of the management which is also supported by valuation from an independent valuer, wherever required.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

f. Impairment

i. Impairment of financial instruments

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, short term deposits with banks, trade receivables, investment securities and derivative instruments. The cash resources of the Company are invested in banks and liquid funds after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The Company follows ‘simplified approach’. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the Statement of Profit and Loss. This amount is reflected in a separate line in the Statement of Profit and Loss as an impairment gain or loss. In balance sheet ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

g. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

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ii. Share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expenses / credit in Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Cost in respect of the awards given to the employees of the subsidiary companies is charged from such companies.

The Company measures the cost of equity-settled transactions with employees using a Black - Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

iii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in

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OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

The Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

v. Other long-term employee benefits

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the Statement of Profit and Loss in the period in which the absences occur. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred.

h. Provision (other than for employee benefits)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events when no reliable estimate is possible;
- a possible obligation arising from past events unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities and commitments are reviewed at each balance sheet date.

i. Revenue

Sale of products

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

Sale of services

The Company recognises revenue from sale of services over time because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from service-related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

Other operating revenues

Duty benefits are recognized on accrual basis and when the right to entitlement has been established.

j. Recognition of dividend income, interest income or expense

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

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Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the leases if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing

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the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

l. Tax Expense

Tax expenses comprises current and deferred tax.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

iii. Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of credit to the Statement of Profit and Loss and included in deferred tax assets. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from fiscal year 2019-20, allows any domestic company to pay availing income tax at the rate of 25.17%

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subject to condition they will not avail any incentive or exemptions. The lower rate is an option and companies can continue to account based on the old rates. The Company will be shifting under new tax regime once the Company is able to utilise MAT credit entitlement. Hence, the Company decided not to opt for lower rate.

m. Goods and services tax (GST)

Expenses and assets are recognised net of the amount of sales/ value added taxes/ goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

n. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o. Treasury shares

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. Company issues shares to EBT for allotting them to the employees. EBT is treated as an extension of the Company, and accordingly, shares held by EBT are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets, liabilities, income and expenses of the Company, except for profit / loss on issue of shares to the employees and the dividend earned by the trust which are directly taken to the Share Based Payment Reserve.

p. Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management, if any.

q. Dividend

Final dividends proposed by the Board of Directors are recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors.

r. Earnings per share (EPS)

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted 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). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

s. Exceptional items

When an item of income or expense within statement of profit and loss from ordinary activity is of such size, nature and incidence that its disclosure is relevant to explain more meaningfully the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

t. Significant accounting estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

u. Segment reporting

As per Ind AS – 108, 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS - 108, as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS – 108, Operating Segments is given in the consolidated financial statements.

v. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company is evaluating the impact, if any, in its financial statements which is not expected to be material.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes to Standalone Financial Statements

as at 31 March 2023

4 PROPERTY, PLANT AND EQUIPMENT *

Reconciliation of carrying amount

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Freehold Land	Leasehold Improvement	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost										
Balance as at 01 April 2021		61.90	-	1,959.43	3,392.80	193.39	195.55	620.91	66.70	6,490.68
Additions		-	-	93.00	735.93	38.88	51.57	361.29	53.99	1,334.66
Written off/disposals		-	-	-	(5.06)	(2.22)	(0.15)	(14.70)	-	(22.13)
Balance as at 31 March 2022		**61.90**	**-**	**2,052.43**	**4,123.67**	**230.05**	**246.97**	**967.50**	**120.69**	**7,803.21**
Balance as at 01 April 2022		**61.90**	**-**	**2,052.43**	**4,123.67**	**230.05**	**246.97**	**967.50**	**120.69**	**7,803.21**
Additions		-	66.40	68.08	195.91	46.75	57.64	94.83	44.90	574.51
Written off/disposals		-	-	-	(11.72)	-	(0.06)	(20.09)	(0.94)	(32.81)
Balance as at 31 March 2023		**61.90**	**66.40**	**2,120.51**	**4,307.86**	**276.80**	**304.55**	**1,042.24**	**164.65**	**8,344.91**
Accumulated depreciation										
Balance as at 01 April 2021		-	-	381.87	1,114.62	83.15	134.51	319.21	30.59	2,063.95
Depreciation	33	-	-	62.10	228.65	19.06	29.02	177.40	8.10	524.33
Written off / disposals		-	-	-	(2.64)	(1.75)	(0.13)	(6.41)	-	(10.93)
Balance as at 31 March 2022	.	**-**	**-**	**443.97**	**1,340.63**	**100.46**	**163.40**	**490.20**	**38.69**	**2,577.35**
Balance as at 01 April 2022		**-**	**-**	**443.97**	**1,340.63**	**100.46**	**163.40**	**490.20**	**38.69**	**2,577.35**
Depreciation	33	-	4.70	63.70	240.76	21.31	36.55	212.52	13.66	593.20
Written off / disposals		-	-	-	(5.53)	-	(0.05)	(18.29)	-	(23.87)
Balance as at 31 March 2023		**-**	**4.70**	**507.67**	**1,575.86**	**121.77**	**199.90**	**684.43**	**52.35**	**3,146.68**
Carrying amounts										
At 31 March 2022		**61.90**	**-**	**1,608.46**	**2,783.04**	**129.59**	**83.57**	**477.30**	**82.00**	**5,225.86**
At 31 March 2023		**61.90**	**61.70**	**1,612.84**	**2,732.00**	**155.03**	**104.65**	**357.81**	**112.30**	**5,198.23**

* Refer note 41 for assets hypothecated as security against bank borrowings.

Notes to Standalone Financial Statements
as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

5 CAPITAL WORK IN PROGRESS

Reconciliation of carrying amount

Particulars	31 March 2023	31 March 2022
Opening balance	**34.83**	**522.04**
Additions during the year	153.05	64.35
Capitalisation during the year	(187.88)	(551.56)
Closing balance	**-**	**34.83**

Ageing of Capital work-in-progress:

As at 31 March 2022	Amount in Capital work in progress for a period of				
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	34.83	-	-	-	34.83

6 RIGHT-OF-USE ASSETS

Leases as lessee

Right-of-use assets related to leased properties that do not meet the definition of investment property:

Particulars	Note	Leasehold land	Building	Total
As at 31 March 2023				
Balance as at 01 April 2022		**823.72**	**83.12**	**906.84**
Depreciation charge for the year	33	(9.96)	(24.02)	(33.98)
Additions to right-of-use assets		-	62.87	62.87
Balance as at 31 March 2023		**813.76**	**121.97**	**935.73**
As at 31 March 2022				
Balance as at 01 April 2021		833.68	-	833.68
Depreciation charge for the year	33	(9.96)	(1.41)	(11.37)
Additions to right-of-use assets		-	84.53	84.53
Balance as at 31 March 2022		**823.72**	**83.12**	**906.84**

As at Balance sheet date, the Company is not exposed to future cashflows relating to extension / termination options, residual value guarantees and leases not commenced to which lessee is committed. The total amount of cashflow on account of leases for the year has been disclosed in the statement of cash flows.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Amount recognised in profit or loss:

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on lease liabilites	32	8.24	0.54
Expenses relating to leases of low-value assets	34	9.54	36.71
		17.78	**37.25**

Amount recognised in statement of cash flows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Total cash outflow for leases	**(26.18)**	**(1.00)**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

7 OTHER INTANGIBLE ASSETS

Reconciliation of carrying amount

Particulars	Note	Softwares
Cost		
Balance at 01 April 2021		666.98
Additions		11.87
Written off/disposals		(32.86)
Balance at 31 March 2022		**645.99**
Balance at 01 April 2022		**645.99**
Additions		235.58
Written off/disposals		-
Balance at 31 March 2023		**881.57**
Accumulated amortisation		
Balance at 01 April 2021		383.79
Amortisation	33	109.40
Amortisation on written off/disposals		(32.86)
Balance at 31 March 2022		**460.33**
Balance at 01 April 2022		**460.33**
Amortisation	33	113.13
Amortisation on written off/disposals		-
Balance at 31 March 2023		**573.46**
Carrying amounts		
At 31 March 2022		**185.66**
At 31 March 2023		**308.11**

8 INTANGIBLE ASSET UNDER DEVELOPMENT

Reconciliation of carrying amount

Particulars	31 March 2023	31 March 2022
Opening balance	**12.50**	**-**
Additions during the year	97.78	12.50
Capitalisation during the year	(88.81)	-
Closing balance	**21.47**	**12.50**

Ageing of intangible assets under development:

As at 31 March 2023	Amount in Intangible assets under development for a period of				
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	21.47	-	-	-	21.47

As at 31 March 2022	Amount in Intangible assets under development for a period of				
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	12.50	-	-	-	12.50

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

9 INVESTMENTS

Particulars		31 March 2023	31 March 2022
Non-current investments			
Investment at cost			
Unquoted equity shares			
a)	**Investment in subsidiaries**		
(i)	46,821,633 (31 March 2022: 46,821,633) ordinary shares of USD 1 each of VGL Retail Ventures Limited, Mauritius*	22,841.49	22,841.49
(ii)	350,000 (31 March 2022: 350,000) ordinary shares of Baht 100 each STS Global Limited, Thailand (formerly STS Gems Thai Limited, Thailand)	11,125.99	11,125.99
	Less: Amount of impairment in value of investment	(11,125.99)	(11,125.99)
		-	-
(iii)	500 (31 March 2022: 500) common shares with no par value of STS Jewels Inc., USA*	19,950.80	19,950.80
	Less: Amount of impairment in value of investment	(15,110.98)	(15,110.98)
		4,839.82	**4,839.82**
(iv)	1,500 (31 March 2022: 1,500) ordinary shares of Yen 50,000 each STS Global Limited, Japan (formerly STS Gems Japan Limited, Japan)	199.18	199.18
	Less: Amount of impairment in value of investment	(199.18)	(199.18)
		-	-
(v)	87,500 (31 March 2022: 87,500) ordinary shares of HK $100 each STS Global Supply Limited, Hongkong (formerly STS Gems Limited, Hong Kong)*	1,575.00	1,575.00
(vi)	9,999,994 (31 March 2022: 5,000,000) equity shares of ₹ 10 each Vaibhav Vistar Limited, India	1,000.00	500.00
(vii)	25,000 (31 March 2022: 25,000) ordinary shares of Euro 1 each Shop LC GmbH, Germany	22.05	22.05
(viii)	600,000 (31 march 2022: 599,999) equity shares of face value ₹ 10 each of Vaibhav Lifestyle Limited, India	58.50	58.50
(ix)	3,000,000 (31 March 2022: 3,000,000) equity shares of face value of ₹ 10 each Encase Packaging Private Limited, India	399.90	399.90
Investment at cost		**57,172.91**	**56,672.91**
Impairment on the investment		**(26,436.15)**	**(26,436.15)**
Total non current investments		**30,736.76**	**30,236.76**

Note: Company had investment of ₹ 52.07 lacs (Impairment loss recognised - ₹ 52.07 lacs) in VGL Softech Limited. During previous year, VGL Softech Limited was struck off from the register of companies and dissolved via notice dated 27 October 2021 w.e.f. 21 March 2022. The investment is now written off.

* Refer note 41 for investment hypothecated as security against bank borrowings.

10 OTHER FINANCIAL ASSETS

Particulars	Note	31 March 2023	31 March 2022
Non- Current			
Balance with bank to the extent held as security *		53.09	98.28
Security deposits, unsecured, considered good		78.56	96.09
		131.65	**194.37**
Current			
Interest accrued on deposit with banks		103.94	68.26
Other receivables	46	4,334.18	3,225.57
		4,438.12	**3,293.83**

* Pledged with custom authority, vendors against the procurement of raw material and bank for credit card and short term borrowings.

11 OTHER TAX ASSETS (NET)

Particulars	31 March 2023	31 March 2022
Deposits with tax authorities	1,125.63	1,316.36
	1,125.63	**1,316.36**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

12 OTHER NON- CURRENT ASSETS

Particulars	31 March 2023	31 March 2022
Capital advances	25.52	33.36
	25.52	**33.36**

13 INVENTORIES*

Particulars	31 March 2023	31 March 2022
Raw materials {including gemstone inventory of ₹ 8,269.35 lacs (31 March 2022: ₹ 7,552.96 lacs)}	10,670.18	9,739.19
Work-in-progress	259.37	275.14
Finished goods **	1,008.16	1,270.92
Stores and consumables	137.54	140.40
Total inventories	**12,075.25**	**11,425.65**

* Refer note 41 for current assets hypothecated as security against bank borrowings.

**Finished goods includes goods purchased for re-sale, as both are stocked together.

14 TRADE RECEIVABLES*

Particulars	Note	31 March 2023	31 March 2022
Trade receivables considered good - unsecured	46	14,687.35	13,739.71
Trade receivables - credit impaired		23.18	23.18
Less: Loss allowance		(23.18)	(23.18)
Net trade receivables		**14,687.35**	**13,739.71**

* Refer note 41 for current assets hypothecated as security against bank borrowings.

Ageing of trade receivables

As at 31 March 2023	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	14,274.92	394.55	17.88	-	-	-	**14,687.35**
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed trade receivables – credit impaired	-	-	-	-	13.67	-	**13.67**
Disputed trade receivables– considered good	-	-	-	-	-	-	**-**
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed trade receivables – credit impaired	-	-	-	-	-	9.51	**9.51**

As at 31 March 2022	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	13,397.20	297.58	44.87	0.06	-	-	**13,739.71**
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed trade receivables – credit impaired	-	-	-	13.67	-	-	**13.67**
Disputed trade receivables–considered good	-	-	-	-	-	-	**-**
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed trade receivables – credit impaired	-	-	-		9.51	-	**9.51**

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables are included in note 48.

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

15 CASH AND CASH EQUIVALENTS *

Particulars	31 March 2023	31 March 2022
Balances with bank:		
- On current account **	994.74	1,545.42
- Deposits with original maturity of less than three months ***	1,300.00	-
Cash on hand	7.80	10.39
Cash and cash equivalents in the balance sheet and statement of cash flows	**2,302.54**	**1,555.81**

* Refer note 41 for current assets hypothecated as security against bank borrowings.

** includes cash balance of ₹ 226.14 lacs (31 March 2022: ₹ 129.23 lacs) for balances with bank in Vaibhav Global Employee Stock Option Welfare Trust

*** Deposits pledged with bank for short term borrowings.

16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS *

Particulars	31 March 2023	31 March 2022
Deposits with banks with original maturity of more than three months but less than twelve months**	2,757.29	2,409.00
Unpaid dividend account***	12.73	10.21
	2,770.02	**2,419.21**

* Refer note 41 for current assets hypothecated as security against bank borrowings.

** Deposits pledged with custom authority, vendors against the procurement of raw material and bank for credit card and short term borrowings.

*** Does not include any amount payable to Investor Education and Protection Fund.

17 LOANS

Particulars	Note	31 March 2023		31 March 2022	
		Non - Current	Current	Non - Current	Current
Loan to related parties					
- Loan to subsidiaries considered good - unsecured	46	313.00	1,113.00	-	1,081.00
Other receivables		-	55.06	-	54.20
		313.00	**1,168.06**	**-**	**1,135.20**

Type of borrower	Note	As on 31 March 2023			As on 31 March 2022		
		Amount of loan outstanding	% of the total loans	Repayment term	Amount of loan outstanding	% of the total loans	Repayment term
Related parties							
- Vaibhav Lifestyle Limited	46	1,024.00	71.81%	On Demand	640.00	59.20%	On Demand
- Vaibhav Vistar Limited	46	313.00	21.95%	Refer note	441.00	40.80%	On Demand
- Encase Packaging Private Limited	46	89.00	6.24%	On Demand	-	0.00%	Not applicable
Total		**1,426.00**	**100.00%**		**1,081.00**	**100.00%**	

Note:

As at 31 March 2023, ₹ 313.00 lacs is recoverable from Vaibhav Vistar Limited (wholly owned subsidiary). The loan is carrying interest rate of 10.65% per annum and has been given for the purpose of meeting their capital requirements. The loan is repayable in 131 monthly installments commencing April, 2024.

* Refer note 41 for current assets hypothecated as security against bank borrowings.

18 OTHER CURRENT ASSETS *

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Advances other than capital advances		
Advances to suppliers	122.49	408.40
Others		
Balances with government authorities	1,158.24	795.87
Prepaid expenses	328.69	220.15
Forward contracts receivable	30.01	38.55
Other receivables	283.79	369.85
	1,923.22	**1,832.82**

* Refer note 41 for current assets hypothecated as security against bank borrowings.

Notes to Standalone Financial Statements
as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

19 EQUITY SHARE CAPITAL

Particulars	31 March 2023	31 March 2022
Authorized		
205,000,000 equity shares of ₹ 2 each (31 March 2022: 205,000,000 equity shares of ₹ 2 each)	4,100.00	4,100.00
4,500,000 (31 March 2022: 4,500,000) unclassified equity shares of ₹ 100 each	4,500.00	4,500.00
	8,600.00	**8,600.00**
Issued, subscribed and fully paid-up shares		
164,822,085 equity shares of ₹ 2 each (31 March 2022: 163,798,614 equity shares of ₹ 2 each)	3,297.63	3,275.96
Total issued, subscribed and fully paid-up share capital	**3,297.63**	**3,275.96**

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year.

Equity shares of Rs. 2 each issued, subscribed and fully paid	Note	31 March 2023		31 March 2022	
		No. of shares	Amount	No. of shares	Amount
At the commencement of the period		163,798,614	3,275.96	32,536,798	3,253.67
Adjustment for sub division of equity shares		-	-	130,147,192	-
Shares issued on exercise of employee stock options		1,216,960	24.34	1,309,587	26.19
		165,015,574	3,300.30	163,993,577	3,279.86
Less: Treasury shares	38	133,489	2.67	194,963	3.90
At the end of the period		**164,882,085**	**3,297.63**	**163,798,614**	**3,275.96**

b) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share (31 March 2022 of ₹ 2 per share). Each shareholder is eligible for one vote per share held. 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.

c) Employee stock options

Terms attached to stock options granted to employees are described in Note 38 regarding share-based payments.

d) Shares held by Ultimate holding company

Particulars	31 March 2023		31 March 2022	
	Number	Amounts	Number	Amounts
Equity shares of ₹ 2 each fully paid up held by holding company (Brett Enterprises Private Limited)	92,042,991	1,840.86	91,604,491	1,832.09

e) Particulars of shareholders holding more than 5% shares of a class of shares

Name of the shareholder	31 March 2023		31 March 2022	
	% of Holding	No. of shares	% of Holding	No. of shares
Brett Enterprises Private Limited *	55.78%	92,042,991	55.86%	91,604,491
Nalanda India Fund Limited	10.18%	16,798,565	10.24%	16,798,565
Motilal Oswal Fund	5.50%	9,071,323	6.78%	11,124,357
Malabar India Fund Limited	5.39%	8,898,677	5.43%	8,898,677

* Ultimate Holding Company

f) Shares reserved for issue under options

Particulars	31 March 2023			31 March 2022		
	No of shares	WAEP	Amount	No of shares	WAEP	Amount
Vaibhav Global Limited, Employee Stock Options Plan - 2006	3,379,950	153.02	67.60	4,806,526	153.77	96.13
Vaibhav Global Limited Restricted Stock Unit Plan – 2019	672,327	2.00	13.45	236,797	2.00	4.74
Vaibhav Global Limited Employee Stock Options Plan - 2021	131,483	273.40	2.63	65,678	562.00	1.31
Vaibhav Global Limited Management Stock Options Plan - 2021	32,470	2.00	0.65	18,689	2.00	0.37

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

g) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company bought back 865,675 equity shares at an average buyback price of ₹ 831.72 per equity share, comprising 2.63% of the pre-buyback paid-up equity share capital of the Company for an aggregate amount of ₹ 7,199.99 lacs. The buyback of equity shares through the stock exchange commenced on 20 August 2019 and was completed on 25 November 2019.

h) On 22 March 2021, the Board of directors approved, subject to approval of shareholders, the sub-division of equity shares of ₹ 10 each (fully paid up) into five equity shares of ₹ 2 each (fully paid up). The shareholders have approved the sub-division of equity shares through postal ballot resolution dated 24 April 2021. The record date for sub-division was 10 May 2021.

i) Shareholding of promoters

As at 31 March 2023

Name of the Promoter (Equity shares of ₹ 2 each fully paid up)	No. of shares at the commencement of reporting period	Change during the year	No. of shares at the end of reporting period	% of total shares	% change during the year
Brett Enterprises Private Limited	91,604,991	438,000	92,042,991	55.78%	0.48%
Deepti Agrawal	2,138,000	(45,000)	2,093,000	1.27%	-2.10%
Nirmal Kumar Bardiya *	600,000	(600,000)	-	0.00%	-100.00%
Kusum Bardiya *	563,525	(563,525)	-	0.00%	-100.00%
Sunil Agrawal	140,700	-	140,700	0.09%	0.00%
Sheela Agarwal	113,200	-	113,200	0.07%	0.00%
Hursh Agrawal	50,000	-	50,000	0.03%	0.00%
Sanjeev Agrawal	42,100	-	42,100	0.03%	0.00%
Total	**95,252,516**	**(770,525)**	**94,481,991**	**57.26%**	**-0.81%**

* During the current year, Company has made the application for reclassification of the above promoters/promoter group of the Company to public shareholders and the same is approved by BSE Limited and National Stock Exchange of India Limited on 17 March 2023.

As at 31 March 2022

Name of the Promoter (Equity shares of ₹ 2 each fully paid up)	No. of shares at the commencement of reporting period	Change during the year	No. of shares at the end of reporting period	% of total shares	% change during the year
Brett Enterprises Private Limited	90,863,820	741,171	91,604,991	55.86%	0.82%
Deepti Agrawal	2,138,000	-	2,138,000	1.30%	0.00%
Nirmal Kumar Bardiya	752,905	(152,905)	600,000	0.37%	-20.31%
Kusum Bardiya	826,025	(262,500)	563,525	0.34%	-31.78%
Sunil Agrawal	140,700	-	140,700	0.09%	0.00%
Sheela Agarwal	112,250	950	113,200	0.07%	0.85%
Hursh Agrawal	50,000	-	50,000	0.03%	0.00%
Sanjeev Agrawal	41,600	500	42,100	0.03%	1.20%
Total	**94,925,300**	**327,216**	**95,252,516**	**58.08%**	**0.34%**

20 OTHER EQUITY - RESERVES AND SURPLUS

A. Movement in reserves and surplus

Particulars	Note	31 March 2023	31 March 2022
Securities premium	i	35,430.62	32,937.41
Share based payment reserve	ii	1,512.01	1,160.83
Capital redemption reserve	iii	4,486.57	4,486.57
Capital reserve	iv	812.64	812.64
General reserve	v	1,296.47	1,296.47
Retained earnings	vi	14,372.31	14,344.26
Total reserves and surplus		**57,910.62**	**55,038.18**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

i. Securities premium

Particulars	Note	31 March 2023	31 March 2022
Opening balance		32,937.41	31,049.52
Share options exercised		2,668.59	2,157.08
Treasury shares	38	(175.38)	(269.69)
Closing balance		**35,430.62**	**32,937.41**

ii. Share based payment reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		1,160.83	1,667.21
Equity settled share based payments	31	1,361.90	925.22
Transfer to securities premium and other reserves		(1,010.72)	(1,431.60)
Closing balance		**1,512.01**	**1,160.83**

iii. Capital redemption reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		4,486.57	4,486.57
Movement during the year		-	-
Closing balance		**4,486.57**	**4,486.57**

iv. Capital reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		812.64	812.64
Movement during the year		-	-
Closing balance		**812.64**	**812.64**

v. General reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		1,296.47	1,296.47
Movement during the year		-	-
Closing balance		**1,296.47**	**1,296.47**

vi. Retained earnings

Particulars	Note	31 March 2023	31 March 2022
Opening balance		14,344.26	10,372.29
Profit for the year		9,990.18	12,885.19
Other comprehensive (loss)/income for the year		(82.56)	72.45
Dividends		(9,879.57)	(9,812.66)
Transfer from share based payment reserve		-	826.99
Closing balance		**14,372.31**	**14,344.26**

B. Nature of reserve

i. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

ii. Share based payment reserve

Share based payment reserve is used to recognize the grant date fair value of options issued to employees under the Employees Stock Option Schemes. Refer note 38 for further details of the plan.

iii. Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

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as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

iv. Capital reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

v. General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

vi. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

C. Dividends

Dividend declared by the Company are based on the profit available for distribution in accordance with Section 123 of the Companies Act, 2013. The following dividends were declared and paid by the Company during the year:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
₹ 1.5/- per equity share final dividend for the year ended 31 March 2022	2,465.45	-
₹ 1.5/- per equity share first interim dividend for the year ended 31 March 2023	2,468.16	-
₹ 1.5/- per equity share second interim dividend for the year ended 31 March 2023	2,471.63	-
₹ 1.5/- per equity share third interim dividend for the year ended 31 March 2023	2,474.33	-
₹ 1.5/- per equity share final dividend for the year ended 31 March 2021	-	2,448.12
₹ 1.5/- per equity share interim dividend for the year ended 31 March 2022	-	2,450.23
₹ 1.5/- per equity share second interim dividend for the year ended 31 March 2022	-	2,455.07
₹ 1.5/- per equity share third interim dividend for the year ended 31 March 2022	-	2,459.24
	9,879.57	**9,812.66**

On 17 May 2023, the Board of Directors of the Company have proposed a final dividend of ₹ 1.5/- per equity share for the year ended 31 March 2023 subject to the approval of the shareholders at the Annual General Meeting. The dividends have not been recognised as liabilities.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
₹ 1.5 per equity share having face value of ₹ 2/- each (31 March 2022: ₹ 1.5 per equity share having face value of ₹ 2/- each)*	2,475.23	2,459.90

* calculated on the basis number of shares outstanding (including treasury shares) as on 31 March 2023 i.e. 165,015,574 shares (face value of ₹ 2/- per share) (31 March 2022: 163,993,577 shares (face value of ₹ 2/- per share).

21 PROVISIONS

Particulars	Note	Non-Current		Current	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Provision for employee benefits					
Provision for gratuity	37	153.63	111.66	297.85	216.54
Provision for compensated absences	37	212.23	205.84	112.39	89.38
		365.86	**317.50**	**410.24**	**305.92**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

22 BORROWINGS

Particulars	31 March 2023	31 March 2022
Loan repayable on demand from banks		
Pre-shipment credit (secured) ^	6,073.52	4,303.43
Post-shipment credit (secured) ^	4,679.15	5,079.30
	10,752.67	**9,382.73**

^ Nature of security:-

(i) Secured by charge on all the current assets viz inventory, bill receivable, book debts and all other current assets

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

- a) Equitable mortgage of land and building situated at K-6A & K-6B, Adarsh Nagar, E-68 & E-69, EPIP Zone, Sitapura, E-1 & E-2, SEZ-II, Sitapura, Jaipur and negative lien on 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., USA *

(iv) Pledge of 87,500 ordinary shares of HK $100 each of STS Global Supply Limited, Hongkong (formerly STS Gems Limited) *

(v) Pledge of 12,576,633 equity shares of US $ 1 each of VGL Retail Ventures Limited, Mauritius (formerly Genoa Jewelers Limited) *

(vi) Pledge against fixed deposits with HDFC Bank and Yes Bank for ₹ 3,000.00 lacs

(vii) Personal guarantee of Mr. Sunil Agrawal, Managing Director of the Company

* Pursuant to Company's application with lead banker for release of securities pledged with bank, lead banker has provided approval for releasing the pledge securities and the same is also approved by consortium bankers in their meeting held on 15 June 2022.

Notes

Information about company exposure to interest rate, foreign currency and liquidity risk is given in note 48

23 TRADE PAYABLES

Particulars	Note	31 March 2023	31 March 2022
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	39	167.42	276.93
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,221.41	5,503.50
		6,388.83	**5,780.43**

Trade payables ageing schedule

As at 31 March 2023	Unbilled dues	Trade payables which are not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	167.42	-	-	-	-	167.42
Others	69.30	5,277.89	870.73	2.98	-	0.50	6,221.41
Disputed - MSME	-	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-	-
	69.30	**5,445.31**	**870.73**	**2.98**	**-**	**0.50**	**6,388.83**

Trade payables ageing schedule

As at 31 March 2022	Unbilled dues	Trade payables which are not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	276.93	-	-	-	-	276.93
Others	97.77	4,486.63	918.37	0.23	0.50	-	5,503.50
Disputed - MSME	-	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-	-
	97.77	**4,763.56**	**918.37**	**0.23**	**0.50**	**-**	**5,780.43**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

24 OTHER FINANCIAL LIABILITIES

Particulars	31 March 2023	31 March 2022
Employee benefit payables	138.34	333.88
Capital creditors	46.80	12.29
Unclaimed dividend	12.73	10.21
Interest accrued but not due on borrowings	15.79	-
Other payables	5.78	11.09
	219.44	**367.47**

25 OTHER CURRENT LIABILITIES

Particulars	Note	31 March 2023	31 March 2022
Statutory dues payable		215.53	422.62
Advance from customers	46	51.48	155.79
Other liabilities		208.45	103.27
		475.46	**681.68**

26 REVENUE FROM OPERATIONS

A. Revenue streams

Company generates revenue primarily from sales of fashion jewelery and lifestyle products and provision of call center services to its customers. Other sources of revenue comprises immaterial amounts related to government incentives on sales.

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	46	42,279.23	47,717.65
Sale of services	46	1,214.04	1,036.49
Other operating revenues		147.18	155.46
Total revenue from operations		**43,640.45**	**48,909.60**

B. Primary geographical markets

In the following table, revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Primary geographical markets		
- India	893.93	950.27
- Out of India	42,599.34	47,803.87
Revenue from contracts with customers	**43,493.27**	**48,754.14**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Timing of revenue recognition		
- Products transferred at a point in time	42,279.23	47,717.65
- Services transferred over time	1,214.04	1,036.49
Revenue from contracts with customers	**43,493.27**	**48,754.14**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

27 OTHER INCOME

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on bank deposits and others		222.53	136.19
Interest income on loans and advances	46	132.95	75.72
Dividend income from subsidiaries	46	8,059.26	8,443.75
Net gain on foreign currency transactions		649.76	707.51
Management fees from subsidiary companies	46	770.69	696.29
Liabilities no longer required written back		-	5.51
Miscellaneous income		177.06	105.99
		10,012.25	**10,170.96**

28 COST OF MATERIALS CONSUMED

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Inventory of materials at the beginning of the year	13	9,739.19	9,866.85
Add: Purchases		26,551.64	29,325.25
		36,290.83	39,192.10
Less: Inventory of materials at the end of the year	13	(10,670.18)	(9,739.19)
Cost of materials consumed		**25,620.65**	**29,452.91**

29 PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchases of stock-in-trade	2,228.70	2,926.95
	2,228.70	**2,926.95**

30 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Inventory at the beginning of the year			
Work-in-progress	13	275.14	321.62
Finished goods *	13	1,270.92	1,520.09
		1,546.06	**1,841.71**
Inventory at the end of the year			
Work-in-progress	13	259.37	275.14
Finished goods *	13	1,008.16	1,270.92
		1,267.53	**1,546.06**
		278.53	**295.65**

* Finished goods includes goods purchased for re-sale, as both are stocked together.

31 EMPLOYEE BENEFITS EXPENSE

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	37	4,691.91	4,835.76
Contribution to provident and other funds	37	444.81	468.53
Share-based payments	38	408.88	268.25
Staff welfare expenses		260.89	316.53
		5,806.49	**5,889.07**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

32 FINANCE COSTS

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost	338.32	150.70
Interest expense on lease liabilities	8.24	0.54
Other finance costs	83.36	107.54
	429.92	**258.78**

33 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment	4	593.17	524.33
Depreciation of right-of-use assets	6	33.98	11.37
Amortisation of intangible assets	7	113.59	109.40
		740.74	**645.10**

34 OTHER EXPENSES

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
a. Manufacturing and direct expenses		
Job work charges	4,042.08	3,609.34
Stores and consumables	555.22	604.68
Power and fuel	327.26	294.56
Repair and maintenance - machinery	18.56	45.22
Other manufacturing and direct expenses	135.19	169.04
	5,078.31	**4,722.84**
b. Administrative and selling expenses		
Rent	9.54	36.71
Rates and taxes	67.36	40.46
Insurance	128.42	76.64
Travelling and conveyance	580.79	354.28
Legal and professional fees (refer below note (i))	285.74	270.90
Repairs and maintenance - others	159.10	130.20
Advertising and sales promotion	88.21	107.08
Packing and forwarding	529.74	1,114.23
Postage and telephone	78.98	100.75
Printing and stationery	32.25	45.39
Security	57.66	53.18
Directors' remuneration	122.74	125.38
Directors' sitting fees	25.25	31.70
Corporate social responsibility expenditure (refer below note (ii))	205.55	171.45
Loss on sale / write off of property, plant and equipments	-	8.07
Information technology	522.32	564.97
Miscellaneous	288.50	375.20
	3,182.15	**3,606.59**
	8,260.46	**8,329.43**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

(i) Payment to auditors

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
As auditor	41.19	34.56
For taxation matters	37.10	47.73
For reimbursement of expenses	1.97	0.36
	80.26	**82.65**

(ii) Details of corporate social responsibility expenditure

As per Section 135 of Companies Act,2013, a Company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR Committee has been formed by the Company as per act. The CSR Committee and Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the act, in pursuant of the CSR policy.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Amount required to be spent by the company during the year	197.42	149.78
(ii) Amount of expenditure incurred on:		
a) Construction/ acquisition of any asset	-	-
b) On purpose other than (a) above	205.55	171.45
(iii) Shortfall at the end of the year	-	-
(iv) Total previous years shortfall	-	-
(v) Reasons for shortfall	Not applicable	Not applicable
(vi) Nature of CSR activities	Education and health	Education and health
(vii) Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	-	-

35 TAX EXPENSE

(a) Amount recognised in profit or loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax expense		
Current year	356.60	(159.84)
Deferred tax expense		
Attributable to original and reversal of temporary differences	(59.57)	(1,498.90)
	297.03	**(1,658.74)**

(b) Amount recognised in other comprehensive income

Particulars	31 March 2023			31 March 2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the net defined benefit liability	(126.90)	44.34	(82.56)	111.37	(38.92)	72.45

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

(c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
	%	Amount	%	Amount
Profit before tax		**10,287.21**		**11,226.45**
Less: Dividend received from subsidiaries as per section 80M of Income Tax Act, 1961		(8,059.26)		(8,443.75)
Taxable income		2,227.95		2,782.70
Tax expense as per statutory income tax rate	34.94%	778.53	34.94%	972.39
Net tax impact on deduction/ disallowances in ascertaining taxable income	(3.32%)	(73.91)	2.46%	68.39
Net of timing difference reversed within tax exemption period and prior period deferred taxation	(3.25%)	(72.35)	(1.38%)	(38.43)
Non recognition of deferred tax against foreign tax credit due to absence of reasonable certainty	62.66%	1,396.13	42.78%	1,190.53
Deferred tax against foreign tax credit for financial year 2020-21 and financial year 2021-22*	(63.20%)	(1,407.95)	(74.53%)	(2,073.81)
Net tax impact pursuant to favorable high court order**	-	-	(59.21%)	(1,647.54)
Exempted tax as per provisions for section 10AA of income tax exemption	(15.28%)	(340.43)	(5.50%)	(152.96)
Other adjustments	0.76%	17.02	0.81%	22.67
Income tax reported in statement of profit and loss and effective tax rate	**13.33%**	**297.03**	**(59.61%)**	**(1,658.74)**

* During previous year, the Company has reassessed tax benefits under section 91 of the Income tax Act, 1961 ('Act'), based on which incremental minimum alternate tax credit of ₹ 605.62 lacs was recognized.

** In earlier years, the Company claimed losses incurred by its overseas subsidiary as business expenditure upto the extent of its investment in such overseas subsidiary. The Company's appeal on this issue was allowed by the Income-tax Appellate Tribunal ('ITAT') in earlier years, and the Honorable High Court (Rajasthan) dismissed the appeal filed by the Income-tax Department ('ITD') on this issue during the previous year. Accordingly, the Company recognised income-tax credit of ₹ 671.17 lacs under current tax and MAT credit of ₹ 976.37 lacs in previous year.

The Company has benefited from certain tax incentives that the Government of India has provided for the units situated in Special Economic Zones (SEZs) under the Special Economic Zone Act, 2005, which began providing services on or after 1 April 2005. The eligible units are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50% of such profits and gains for a further five years till Financial Year 2023 - 24. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions.

The Company is subject to Minimum Alternate Tax (MAT) on its book profits, which gives rise to future economic benefits in the form of adjustment of future income tax liability. MAT paid for a year can be set-off against the normal tax liability within fifteen subsequent years, expiring between the years 2029 to 2037.

(d) MAT credit entitlement

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	2,020.33	360.24
Add: MAT credit entitlement during the year	-	1,660.09
Closing balance	**2,020.33**	**2,020.33**

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

(e) Movement in deferred tax balances

Particulars	Property, plant and equipment	Provision for employee benefits	MAT credit entitlement	Other items	Total
Balance as at 01 April 2021	**(311.36)**	**156.97**	**360.24**	**18.28**	**224.13**
Recognised in profit and loss	(192.24)	15.94	-	15.11	(161.19)
Recognised in OCI	-	(38.92)	-		(38.92)
MAT credit entitlement	-	-	1,660.09	-	1,660.09
Balance as at 31 March 2022	**(503.60)**	**133.99**	**2,020.33**	**33.39**	**1,684.11**
Balance as at 01 April 2022	**(503.60)**	**133.99**	**2,020.33**	**33.39**	**1,684.11**
Recognised in profit and loss	(10.45)	87.55	-	(17.53)	59.57
Recognised in OCI	-	44.34	-	-	44.34
MAT credit entitlement	-	-	-	-	-
Balance as at 31 March 2023	**(514.05)**	**265.88**	**2,020.33**	**15.86**	**1,788.02**

(f) Unrecognised deferred tax assets

Company has not recognised deferred tax assets in respect of MAT credit entitlement of ₹ 2,586.66 lacs (previous year: ₹ 1,190.53 lacs), because it is not probable that future taxable profits will be available against which the Company can use the benefits therefrom.

36 EARNINGS PER SHARE (“EPS”)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A	**Basic earnings per share**		
	The calculation of basic EPS has been based on the following profit attributable to equity shareholders and weighted-average number of equity shares outstanding.		
i.	Profit for the year, attributable to equity holders	9,990.18	12,885.19
ii.	Weighted average number of equity shares for basic EPS		
	Opening balance *	163,798,614	162,683,990
	Effect of share options exercised	518,738	608,078
	Weighted average number of equity shares for the year *	**164,317,352**	**163,292,068**
iii.	**Basic earnings per share**	**6.08**	**7.89**
B	**Diluted earning per share**		
	The calculation of diluted EPS has been based on the following profit attributable to equity shareholders and weighted-average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares.		
i.	Profit for the year, attributable to equity holders	9,990.18	12,885.19
ii.	Weighted average number of equity shares for (diluted)		
	Weighted average number of equity shares for (basic)	164,317,352	163,292,068
	Dilution of equity	2,488,194	3,653,989
	Weighted average number of equity shares (diluted) for the year*	**166,805,546**	**166,946,057**
iii.	**Diluted earnings per share**	**5.99**	**7.72**

* Excludes treasury shares (refer note 38)

The average market value of the Company’s shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the previous six months.

Notes to Standalone Financial Statements

as at 31 March 2023

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37 EMPLOYEE BENEFIT OBLIGATION

A) Defined contribution plan

During the year, the Company has recognised the following amount in the Statement of profit and loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employer's contribution to Employee's Provident Fund	228.54	245.51
Employer's contribution to Employee's State Insurance	34.64	44.23
Employer's contribution to National Pension Scheme	13.73	9.68
	276.91	**299.42**

B) Defined benefit plan

(i) Gratuity

The Company has a defined benefit gratuity plan. Every employee gets a gratuity on retirement/termination/resignation at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Details of actuarial valuation carried out on balance sheet date is as under:

(a) Net benefit expense recognised in the statement of profit or loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	148.22	147.55
Interest cost on benefit obligation	19.68	19.05
Net benefit expenses	**167.90**	**166.60**

(b) Position of the assets and obligation

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Present value of the obligations	(1,029.76)	(905.20)
Fair value of plan assets	578.28	577.00
Liability recognised in balance sheet	**(451.48)**	**(328.20)**

(c) Changes in the defined benefit obligation and fair value of plan assets:

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Year ended 31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
Opening balance	**905.20**	**577.00**	**328.20**
Gratuity cost charged to profit or loss			
Service cost	148.23	-	148.23
Net interest expense	54.27	34.60	19.67
Benefits paid	(199.30)	(150.77)	(48.53)
Remeasurement gains / (losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expense)	-	(5.54)	5.54
Actuarial changes arising from changes in demographic assumptions	(14.25)	-	(14.25)
Actuarial changes arising from changes in financial assumptions	44.60	-	44.60
Experience adjustments	91.01	-	91.01
Contribution by employer	-	122.99	(122.99)
Closing balance	**1,029.76**	**578.28**	**451.48**

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Particulars	Year ended 31 March 2022		
	Defined benefit obligation	Fair value of plan assets	Benefit liability/ (assets)
Opening balance	883.95	571.42	312.53
Gratuity cost charged to profit or loss			-
Service cost	147.55	-	147.55
Net interest expense	53.88	34.83	19.05
Benefits paid	(96.77)	(61.01)	(35.76)
Remeasurement gains / (losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expense)	-	27.96	(27.96)
Actuarial changes arising from changes in demographic assumptions	(22.70)	-	(22.70)
Actuarial changes arising from changes in financial assumptions	(11.24)	-	(11.24)
Experience adjustments	(49.47)	-	(49.47)
Contribution by employer	-	3.80	(3.80)
Closing balance	**905.20**	**577.00**	**328.20**

(d) The major categories of plan assets of the fair value of the total plan assets are as follows :

Particulars	31 March 2023	31 March 2022
Funds managed by insurer	100%	100%

(e) The principal assumptions used in determining gratuity obligations for the Company's plan is shown below:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.28%	6.00%
Future salary increases	9.88%	7.36%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability (2006 - 08)	100% of IALM	100% of IALM
Employee turnover Withdrawal Rate (%)		
All ages	27.77%	23.14%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(f) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption as at 31 March 2023 and 31 March 2022 are shown as below:

Impact on defined benefit obligation	31 March 2023	31 March 2022
Discount rate		
Increase by 1%	(34.06)	(35.28)
Decrease by 1%	36.42	38.16
Future salary		
Increase by 1%	33.44	35.73
Decrease by 1%	(32.11)	(33.97)

Sensitivities due to mortality & withdrawals are insignificant. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

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(g) Defined benefit liability and employer contributions:

Expected contributions to defined benefit obligation for the year ending 31 March 2024 are ₹ 583.44 lacs. The expected maturity analysis of defined benefit plan is as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Year		
- Within the next 12 months (next annual reporting period)	297.85	217.19
- Above 1 to 5 years	672.36	548.67
- More than 5 years	397.21	426.14
Total expected payments	**1,367.42**	**1,192.00**

The weigahted average duration of the defined benefit plan obligation at the end of the reporting period is of 3 years (31 March 2022: 4 years).

(ii) Leave obligations

The amount of the provision of ₹ 324.62 lacs (31 March 2022: ₹ 295.22 lacs) is presented as current and non current. The Company has provided for the liability on the basis of actuarial valuation.

38 SHARE-BASED PAYMENTS

A. Description of share-based payment arrangements

a) Vaibhav Global Limited, Employee Stock Options Plan - 2006

Under the Vaibhav Global Limited, Employee Stock Options Plan (As amended) - 2006 (herein referred as ‘ESOP Plan’), the Nomination and Remuneration Committee decides upon the employees who qualify under the ESOP Plan and the number of options to be issued to such employees. The exercise price of the share options shall be the market price which would be the latest available closing price of the shares on the stock exchange, which records the highest trading volume of the Company’s shares on the date prior to date of meeting of the Compensation committee at which the options are granted, unless otherwise determined by the Board / Committee. 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 Company has constituted “ Vaibhav Global Employee Stock Option Welfare Trust” to administer & implement various ESOP Plan. The fair value of the share options is estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the share options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all the options under various tranches is 7 years from the date of vesting.

b) Vaibhav Global Limited Restricted Stock Unit Plan – 2019

During the previous financial year, the shareholders have approved the Vaibhav Global Limited Restricted Stock Unit Plan – 2019 (herein referred as ‘RSU Plan’) through postal ballot resolution dated 30 March 2019. According to RSU Plan, the Nomination and Remuneration Committee decides upon the employees who qualify under the Plan and the number of Restricted Stock Unit (RSU) to be issued to such employees. The exercise price of the RSU shall be the face value of the equity shares as on date of exercise unless otherwise determined by the Board / Committee. The exercise price shall not be less than the face value of equity share of the Company. Out of RSU granted, 20% RSU 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 Company has constituted “ Vaibhav Global Employee Stock Option Welfare Trust” to administer & implement RSU Plan. The fair value of the RSU will be estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the RSU were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all the RSU will be 3 months from the date of respective vesting. During the year, the Nomination and Remuneration Committee has granted 579,055 RSU (previous year: 276,541).

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c) Vaibhav Global Limited Employee Stock Options Plan - 2021

During the current financial year, the shareholders have approved the Vaibhav Global Limited Employee Stock Option Plan – 2021 (herein referred as 'ESOP Plan 2021') through postal ballot resolution dated 21 March 2022. According to ESOP Plan 2021, the Nomination and Remuneration Committee (hereinafter referred as "Committee") decides upon the employees who qualify under the ESOP Plan 2021 and the number of stock options to be issued to such employees. The exercise price of the stock options shall be determined by the Committee / Board of Directors from time to time as on the date of grant, which shall not be less than the face value of the equity share and not more than the market price. Out of ESOP granted, vesting period shall be determined by the Committee / Board of Directors at the time of grant of stock options ranging between one to three years from the date of grant of option. The Company has constituted " Vaibhav Global Employee Stock Option Welfare Trust" to administer and implement the plans. The fair value of the stock option will be estimated at the grant date using a Black-Scholes pricing model taking into account the terms and conditions upon which the stock options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all such stock option will be 7 years from the date of respective vesting. During the year, the Company has granted 121,970 (previous year: 82,816) options under the ESOP Plan 2021.

d) Vaibhav Global Limited Management Stock Options Plan - 2021

During the current financial year, the shareholders have approved the Vaibhav Global Limited Management Stock Option Plan – 2021 (herein referred as 'MSOP Plan') through postal ballot resolution dated 21 March 2022. According to MSOP Plan, the Nomination and Remuneration Committee (hereinafter referred as "Committee") decides upon the employees who qualify under the MSOP Plan and the number of stock options to be issued to such employees. The exercise price of the such stock optionns shall be the face value of the equity shares as on date of exercise. For stock options granted, the vesting period shall be determined by the Committee / Board of Directors at the time of grant of stock option ranging between one to three years from the date of grant of options. The Company has constituted "Vaibhav Global Employee Stock Option Welfare Trust" to administer and implement MSOP Plan. The fair value of the stock options will be estimated at the grant date using a Black-Scholes pricing model taking into account the terms and conditions upon which the stock options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all such stock options will be 7 years from the date of respective vesting. During the year, the Nomination and Remuneration Committee has granted 25,374 (previous year: 23,187) stock options.

B. Reconciliation of outstanding share options:-

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
	Number of options	WAEP	Number of options	WAEP
Outstanding at beginning of the year	5,120,190	151.42	1,268,022	752.62
Adjustment for sub division of equity shares	-	-	5,072,088	-
Granted during the year	726,399	41.63	382,544	123.23
Forfeited during the year	(546,888)	183.72	(487,840)	195.85
Exercised during the year *	(1,083,471)	138.76	(1,114,624)	96.73
Outstanding at the end of the year	**4,216,230**	**131.53**	**5,120,190**	**151.42**
Exercisable at 31 March	3,559,965	147.73	2,750,843	135.14

* The weighted average share price at the date of exercise of these options was ₹ 375.07 (31 March 2022: ₹ 697.16)

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The weighted average remaining contractual life for the share options outstanding as at 31 March 2023 was 4.45 years (31 March 2022: 5.81 years)

The weighted average fair value of options granted during the year was ₹ 327.50 (31 March 2022: ₹ 740.51).

The range of exercise prices for options outstanding at the end of the year was ₹ 2 to ₹ 263.56 (31 March 2022: ₹ 9.06 to ₹ 263.56)

The following tables list the inputs to the models used for the plans for the years ended 31 March 2023:

Series	31 March 2023								
	AN	AO	AP	AQ	AR	AS	AT	AU	AV
Stock price of option as on grant date	390.90	390.90	390.90	390.90	323.90	342.10	342.1	299.4	299.4
Exercise price of option	2.00	170.00	2.00	2.00	2.00	2.00	270	2	270
Risk free rate	6.07% to 6.99%	7.21%	7.31%	7.21% to 7.31%	6.34% to 6.84%	6.86% to 7.30%	7.23%	7.02% to 7.17%	7.11%
Volatility	46.00% to 47.00%	42.50%	42.40%	42.4% to 42.5%	43.9% to 46.7%	45.9% to 47.6%	49.7%	42.1% to 48.1%	44%

The following tables list the inputs to the models used for the plans for the years ended 31 March 2022:

Series	31 March 2022					
	AH	AI	AJ	AK	AL	AM
Stock price of option as on grant date	974.10	974.10	798.40	696.30	696.30	506.60
Exercise price of option	2.00	2.00	2.00	562.00	2.00	2.00
Risk free rate	3.98% to 5.02%	5.55%	3.99% to 5.02%	5.01%	4.15% to 5.25%	4.63% to 5.63%
Volatility	42.8% to 47.8%	42.20%	43.1% to 47.8%	44.0%	42.6% to 43.5%	62.0% to 84.0%

C. The expense recognised for employee services received during the year is shown in the following table:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Expense arising from equity-settled share-based payment transactions	408.88	268.25

There were no cancellations or modifications to the awards during the year ended 31 March 2023 and 31 March 2022.

D. A summary of movement of treasury shares is as follows:

	Number of shares	Amount
Opening balance as on 01 April 2021	1,354	0.14
Adjustment for sub division of equity shares {refer note 19(h)}	5,416	-
Add: Shares allotted by Company	1,302,817	26.05
Less: Shares exercised by employee	(1,114,624)	(22.29)
Closing balance as on 31 March 2022	**194,963**	**3.90**
Opening balance as on 01 April 2022	194,963	3.90
Add: Shares allotted by Company	1,021,997	20.44
Less: Shares exercised by employee	(1,083,471)	(21.67)
Closing balance as on 31 March 2023	**133,489**	**2.67**

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39 DUES TO MICRO AND SMALL ENTERPRISES - AS PER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED' ACT)

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

S. No.	Particulars	31 March 2023	31 March 2022
i)	The principal amount and the interest due thereon remaining unpaid to any supplier at		
	- Principal amount	167.42	276.93
	- Interest thereon	Nil	Nil
ii)	the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii)	the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	Nil	3.66
iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

40 CONTINGENT LIABILITIES AND COMMITMENTS

a) Contingent liabilities:

Particulars		31 March 2023	31 March 2022
(a)	Demand / show cause notices received from government authorities		
	- Demand / show cause notice received under Income Tax Act	149.58	149.58
	- Demand / show cause notice received under Customs Act	7.51	4.80
	- Demand / show cause notice received under Goods and services Act	333.90	333.90
(b)	Guarantees provided by the Company		
	- Guarantee given by the bank on behalf of the Company to vendors/government departments	500.00	785.00
	- Corporate guarantee to subsidiaries for working capital loan	971.00	500.00
(c)	Claims against the Company, not acknowledged as debt	Not quantifiable	Not quantifiable

A. In earlier years, the Company received notice from the Income Tax Department under Section 148 of the Act for Assessment Year 2012-13. Subsequently the Company has also received similar notices for Assessment Year 2013-14 to Assessment Year 2015-16. The Honorable High Court of Rajasthan had granted stay order on the Company's petition for these Assessment Years mentioned above. Based upon the nature and external expert opinion obtained by the Company, the management does not expect any liability to arise out of it. Amount is not quantifiable at this point in time.

B. In previous year, the Income Tax Department ("the ITD") conducted a Survey proceeding under section 133A of the Act at the premises of the Company. Subsequently, the Company provided all cooperation and necessary data, documents and information, as requested by the ITD or otherwise. The ITD issued further queries post the conclusion of survey to which the Company has subsequently replied with. As on date, based upon the nature, the management does not expect any liability to arise out of these proceedings.

C. During the financial year 2019-20, pursuant to the shareholder's approval, the Company has bought back and extinguished a total of 865,675 equity shares at an average buyback price of ₹ 831.72 per equity share. Basis external opinion obtained by the Company, the Company believes that provisions of Section 115QA of Income Tax Act 1961 is not applicable to the Company.

D. The Company is required to comply with the transfer pricing regulations, which are contemporaneous in nature. The Company appoints independent consultant annually for conducting transfer pricing studies to determine whether transactions with associate enterprises undertaken during the financial year, are on an arm's length basis. Adjustments, if any, arising from the transfer pricing studies will be accounted for when the study is completed for the current financial year. The management is of the opinion that its transactions with associates are at arm's length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on these financial statements.

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E. The Company has certain pending litigations and claims filed by various forums/ authorities and third parties in the normal course of business. The Company has reviewed all pending litigations and claims files by various forums/ authorities and has adequately provided, wherever provisions are required and disclosed as contingent liabilities, as applicable. In the opinion of management and legal advice obtained, the claims filed by third parties are speculative and frivolous and amount is unquantifiable at this point of time. The Company also believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Company.

b) Commitments:

A.

Particulars	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account {net of advances ₹ 25.52 lacs (31 March 2022: ₹ 42.76 lacs)} and not provided for	9.90	3.57

B. The Company has issued letter of support for financial assistance to its subsidiaries (Vaibhav Lifestyle Limited, India and Shop LC GmbH, Germany) for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the respective subsidiary for the year ended 31 March 2023.

41 ASSETS HYPOTHECATED AS SECURITY

The carrying amount of assets hypothecated as security for short term borrowings are as under:

Particulars	31 March 2023	31 March 2022
Current assets	39,364.56	35,402.23
Non- current		
Property, plant and equipment	5,136.33	5,163.96
Right-of-use assets	363.58	363.58
Investment in subsidiaries		
- 200 common shares with no par value of STS Jewels Inc., USA*	-	7,980.32
- 87,500 ordinary shares of HK $100 each of STS Global Supply Limited, Hongkong (formerly STS Gems Limited).*	-	1,575.00
- 12,576,633 equity shares of US $ 1 each of equity investment of VGL Retail Ventures Limited, Mauritius (formerly Genoa Jewelers Limited)*	-	6,135.39
Other financial assets - bank deposits	53.09	98.28
Total non-current assets hypothecated as security	**5,553.00**	**21,316.53**
Total assets hypothecated as security	**44,917.56**	**56,718.76**

* Pursuant to Company's application with lead banker for release of securities pledged with bank, lead banker has provided approval for releasing the pledge securities and the same is also approved by consortium bankers in their meeting held on 15 June 2022.

The Company has filed quarterly return/statement of current assets with the banks.Summary of reconciliation and reasons for material discrepencies as mentiond below

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	(Excess)/ shortage	Whether return/ statement subsequently rectified
March 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	10,817.54	9,921.48	896.06	Yes *
		Trade receivables	11,717.99	11,843.33	(125.34)	Yes *
		Trade payables	5,309.41	3,992.72	1,316.69	Yes *
June 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	11,430.08	10,575.69	854.39	Yes *
		Trade receivables	12,928.44	12,140.73	787.71	Yes *
		Trade payables	6,478.62	5,217.22	1,261.40	Yes *
September 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	12,232.70	11,379.23	853.47	Yes *
		Trade receivables	10,516.07	10,417.21	98.86	Yes *
		Trade payables	4,833.51	3,269.36	1,564.15	Yes *
December 2022	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	11,609.39	11,054.01	555.38	Yes *
		Trade receivables	12,641.29	12,602.28	39.01	Yes *
		Trade payables	5,121.53	4,180.19	941.34	Yes *

*The Company submits provisional drawing power (DP) statements on monthly basis to Punjab National Bank (PNB) being the lead bank latest by 15th of the next month and also to other member banks, in which DP limit is computed as per the terms and conditions of the sanction letter. The difference between DP statement and financial statement arise since DP statements are prepared on a provisional basis after exclusion of certain items of inventory, debtors, creditors and valuation of inventories is as per the bank sanction letter. Further, the Company submit Quarterly Review Statements (QRS) to PNB which is tallied with the books of account and which could be different from DP statement submitted provisionally. In financial year 2022-23, the actual utilization of working capital remained within the bank sanction/DP limits.

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42 Segment reporting

As per Ind AS 108 'Operating Segments', the Company has disclosed the segment information only as part of the consolidated financial statements.

43 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and the market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with the higher level of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing short term borrowing less cash and cash equivalents. Adjusted equity comprises of all components of equity. The Company's adjusted net debt to equity ratio as at 31 March 2023 is as follows:

Particulars	Note	31 March 2023	31 March 2022
Borrowings	22	10,752.67	9,382.73
Cash and cash equivalents	15	(2,302.54)	(1,555.81)
Bank balances other than cash and cash equivalents	16	(2,770.02)	(2,419.21)
Balance with bank to the extent held as security	10	(53.09)	(98.28)
Net debt		**5,680.11**	**5,407.71**
Equity share capital	19	3,297.63	3,275.96
Other equity - Reserves and Surplus	20	57,910.62	55,038.18
Net debt to equity ratio		**61,208.25**	**58,314.14**
Net debt to equity ratio		**9.28%**	**9.27%**

44 OTHER REGULATORY INFORMATION

(i) The Company does not have any benami property where any proceedings have been initiated or pending against the Company for holding such benami property.

(ii) The Company doesn't have any transactions with companies that have been struck off.

(iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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(viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.

(x) The Company does not have any immovable property whose title deeds are not held in the name of the Company.

(xi) As per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016, the Company is not a Core Investment Company (CIC) and the group does not have any CIC.

45 RATIOS

Ratio		Reference	31 March 2023	31 March 2022	Variation
1	**Return on equity (in %)**				
	Profit for the year	(A)	9,990.18	12,885.19	
	Equity share capital at the end of the year	(B)	3,297.63	3,275.96	
	Other equity at the end of the year	(C)	57,910.62	55,038.18	
	Total equity at the end of the year	{(D) = (B) + (C)}	61,208.25	58,314.14	
	Equity share capital at the beginning of the year	(E)	3,275.96	3,253.67	
	Other equity at the beginning of the year	(F)	55,038.18	49,684.70	
	Total equity at the beginning of the year	{(G) = (E) + (F)}	58,314.14	52,938.37	
	Average total equity	[(H) = {(D) + (G)}/2]	59,761.20	55,626.26	
	Return on equity (in %)	{A/H}	**16.72%**	**23.16%**	**-27.83%**
	Variation is primarily due to recognition of tax credits/ refund pusuant to favourable high court order in previous year.				
2	**Trade receivables turnover ratio (in times)**				
	Revenue from operations	(A)	43,640.45	48,909.60	
	Trade receivables at the beginning of the year	(B)	13,739.71	5,954.89	
	Trade receivables at the end of the year	(C)	14,687.35	13,739.71	
	Average trade receivables	[(D) = {(B) + (C)}/2]	14,213.53	9,847.30	
	Trade receivables turnover ratio (in times)	{A/D}	**3.07**	**4.97**	**-38.18%**
	Variation is primarily due to increase in trade receivables from group companies				
3	**Inventory turnover ratio (in times)**				
	Revenue from operations	(A)	43,640.45	48,909.60	
	Inventories at the beginning of the year	(B)	11,425.65	11,848.49	
	Inventories at the end of the year	(C)	12,075.25	11,425.65	
	Average inventory	[(D) = {(B) + (C)}/2]	11,750.45	11,637.07	
	Inventory turnover ratio (in times)	{A/D}	**3.71**	**4.20**	**-11.63%**
4	**Current ratio (in times)**				
	Total current assets	(A)	39,364.56	35,402.23	
	Total current liabilities	(B)	18,273.19	16,536.36	
	Current ratio (in times)	{A/B}	**2.15**	**2.14**	**0.62%**
5	**Net profit ratio (in %)**				
	Profit for the year	(A)	9,990.18	12,885.19	
	Revenue from operations	(B)	43,640.45	48,909.60	
	Net profit ratio (in %)	{A/B}	**22.89%**	**26.34%**	**-13.11%**
6	**Net capital turnover ratio (in times)**				
	Revenue from operations	(A)	43,640.45	48,909.60	
	Total current assets	(B)	39,364.56	35,402.23	
	Total current liabilities	(C)	18,273.19	16,536.36	
	Working capital	{(D) = (B) - (C)}	21,091.37	18,865.87	
	Net capital turnover ratio (in times)	{A/D}	**2.07**	**2.59**	**-20.19%**

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Ratio		Reference	31 March 2023	31 March 2022	Variation
7	**Return on capital employed (in %)**				
	Profit after exceptional items before tax	(A)	10,287.21	11,226.45	
	Finance cost	(B)	429.92	258.78	
	Profit before tax and finance cost	{(C) = (A) + (B)}	**10,717.13**	**11,485.23**	
	Equity share capital	(D)	3,297.63	3,275.96	
	Other equity	(E)	57,910.62	55,038.18	
	Total equity at the end of the year	{(F) = (D) + (E)}	**61,208.25**	**58,314.14**	
	Non current lease liabilities	(G)	101.39	64.88	
	Capital employed	{(H) = (F) + (G)}	**61,309.64**	**58,379.02**	
	Return on capital employed (in %)	{C/H}	**17.48%**	**19.67%**	**-11.15%**
8	**Creditors turnover ratio (in times)**				
	Cost of materials consumed	(A)	25,620.65	29,452.91	
	Purchase of stock-in-trade	(B)	2,228.70	2,926.95	
	Add: Closing stock	(C)	10,807.72	9,879.59	
	Less: Opening stock	(D)	(9,879.59)	(10,006.78)	
	Other expenses	(E)	8,260.46	8,329.43	
	Total purchases	{(F) = (A) + (B) + (C) - (D) + (E)}	**37,037.94**	**40,582.10**	
	Trade payables at the beginning of the year	(G)	5,780.43	3,268.37	
	Trade payables at the end of the year	(H)	6,388.83	5,780.43	
	Average trade payables	(I) = {(G) + (H)}/2]	6,084.63	4,524.40	
	Creditors turnover ratio (in times)	{F/I}	**6.09**	**8.97**	**-32.14%**
	Variance is primarily due to increase in trade payables				
9	**Debt equity ratio (in %)**				
	Borrowings	(A)	10,752.67	9,382.73	
	Cash and cash equivalents	(B)	2,302.54	1,555.81	
	Bank balances other than above	(C)	2,770.02	2,419.21	
	Net debt	{(D) = (A) - (B) - (C)}	**5,680.11**	**5,407.71**	
	Equity share capital	(E)	3,297.63	3,275.96	
	Other equity	(F)	57,910.62	55,038.18	
	Net equity	{(G) = (E) + (F)}	**61,208.25**	**58,314.14**	
	Debt equity ratio (in %)	{D/G}	**9.28%**	**9.27%**	**0.07%**
10	**Debt service coverage ratio**				
	Profit for the year	(A)	9,990.18	12,885.19	
	Depreciation and amortisation expense	(B)	740.74	645.10	
	Interest on borrowings and lease liabilities	(C)	346.56	151.24	
	Earning available for debt services	{(D) = (A) + (B) + (C)}	**11,077.48**	**13,681.53**	
	Interest expenses	(E)	338.32	150.70	
	Lease payments	(F)	26.18	1.54	
	Debt service	{(G) = (E)+ (F)}	364.50	152.24	
	Debt service coverage ratio	{D/G}	**30.39**	**89.87**	**-66.18%**
	For variance refer reason mentioned against serial no. 1				
11	**Return on investment (in %)**				
	Dividend income from subsidiaries	(A)	8,059.26	8,443.75	
	Interest income on bank deposits	(B)	171.54	119.79	
	Income generated from investements	(C) = (A) + (B)	8,230.80	8,563.54	
	Total investments	(D)	33,339.15	32,164.52	
	Return on investment (in %)	{C/D}	**24.69%**	**26.62%**	**-7.27%**

Notes to Standalone Financial Statements

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46 RELATED PARTY TRANSACTIONS

A. List of related parties :

Ultimate Holding Company

Brett Enterprises Private Limited

Subsidiaries (direct and step down)

Name of the subsidiaries	Country of incorporation	Percentage holdings as at	
		31 March 2023	31 March 2022
Direct subsidiaries			
STS Global Supply Limited (formerly STS Gems Limited)	Hong Kong	100.00	100.00
STS Global Limited (formerly STS Gems Thai Limited)	Thailand	100.00	100.00
VGL Retail Ventures Limited	Mauritius	100.00	100.00
STS Global Limited (formerly STS Gems Japan Limited)	Japan	100.00	100.00
STS Jewels Inc.	USA	100.00	100.00
Vaibhav Vistar Limited	India	100.00	100.00
Vaibhav Lifestyle Limited	India	100.00	99.99
Shop LC GmbH (acquired from Shop TJC Limited, w.e.f. 19 July 2021)	Germany	100.00	100.00
Encase Packaging Private Limited (acquired on 15 March 2022)	India	60.00	60.00
Step down subsidiaries of direct subsidiaries			
PT STS Bali	Indonesia	100.00	100.00
Shop LC Global Inc.	USA	100.00	100.00
Shop TJC Limited	United Kingdom	100.00	100.00
STS (Guangzhou) Trading Limited	China	100.00	100.00
Shop LC GmbH (upto 18 July 2021)	Germany	100.00	100.00

Key Management Personnel (KMP) :

Mr. Sunil Agrawal - Managing Director
Mr. Nitin Panwad - Group Chief Financial Officer (w.e.f. 27 October 2022)
Mr. Vineet Ganeriwala - Group Chief Financial Officer (upto 27 October 2022)
Mr. Sushil Sharma - Company Secretary

Non-Executive and Non-Independent Directors

Mrs. Sheela Agarwal
Mr. Pulak Chandan Prasad
Mr. Sanjeev Agrawal
Mr. Harsh Bahadur (w.e.f. 26 September 2022)
Mr. Nirmal Kumar Baridya (upto 02 August 2022)

Non-Executive and Independent Directors

Mr. Sunil Goyal
Mr. James Patrick Clarke
Ms. Stephanie Renee Spong (w.e.f. 06 September 2021)
Mr. Santiago Roces (upto 27 July 2022)
Ms. Monica Justice (upto 05 September 2021)
Mr. Harsh Bahadur (upto 25 September 2022)

Relatives of Key Management Personnel ('KMP') where tranactions have taken place:

Name of relative of KMP	Relationship with KMP
Mr. Hursh Agrawal	Son of Mr. Sunil Agrawal
Mrs. Deepti Agrawal	Wife of Mr. Sunil Agrawal
Mr. Neil Agrawal	Son of Mr. Sunil Agrawal
Mrs. Renu Raniwala	Daughter of Mrs. Sheela Agrawal
Mr. Mukul Raniwala	Daughter's husband of Mrs. Sheela Agarwal
Mrs. Sheetal Sharma	Wife of Mr. Sushil Sharma
Mrs. Kusum Bardiya (upto 02 August 2022)	Wife of Mr. Nirmal Kumar Bardiya
Ms. Garima Chordia (upto 02 August 2022)	Daughter of Mr. Nirmal Kumar Bardiya

Others (significant influence) where tranactions have taken place:

VGL Softech Limited (struck off w.e.f. 21 March 2022)
Stone Age Private Limited

Employee benefit trust

Vaibhav Global Limited Employees Gratuity Fund

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B. Details of material related party transactions and balances:

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Ultimate Holding Company	Subsidiaries / Step down subsidiaries													Total
	Brett Enterprises Private Limited	Shop TJC Limited, UK	Shop LC Global Inc., USA	STS Jewels Inc., USA	STS Global Supply Limited, Hong Kong	VGL Retail Ventures Limited, Mauritius	PT STS Bali, Indonesia	STS (Guangzhou) Trading Limited, China	STS Global Limited, Thailand	Vaibhav Vistar Limited, India	Vaibhav Lifestyle Limited, India	STS Global Limited, Japan	Shop LC GmbH, Germany	Encase Packaging Private Limited, India	
Transactions during the year ending 31 March 2023:															
Sale of goods	-	7,631.74	23,344.00	1,616.69	(43.48)	-	52.79	-	1,898.82	-	1.42	9.35	2,916.49	-	37,427.82
Sale of services	-	448.58	739.59	-	-	-	-	-	-	-	-	-	25.87	-	1,214.04
Purchase of goods	-	-	-	1,393.04	857.45	-	34.65	173.50	1,197.07	-	5.55	-	-	2.05	3,663.31
Management fees from subsidiary	-	252.08	392.08	3.76	18.77	-	3.07	-	6.02	-	-	-	94.91	-	770.69
Expenses reimbursement (net)	-	1,134.15	1,626.22	8.22	(153.08)	-	1.66	7.44	17.04	(45.63)	140.84	-	487.17	10.04	3,234.08
Dividend paid	5,505.30	-	-	-	-	-	-	-	-	-	-	-	-	-	5,505.30
Dividend received	-	-	-	-	-	8,059.26	-	-	-	-	-	-	-	-	8,059.26
Interest Income	-	-	-	-	-	-	-	-	-	68.25	61.13	-	-	3.57	132.95
Grant of loan	-	-	-	-	-	-	-	-	-	23.00	721.00	-	-	90.11	834.11
Receipt against loan granted	-	-	-	-	-	-	-	-	-	350.00	138.00	-	-	1.11	489.11
Guarantee given	-	-	-	-	-	-	-	-	-	-	-	-	-	471.00	471.00
Guarantee commission received	-	-	-	-	-	-	-	-	-	-	9.00	-	-	8.51	17.51
Rent paid	26.18	-	-	-	-	-	-	-	-	-	-	-	-	-	26.18
Investment made	-	-	-	-	-	-	-	-	-	500.00	-	-	-	-	500.00
Transactions during the year ending 31 March 2022:															
Sale of goods	-	11,028.52	25,590.00	1,185.74	237.47	-	168.74	-	2,486.07	-	-	35.35	1,780.31	-	42,512.20
Sale of services	-	368.18	645.33	-	-	-	-	-	-	-	-	-	22.98	-	1,036.49
Purchase of goods	-	-	-	1,492.88	500.76	-	235.78	300.92	1,452.57	-	37.05	-	39.60	-	4,059.56
Management fees from subsidiary	-	191.50	387.31	7.84	33.89	-	9.64	-	4.31	-	-	-	61.80	-	696.29
Expenses reimbursement (net)	-	946.96	1,813.85	93.59	164.36	10.74	22.05	0.61	37.60	40.31	99.93	-	448.21	-	3,678.21
Dividend paid	5,479.65	-	-	-	-	-	-	-	-	-	-	-	-	-	5,479.65
Dividend received	-	-	-	-	-	8,443.75	-	-	-	-	-	-	-	-	8,443.75
Interest Income	-	-	-	-	-	-	-	-	-	58.44	17.28	-	-	-	75.72
Grant of borrowing	-	-	-	-	-	-	-	-	-	817.16	1,039.00	-	-	-	1,856.16
Repayment of borrowing	-	-	-	-	-	-	-	-	-	177.16	710.00	-	-	-	887.16
Guarantee given	-	-	-	-	-	-	-	-	-	-	500.00	-	-	-	500.00
Guarantee commission received	-	-	-	-	-	-	-	-	-	-	2.53	-	-	-	2.53
Rent paid	1.54	-	-	-	-	-	-	-	-	-	-	-	-	-	1.54
Investment made	-	-	-	-	-	-	-	-	-	495.00	54.75	-	22.05	399.90	971.70

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Ultimate Holding Company	Subsidiaries / Step down subsidiaries													Total
	Brett Enterprises Private Limited	Shop TJC Limited, UK	Shop LC Global Inc., USA	STS Jewels Inc., USA	STS Global Supply Limited, Hong Kong	VGL Retail Ventures Limited, Mauritius	PT STS Bali, Indonesia	STS (Guangzhou) Trading Limited, China	STS Global Limited, Thailand	Vaibhav Vistar Limited, India	Vaibhav Lifestyle Limited, India	STS Global Limited, Japan	Shop LC GmbH, Germany	Encase Packaging Private Limited, India	
Balances as at year end 31 March 2023:															
Trade receivable	-	1,427.47	8,018.28	1,350.96	342.46	-	46.28	-	733.60	-	-	-	1,777.10	-	13,696.15
Other receivable	-	1,348.16	1,680.89	19.75	132.08	35.54	11.26	8.21	31.93	16.00	105.02	-	931.12	14.22	4,334.18
Trade payable	-	142.86	150.41	460.15	1,836.51	-	24.79	29.67	353.22	-	1.46	-	30.86	-	3,029.93
Commitments and guarantees	-	-	-	-	-	-	-	-	-	-	500.00	-	-	471.00	971.00
Loan receivable	-	-	-	-	-	-	-	-	-	313.00	1,024.00	-	-	89.00	1,426.00
Balances as at year end 31 March 2022:															
Trade receivable	-	3,479.59	5,391.53	1,553.11	-	-	46.44	-	1,096.44	-	-	14.86	1,258.68	-	12,840.65
Other receivable	-	664.49	1,639.69	52.57	226.05	32.77	7.02	0.62	49.14	98.75	90.92	-	363.55	-	3,225.57
Trade payable	1.66	69.06	46.19	1,226.61	447.20	-	115.76	50.37	188.73	-	0.75	-	39.60	-	2,185.93
Advance received	-	-	-	-	154.86	-	-	-	-	-	-	-	-	-	154.86
Advance given	-	-	-	-	-	-	-	-	-	-	-	-	-	2.00	2.00
Commitments and guarantees	-	-	-	-	-	-	-	-	-	-	500.00	-	-	-	500.00
Loan receivable	-	-	-	-	-	-	-	-	-	640.00	441.00	-	-	-	1,081.00

C. Details of related party transactions and balances with others, key managerial persons along with their relatives:

Type of transaction	Key Managerial Persons and their relatives											Others		
	Mr. Sunil Agrawal	Nitin Panwad	Mr. Vineet Ganeriwala	Mr. Sushil Sharma	Mr. Harsh Bahadur	Mr. James Patrick Clarke	Mr. Sunil Goyal	Ms. Stephanie Renee Spong	Mr. Santiago Roces	Other directors	Total	Stone Age Private Limited	Vaibhav Global Limited Employee's Gratuity Fund	Total
Transaction during the year ending :														
Remuneration														
- 31 March 2023	-	28.76	55.62	20.11	22.80	52.64	-	40.49	6.81	-	227.23	-	-	-
- 31 March 2022	-	-	212.55	19.61	21.10	48.19	-	21.21	19.65	15.23	372.57	-	-	-
Share based payment to employees *														
- 31 March 2023	-	12.34	16.77	3.49	-	-	-	-	-	-	32.60	-	-	-
- 31 March 2022	-	-	31.10	3.01	-	-	-	-	-	-	34.11	-	-	-
Dividend paid														
- 31 March 2023	8.44	0.02	0.69	0.01	-	-	-	-	-	27.32	36.47	0.06	-	0.06
- 31 March 2022	8.44	-	0.57	-	-	-	-	-	-	49.86	58.87	0.05	-	0.05
Dividend paid to relatives of Key Managerial Persons														
- 31 March 2023	128.58	-	-	-	-	-	-	-	-	17.19	145.77	-	-	-
- 31 March 2022	131.28	-	-	-	-	-	-	-	-	35.74	167.02	-	-	-
Directors sitting fees														
- 31 March 2023	-	-	-	-	7.20	-	7.90	-	-	10.15	25.25	-	-	-
- 31 March 2022	-	-	-	-	8.90	-	7.90	-	-	14.90	31.70	-	-	-
Balance as at year end:														
Payable as at year end:														
- 31 March 2023	-	-	-	-	7.25	13.33	0.90	10.25	-	-	31.73	-	451.48	451.48
- 31 March 2022	-	-	-	-	4.64	10.95	0.45	8.42	4.46	0.45	29.37	-	328.20	328.20

* Refer note 3(g)(ii)

Note: Borrowings of the Company are secured by the personal guarantee of Mr. Sunil Agrawal, Managing Director of the Company. (Refer note 22)

Note: The Company has issued letter of support for financial assistance to its subsidiaries (Vaibhav Lifestyle Limited and Shop LC GmbH, Germany) for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the respective subsidiary for the year ended 31 March 2023.

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47 FAIR VALUE MEASUREMENTS

(i) Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2023	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
Financial assets					
Investments	9	-	-	30,736.76	30,736.76
Trade receivables	14	-	-	14,687.35	14,687.35
Cash and cash equivalents	15	-	-	2,302.54	2,302.54
Bank balance other than cash and cash equivalents	16	-	-	2,770.02	2,770.02
Loans	17	-	-	1,168.06	1,168.06
Other financial assets	10	-	-	4,569.77	4,569.77
		-	**-**	**56,234.50**	**56,234.50**
Financial liabilities					
Borrowings	22	-	-	10,752.67	10,752.67
Lease liabilities		-	-	127.94	127.94
Trade payables	23	-	-	6,388.83	6,388.83
Other financial liabilities	24	-	-	219.44	219.44
		-	**-**	**17,488.88**	**17,488.88**

As at 31 March 2023	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
Financial assets					
Investments	9	-	-	30,236.76	30,236.76
Trade receivables	14	-	-	13,739.71	13,739.71
Cash and cash equivalents	15	-	-	1,555.81	1,555.81
Bank balance other than cash and cash equivalents	16	-	-	2,419.21	2,419.21
Loans	17	-	-	1,135.20	1,135.20
Other financial assets	10	-	-	3,488.21	3,488.21
		-	**-**	**52,574.90**	**52,574.90**
Financial liabilities					
Borrowings	22	-	-	9,382.73	9,382.73
Lease liabilities		-	-	83.01	83.01
Trade payables	23	-	-	5,780.43	5,780.43
Other financial liabilities	24	-	-	367.47	367.47
		-	**-**	**15,613.64**	**15,613.64**

(ii) Fair value hierarchy

The table shown below analysis financial instruments carried at fair value, by valuation method. The different levels have been defined below:

a) Level 1:

Level 1 hierarchy includes financial instrument measured using quoted prices. This includes listed equity instruments that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period end.

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

b) Level 2:

If inputs required to fair value an instrument other than quoted prices included within Level 1 are observable, either directly (i.e., as prices) or indirectly (i.e., derived from prices), the instruments are included in Level 2.

c) Level 3:

If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3.

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with income approach, unless the carrying value is considered to approximate to fair value.

- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

48 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in these financial statements.

Risk management framework

Company is being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations.

The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has an owner, who coordinates the risk management process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Company value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws & regulations; and
- Improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

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Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Company's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. A monthly reporting system exists to inform senior management of investments, debt, currency and interest rate derivatives. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies.

Commodity price risk

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Company. The Company sells its products mainly to its Group Companies, whereby there is a regular negotiation/adjustment of prices on the basis of changes in the commodity prices.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(a) Liquidity

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term. The Company has been rated by Care Ratings Ltd (CARE) for its banking facilities in line norms.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Financial liabilities	Note	As at 31 March 2023			Total
		< 1 year	1-3 Years	> 3 Years	
Borrowings	22	10,752.67	-	-	**10,752.67**
Lease liabilities		26.55	65.33	36.06	**127.94**
Trade payables	23	6,388.83	-	-	**6,388.83**
Other financials liabilities	24	219.44	-	-	**219.44**
Total		**17,387.49**	**65.33**	**36.06**	**17,488.88**

Financial liabilities	Note	As at 31 March 2022			Total
		< 1 year	1-3 Years	> 3 Years	
Borrowings	22	9,382.73	-	-	**9,382.73**
Lease liabilities		12.64	31.38	38.99	**83.01**
Trade payables	23	5,780.43	-	-	**5,780.43**
Other financials liabilities	24	367.47	-	-	**367.47**
Total		**15,543.27**	**31.38**	**38.99**	**15,613.64**

Collateral

The Company has hypothecated its trade receivables, inventory, advances and other current assets in order to fulfil the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collateral.

(b) Foreign exchange risk

The Company operates internationally and exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollar and GBP. The Company is subject to the risk that changes in foreign currency values impact the Company exports revenue and purchases from overseas suppliers in foreign currency and foreign currency denominated borrowings.

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

The exchange rate between Indian Rupee and foreign currencies has impact on results of the Company's operations. Consequently, the results of the Company's operations get effected as the Rupee appreciates/depreciates against these foreign currencies.

Particulars	31 March 2023			
	USD	GBP	EURO	JPY
Financial assets	13,303.65	2,774.85	2,708.68	-
Financial liabilities	7,268.10	142.85	39.44	-

Particulars	31 March 2022			
	USD	GBP	EURO	JPY
Financial assets	40,104.92	4,144.22	1,623.33	14.86
Financial liabilities	10,247.82	648.50	39.60	-

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 5% against the functional currency of the Company. A 5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency would result in net decrease / increase in the Company's profit and equity for the fiscal year 2023 and 2022 by ₹ 540.96 lacs and ₹ 1,745.25 lacs respectively.

(c) Interest rate risk

The Company is exposed to interest rate risk on short-term rate instruments. The borrowings of the Company are principally denominated in US Dollars and GBP with floating rates of interest. The debt is of floating rates linked to LIBOR. These exposures are reviewed by appropriate levels of management on a monthly basis.

The exposure of the Company's financial liabilities as at Balance sheet date to interest rate risk is as follows:

Particulars	31 March 2023	31 March 2022
Floating rate financial liabilities	10,752.67	9,382.73

The table below illustrates the impact of a 0.5% to 1.50% movement in interest rates on interest expense on loans and borrowings. The risk estimate provided assumes that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Movement in interest rates	Year ended 31 March 2023	Year ended 31 March 2022
0.50%	53.76	46.91
1.00%	107.53	93.83
1.50%	161.29	140.74

(d) Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks, short term investments, foreign exchange transactions and other financial assets. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Notes to Standalone Financial Statements
as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Trade Receivable

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are wholesale or end-user customer, their geographic location, trade history with the Company. An impairment analysis is performed quarterly. The calculation is based on historical experience/ current facts available in relation to default and delays in collection thereof. The management historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

Financial assets other than trade receivables

With regards to other financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes. The carrying value of other financial assets other than cash and cash equivalents represents the maximum credit exposure. The Company's maximum exposure to credit risk at 31 March 2023 is ₹ 19,777.80 lacs (31 March 2022 is ₹ 18,168.74 lacs)

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities and forecast cash flows denominated in foreign currency. The use of derivatives to hedge United States of Dollar and Great Britain Point forecasted cash flows is governed by the Company's strategy, which provides principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The counterparty in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as insignificant. The Company has entered into a series of foreign exchange forward contracts that are designated as fair value hedges. The Company does not use forward covers and currency options for speculative purposes.

During the current year, the Company has earned profits on account of cash flow hedging derivatives. The above profit is included in foreign exchange gain (net) in the Statement of Profit and Loss. All the foreign exchange forward contracts designated as fair value flow hedges along with related forecasted transactions will be matured within the next financial year.

The fair value of the derivative instruments presented on a net basis as at each date indicated below is as follows:

Particulars	31 March 2023		31 March 2022	
	Assets	Liabilities	Assets	Liabilities
Derivatives not designated as hedging instruments				
Foreign exchange contracts in an assets/(liability) position	30.01	-	38.55	-
Net assets/(liability)	**30.01**	**-**	**38.55**	**-**

The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Notes to Standalone Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

49 EXCEPTIONAL ITEMS

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Exceptional items*	-	56.22
	-	**56.22**

* The Company has done functional restructuring, in its pursuit of bringing in more efficiency. This primarily involved reduction in manpower and hence resulted in a one-time cost of ₹ 56.22 lacs.

50 CYBER INCIDENT

During current year, there is a cyber-attack on some of Information Technology (IT) infrastructure of the Company and some of its subsidiaries. Management took steps to retrieve and restore the systems. All critical operational systems are functioning, however as a measure of abundant precaution, restricted access and preventive checks are put in place. Management through an IT service provider also completed the process of investigation to ascertain the nature, extent, and cause of possible data breach. Basis the procedures performed, management did not identify any instance of data breach. Basis the legal opinion obtained from the independent solicitors of the respective impacted countries, the Company and its impacted subsidiaries are in compliance with applicable legal and regulatory requirements. Management believes that there is no impact on these financial statements on account of this incident. The business operations of the Company and its subsidiaries are continuing in the normal manner post the cyber incident.

Signatures to notes 1 to 50

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Independent Auditor's Report

To the Members of
Vaibhav Global Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Vaibhav Global Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTER(S)

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial information of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

See Note 3(k) and Note 28 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
• Revenue from the sale of goods is recognised when control is transferred to the customer. • The Group's major part of revenue relates to retail sales which comprises of high volumes of individually small transactions recorded in the books. • The timing of revenue recognition is also relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. • These increase the risk of revenue being recognised inappropriately and highlights the criticality of sound internal processes for summarising and recording sales revenue to mitigate the risk of fraud and error. In view of the above, we have identified revenue recognition as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: • Assessed the appropriateness of the accounting policy for revenue recognition as per relevant Indian accounting standard. • Evaluated the design and implementation of key internal financial controls with respect to the revenue recognition and tested the operating effectiveness of such control including those related to the reconciliation of sales records with collections from payment channels, preparation, posting and approval of journal entries on the basis of selected transactions. • For samples selected using statistical sampling method, performed testing of retail sale transactions during the year by examining the underlying documents and agreeing them with the collection from payment channels.

Revenue recognition	
See Note 3(k) and Note 28 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
	• Verified the reconciliation of retail sales as per books of account with the sales as per Indirect tax records and tested the reconciliation, if any. • Tested selected samples of sales transactions made immediately pre and post year end, agreed the period of revenue recognition to the underlying documents for ensuring period of revenue of recognition. • Tested journal entries passed during the year which were selected on specified risk-based criteria to identify unusual items. • Performed analytical procedures on revenue recognised during the year, to identified unusual variances.

Valuation of Gemstone Inventories	
See Note 3(g) and Note 13 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group deals primarily in fashion jewellery and lifestyle products which may be subject to changing consumer demands and fashion trends. Group uses Gemstones primarily in manufacturing the above products. Significant degree of judgment is thereby required to assess the NRV of the inventories and appropriate write down of items which may be ultimately sold below cost. Such judgment includes Group's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell. In view of the above, assessment of NRV and its consequential impact, if any, on the carrying value of Gemstone inventory has been identified as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: • Assessed the appropriateness of the accounting policy for inventories as per relevant accounting standards. • Evaluated the design and implementation of key internal financial controls with respect to determination of NRV and tested the operating effectiveness of such controls on selected transactions. • Verified inventory ageing report by testing samples, selected using statistical sampling method. • Tested the weighted average rate computation of Gemstone inventory, selected using statistical sampling method. • Evaluated the judgement and assumptions taken for valuation of inventory by involving subject matter expert, wherever required.

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and 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 each company 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 the 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 consolidated 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial information of eight subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 194,273.70 lacs as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 58,568.26 lacs and net cash inflows (before consolidation adjustments) amounting to ₹ 980.64 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other 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-section (3) 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.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report(s) of the other auditor(s).

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matter" paragraph, 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 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 (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and on the basis of written representation received by the management from directors of its subsidiary companies which are incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matter" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 41 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2023.

d (i) The management of the Holding Company whose financial statements has been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 51 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company whose financial statements has been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 51 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in Note 20 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUN3804

Place: Jaipur
Date: 17 May 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VAIBHAV GLOBAL LIMITED FOR THE YEAR ENDED 31 MARCH 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) According to the information and explanations given to us, in respect of the following companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their auditors till date of this audit report:

Name of the entities	CIN	Subsidiary
Vaibhav Vistar Limited	U36995RJ2020PLC072361	Wholly owned subsidiary
Vaibhav Lifestyle Limited	U17299RJ2020PLC072409	Wholly owned subsidiary
Encase Packaging Private Limited	U21000AP2021PTC119871	Subsidiary

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUN3804

Place: Jaipur
Date: 17 May 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VAIBHAV GLOBAL LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of Vaibhav Global Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. 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 the Holding 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated 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 internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated 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 consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTER

The internal financial controls with reference to financial information insofar as it relates to three subsidiary companies, which are companies incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary companies are not material to the Holding Company.

Our opinion is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
ICAI UDIN:23094549BGYNUN3804

Place: Jaipur
Date: 17 May 2023

Consolidated Balance Sheet

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	25,297.97	25,756.35
Capital work-in-progress	5	389.37	110.69
Right-of-use assets	6	8,122.81	6,372.70
Goodwill	7	3,049.32	3,049.32
Other intangible assets	7	14,181.58	11,524.32
Intangible assets under development	8	99.09	2,555.20
Financial assets			
Investments	9	0.31	0.31
Other financial assets	10	824.21	1,048.68
Deferred tax assets (net)	37	2,799.74	2,684.14
Other tax assets (net)	11	1,135.89	2,326.65
Other non-current assets	12	59.60	66.84
Total non-current assets		**55,959.89**	**55,495.20**
Current assets			
Inventories	13	64,251.43	61,946.36
Financial assets			
Investments	9	3,428.71	8,417.09
Trade receivables	14	24,038.46	23,150.15
Cash and cash equivalents	15	11,058.00	4,306.61
Bank balances other than cash and cash equivalents	16	12,864.07	6,391.40
Loans	17	141.87	122.27
Other financial assets	10	237.38	193.88
Other current assets	18	6,871.64	9,025.92
Total current assets		**1,22,891.56**	**1,13,553.68**
Total assets		**1,78,851.45**	**1,69,048.88**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	3,297.63	3,275.96
Other equity			
Reserves and surplus	20	1,10,367.91	1,07,336.52
Items of Other comprehensive income	21	6,463.86	2,064.76
Equity attributable to owners of the Company		**1,20,129.40**	**1,12,677.24**
Non-controlling interest	22	170.53	152.97
Total equity		**1,20,299.93**	**1,12,830.21**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	24	231.25	261.31
Lease liabilities		5,463.51	4,541.48
Provisions	23	494.71	434.03
Deferred tax liabilities (net)	37	213.19	492.54
Total non-current liabilities		**6,402.66**	**5,729.36**
Current liabilities			
Financial liabilities			
Borrowings	24	11,231.99	9,686.77
Lease liabilities		2,405.81	1,986.15
Trade payables	25	25,682.87	27,958.38
Other financial liabilities	26	1,303.22	950.05
Other current liabilities	27	7,151.05	5,634.24
Provisions	23	4,150.47	3,598.24
Current tax liabilities (net)		223.45	675.48
Total current liabilities		**52,148.86**	**50,489.31**
Total liabilities		**58,551.52**	**56,218.67**
Total equity and liabilities		**1,78,851.45**	**169,048.88**
Significant accounting policies	**3**		

The accompanying notes are an integral part of the consolidated financial statements.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	28	2,69,091.44	2,75,243.16
Other income	29	2,762.71	2,183.95
Total Income		**2,71,854.15**	**2,77,427.11**
Expenses			
Cost of materials consumed	30	26,279.83	29,898.27
Purchases of stock-in-trade	31	69,964.17	84,646.22
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	2,140.92	(16,805.61)
Employee benefits expense	33	51,512.15	50,942.32
Finance costs	34	819.68	609.69
Depreciation and amortisation expense	35	7,775.29	5,480.92
Other expenses	36	99,231.65	98,424.87
Total expenses		**2,57,723.69**	**2,53,196.68**
Profit before exceptional items and tax		**14,130.46**	**24,230.43**
Exceptional items	52	-	2,824.16
Profit after exceptional items		**14,130.46**	**27,054.59**
Tax expense	37		
Current tax		3,967.30	3,672.92
Deferred tax		(350.61)	(329.49)
Tax expense		**3,616.69**	**3,343.43**
Profit for the year (A)		**10,513.77**	**23,711.16**
Other comprehensive income			
Items that will not be reclassified to profit or loss	21		
(i) Remeasurement of defined benefit liability		(127.65)	111.37
(ii) Income tax relating to remeasurement of defined benefit liability		44.34	(38.92)
		(83.31)	**72.45**
Items that will be reclassified to profit or loss			
(i) Exchange differences on translating financial statements of foreign operations		4,399.10	534.70
(ii) Tax relating to exchange differences on translating financial statements of foreign operations		-	-
		4,399.10	**534.70**
Other comprehensive income for the year, net of tax (B)		**4,315.79**	**607.15**
Total comprehensive income for the year (A) + (B)		**14,829.56**	**24,318.31**
Profit for the year attributable to:			
- Owners of the Company		10,496.21	23,771.13
- Non-controlling interests	22	17.56	(59.97)
		10,513.77	**23,711.16**
Other comprehensive income for the year attributable to:			
- Owners of the Company		4,315.79	607.15
- Non-controlling interests	22	-	-
		4,315.79	**607.15**
Total comprehensive income for the year attributable to:			
- Owners of the Company		14,812.00	24,378.28
- Non-controlling interests	22	17.56	(59.97)
		14,829.56	**24,318.31**
Earnings per equity share	38		
Basic earnings per share (INR)		6.39	14.56
Diluted earnings per share (INR)		6.29	14.24
Significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

A EQUITY SHARE CAPITAL

Particulars	Note	Amount
Balance as at 01 April 2022		**3,275.96**
Changes in equity share capital due to prior period errors		-
Restated balance as at 01 April 2022		**3,275.96**
Changes in equity share capital during the year	19	24.34
Treasury shares	40	(2.67)
Balance as at 31 March 2023		**3,297.63**
Balance as at 01 April 2021		**3,253.67**
Changes in equity share capital due to prior period errors		
Restated balance as at 01 April 2021		**3,253.67**
Changes in equity share capital during the year	19	26.19
Treasury shares	40	(3.90)
Balance as at 31 March 2022		**3,275.96**

B OTHER EQUITY

For the year ended 31 March 2023:

Particulars	Note	Reserves and Surplus						Items of OCI	Non controlling interest	Total other equity
		Securities premium	Share based payment reserve	Capital redemption reserve	Capital reserve	General reserve	Retained earnings	Exchange difference on translation of foreign operations		
Balance as at 01 April 2022		**32,937.41**	**1,160.22**	**4,486.57**	**954.76**	**1,296.47**	**66,501.09**	**2,064.76**	**152.97**	**1,09,554.25**
Total comprehensive income for the year ended 31 March 2022										
Profit/(loss) for the year		-	-	-	-	-	10,496.21	-	17.56	10,513.77
Other comprehensive income/(loss) for the year	21	-	-	-	-	-	(83.31)	4,399.10	-	4,315.79
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**10,412.90**	**4,399.10**	**17.56**	**14,829.56**
Contributions and distributions										
Dividends	20	-	-	-	-	-	9,879.57	-	-	(9,879.56)
Dividend distribution tax	20	-	-	-	-	-	346.33	-	-	(346.34)
Equity-settled share-based payments	33	-	1,361.90	-	-	-	-	-	-	1,361.90
Share options exercised	40	2,668.59	(1,010.72)	-	-	-	-	-	-	1,657.87
Treasury shares	40	(175.38)	-	-	-	-	-	-	-	(175.38)
Total contributions and distributions		**2,493.21**	**351.18**	**-**	**-**	**-**	**(10,225.90)**	**-**	**-**	**(7,381.51)**
Changes in ownership interests										
Acquisition of NCI without a change in control	22	-	-	-	-	-	-	-	-	-
Acquisition of subsidiary with NCI	22	-	-	-	-	-	-	-	-	-
Total changes in ownership interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners of the Company		**2,493.21**	**351.18**	**-**	**-**	**-**	**(10,225.90)**	**-**	**-**	**(7,381.51)**
Balance as at 31 March 2023		**35,430.62**	**1,511.40**	**4,486.57**	**954.76**	**1,296.47**	**66,688.09**	**6,463.86**	**170.53**	**1,17,002.30**

Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

For the year ended 31 March 2022:

Particulars	Note	Reserves and Surplus						Items of OCI	Non controlling interest	Total other equity
		Securities premium	Share based payment reserve	Capital redemption reserve	Capital reserve	General reserve	Retained earnings	Exchange difference on translation of foreign operations		
Balance as at 01 April 2021*		**31,049.52**	**1,666.60**	**4,486.57**	**954.76**	**1,296.47**	**52,145.64**	**1,530.06**	**(1.61)**	**93,128.01**
Total comprehensive income for the year ended 31 March 2021										
Profit/(loss) for the year		-	-	-	-	-	23,771.13	-	(59.97)	23,711.16
Other comprehensive income for the year	21	-	-	-	-	-	72.45	534.70	-	607.15
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**23,843.58**	**534.70**	**(59.97)**	**24,318.31**
Transactions with the owners of the Company										
Contributions and distributions										
Dividends	20	-	-	-	-	-	(9,812.66)	-	-	(9,812.66)
Dividend distribution tax	20	-	-	-	-	-	(450.14)	-	-	(450.14)
Equity-settled share-based payment	33	-	925.22	-	-	-	-	-	-	925.22
Share options exercised	40	2,157.58	(1,431.60)	-	-	-	826.99	-	-	1,552.97
Decrease in reserves due to reduction in non-controlling interest on purchase of further shares in subsidiaries	40	-	-	-	-	-	(52.32)	-	-	(52.32)
Treasury shares	40	(269.69)	-	-	-	-	-	-	-	(269.69)
Total contributions and distributions		**1,887.89**	**(506.38)**	**-**	**-**	**-**	**(9,488.13)**	**-**	**-**	**(8,106.62)**
Changes in ownership interests										
Acquisition of NCI without a change in control	22	-	-	-	-	-	-	-	38.82	38.82
Acquisition of subsidiary with NCI	22	-	-	-	-	-	-	-	175.73	175.73
Total changes in ownership interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**214.55**	**214.55**
Total transactions with owners of the Company		**1,887.89**	**(506.38)**	**-**	**-**	**-**	**(9,488.13)**	**-**	**214.55**	**(7,892.07)**
Balance as at 31 March 2022		**32,937.41**	**1,160.22**	**4,486.57**	**954.76**	**1,296.47**	**66,501.09**	**2,064.76**	**152.97**	**1,09,554.25**

* There is no change in other equity due to prior period error.

(Loss) / gain on remeasurement of defined employee benefit plans (net of tax) amounting to ₹ (83.31) lacs and ₹ 72.45 lacs is recognised as a part of retained earnings for the years ended 31 March 2023 and 31 March 2022 respectively.

Significant accounting policies 3

The accompanying notes are an integral part of the consolidated financial statements.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Consolidated Cash Flow Statement

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

	Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash flow from operating activities**			
	Profit for the year		**14,130.46**	**27,054.59**
	Adjustment for :			
	Depreciation and amortisation expense	35	7,775.29	5,480.92
	(Gain)/loss on unrealised foreign exchange difference (net)		(172.58)	117.11
	Equity-settled share-based payment transactions	33	1,387.90	925.22
	Net (gain)/loss on sale of property, plant and equipment		(0.97)	0.77
	Liabilities no longer required written back	29	(39.45)	(160.26)
	Gain on sale of current investments (including change in fair value)		(0.76)	(0.02)
	Impairment losses on financial assets		2,571.99	2,150.88
	Interest income	29	(670.91)	(432.11)
	Finance costs	34	819.68	609.69
	PPP loan waiver		-	(3,289.87)
	Operating profit before working capital changes		**25,800.65**	**32,456.92**
	Working capital adjustments :			
	(Increase) in trade receivable		(2,002.55)	(8,237.17)
	Decrease/(increase) in inventories		336.97	(17,109.07)
	(Increase) in other assets		(5,765.17)	(802.23)
	(Decrease)/increase in trade payables, provisions, other current liabilities		(2,426.07)	9,373.56
	Cash generated from operating activities		**15,943.83**	**15,682.01**
	Income taxes paid (net)		(3,228.57)	(6,887.86)
	Net cash from operating activities (A)		**12,715.26**	**8,794.15**
B.	**Cash flow from investing activities**			
	Acquisition of property, plant and equipment and intangible assets		(3,551.41)	(30,060.96)
	Proceeds from sale of property, plant and equipment		10.78	8.60
	Payment for right-of-use of assets		-	(0.52)
	Payment for acquisition of subsidiaries		-	(413.40)
	Movement in deposits (net)		1,315.69	5,421.88
	Interest received		629.59	386.13
	Purchase of current investments		4,869.40	19,932.67
	Proceed from sale of current investments		750.65	225.02
	Net cash from investing activities (B)		**4,024.70**	**(4,500.58)**
C.	**Cash flow from financing activities**			
	Proceeds from exercise of share options		1,504.16	1,305.07
	Movement in short term borrowings (net)		1,646.64	3,816.13
	Dividends paid		(10,225.90)	(10,138.56)
	Payment of lease liabilities		(2,634.67)	(1,821.27)
	Finance costs paid		(556.82)	(376.02)
	Net cash used in financing activities (C)		**(10,266.59)**	**(7,214.65)**

Consolidated Cash Flow Statement

for the year ended 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars		Note	Year ended 31 March 2023	Year ended 31 March 2022
D.	**Impact of movement of exchange rates**			
	Exchange difference on translation of foreign operations (D)		278.02	20.94
	Net increase/(decrease) in cash and cash equivalents (A+B+C+D)		**6,751.39**	**(2,900.14)**
	Opening balance of cash and cash equivalents		4,306.61	7,206.75
	Closing balance of cash and cash equivalents		**11,058.00**	**4,306.61**
	Cash and cash equivalents comprises			
	Balance with bank on current account	15	5,241.63	3,957.37
	Deposits with original maturity of less than three months	15	5,764.71	-
	Cash on hand	15	35.78	46.08
	Funds-in-transit	15	15.88	303.16
			11,058.00	**4,306.61**
	Less: Restricted cash and cash equivalents	15	(1,300.00)	-
	Net Cash and cash equivalents		**9,758.00**	**4,306.61**
	Significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements.

1 The Cash Flow Statement has been prepared under the ‘indirect method’ as set out in Ind AS-7 “Statement of Cash Flows”, as specified under section 133 of the Companies Act, 2013.

2 Reconciliation of liabilities arising from financing activities:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance of short term borrowings	**9,686.77**	**9,171.91**
Movement in short term borrowings	1,654.91	643.21
Non cash changes - effect of foreign currency translation	(109.69)	(128.35)
Closing balance of short term borrowings	**11,231.99**	**9,686.77**

3 Refer note 36 for amount spent during the year ended 31 March 2023 and 31 March 2022 on construction / acquisition of assets and other purposes relating to corporate social responsibility activities.

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm’s Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549
Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142
Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548
Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535
Place: Jaipur
Date: 17 May 2023

Notes to Consolidated Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

1. REPORTING ENTITY

Vaibhav Global Limited (hereinafter referred to as 'the Company' or 'VGL' or "Parent") is a company domiciled in India, with its registered office situated at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004. The Company was incorporated under the provisions of Indian Companies Act and its equity shares are listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') in India.

These consolidated financial statements comprise financial statements of Vaibhav Global Limited and its subsidiaries (hereinafter collectively referred to as "the Group") (in which are included financial statements of Vaibhav Global Employee Stock Option Welfare Trust") ("Trust") for the year ended 31 March 2023. The Group deals in fashion jewellery and lifestyle products.

2. BASIS OF PREPARATION

a. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act').

The consolidated financial statements were approved for issue by the Company's Board of Directors on 17 May 2023.

Details of the Group's accounting policies, including changes hereto, are included in Note 3.

b. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. All amounts have been rounded off to the nearest lacs, unless otherwise indicated.

c. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on alternative basis on each reporting date.

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Liabilities for equity - settled share-based payment arrangements	Fair value
Net defined benefit (assets) / liability	Fair value of plan assets less the present value of defined benefit obligations

d. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 6 – lease term - whether the Group is reasonably certain to exercise extension options.

Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 is included in the following notes:

- Note 7 – impairment testing of goodwill: key assumptions underlying recoverable amounts
- Note 14 – measurement of ECL allowance for trade and finance receivables and loans
- Note 23 – estimate of expected sales returns;
- Note 37 – recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;

- Note 39 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 41 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

e. Measurement of fair value

The Group records certain financial assets and liabilities at fair value on a recurring basis. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Certain assets are measured at fair value on a non-recurring basis. The assets consist primarily of non-financial assets such as goodwill. Goodwill and intangible assets recognized in business combination are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.

c) Cost approach – Replacement cost method.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. The Company has an established control framework with respect to the measurement of fair values. It regularly reviews significant inputs and valuation adjustments.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 40 – share-based payment; and
- Note 47 – financial instruments;

f. Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

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- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of VGL, the Parent Company, its Trust and its subsidiaries. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (including step down subsidiaries) as at 31 March 2023, which are as follows:

Name of the subsidiaries	Country of incorporation	% Holding as at 31 March 2023	% Holding as at 31 March 2022
Direct subsidiaries:			
VGL Retail Ventures Limited	Mauritius	100%	100%
STS Global Limited (formerly STS Gems Limited)	Japan	100%	100%
STS Global Supply Limited (formerly STS Gems Limited)	Hong Kong	100%	100%
STS Global Limited (formerly STS Gems Thai Limited)	Thailand	100%	100%
STS Jewels Inc., USA	USA	100%	100%
Vaibhav Vistar Limited	India	100%	100%
Vaibhav Lifestyle Limited	India	100%	99.99%
Shop LC GmbH	Germany	100%	100%
Encase Packaging Private Limited*	India	60%	60%
Step down Subsidiaries:			
Shop TJC Limited	United Kingdom	100%	100%
Shop LC Global Inc.,	USA	100%	100%
Pt. STS Bali	Indonesia	100%	100%
STS (Guangzhou) Trading Limited Company	China	100%	100%

* Acquired on 15 March 2022

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries in the Group are added on a line-by-line basis and intercompany balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Non-controlling interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group, i.e., year ended on 31 March.

b. Business combinations and goodwill

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, after reassessing the fair values of the net assets, the excess is recognized as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

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c. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit and Loss, except exchange differences arising from the long-term investments in unquoted and quoted equity shares are recognised at Fair Value Through Other Comprehensive Income (FVOCI).

ii. Foreign operation

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate average exchange rate for the respective periods. The exchange differences arising on translation for consolidation are reported as a component of 'other comprehensive income (loss)'. On disposal of a foreign operation, the component of Other Comprehensive Income (OCI) relating to that particular foreign operation is recognized in the Statement of Profit and Loss.

d. Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. For an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g., non-recourse features).

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	**These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.**
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the Statement of Profit and Loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

iii. De-recognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments to hedge its foreign currency and commodity risks. Derivatives are measured at fair value. The treatment of changes in the value of derivative depends on their use as explained below:

Cash flow hedges:
Derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in other comprehensive income. Any ineffective elements of the hedge are recognised in the Statement of Profit and Loss.

If the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the statement of profit and loss at the same time as the related cash flow.

Derivatives for which hedge accounting is not applied:
Derivative financial instruments for which hedge accounting is not applied are initially recognised at fair value on the date on which a derivative contract is entered and are subsequently measured at FVTPL.

e. Property, plant and equipment

i. Recognition and measurement
Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation, accumulated impairment losses, non- refundable taxes and custom duties, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation
Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods along with comparison with Schedule II of the Act are as follows:

Asset	Estimated useful life (in years)
Building	30
Plant and equipment	15
Electric installation	10
Furniture and fixtures	5-10
Office equipment	5
Computers	3
Vehicles	8
Lease hold improvement	Over the lease period or useful life of the asset, whichever is lower

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets are therefore different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

iv. Leased assets
Leasehold improvements are amortised over their useful life or the lease period, whichever is lower. Leasehold lands are amortized over the period of lease. Building constructed on leasehold land are depreciated based on the useful life as stated above, where the lease period

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of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

f. Goodwill, other intangible assets and intangible assets under development

Goodwill on consolidation

For measurement of goodwill that arises on a business combination (see Note 3(b)). Subsequent measurement is at cost less any accumulated impairment losses.

Other intangible assets

Intangible assets include computer software. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

i. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

ii. Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Estimated useful life (in years)
Software	3-5
Broadcast rights	10

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets under development

Intangible assets under development includes website development, mobile app development etc. which is capitalized as per the milestones defined in the management plan or contract with the vendor.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Identification of a specific item and determination of estimated net realizable value involve technical judgments of the management supported by valuation from an independent valuer.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

h. Impairment

i. Impairment of financial instruments

Financial instruments that potentially subject the Group to concentration of credit risk consist principally of cash and bank balances, short term deposits with banks, trade receivables, investment securities and derivative instruments. The cash resources of the Group are invested in banks and liquid funds after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

The customers of the Group are primarily the retail customers based in the United States of America and United Kingdom and accordingly, trade receivables are concentrated in the respective countries. The Group periodically assesses historical bad debts and ageing of accounts receivable.

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In accordance with Ind-AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The group follows 'simplified approach'. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the Statement of Profit and Loss. This amount is reflected in a separate line in the Profit and Loss as an impairment gain or loss. In balance sheet ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Employee Benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Share based payment

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of expense / credit in Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there is also service conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

iii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

The Group contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. Other long-term employee benefits

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the Statement of Profit and Loss in the period in which the absences occur. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

vi. Other foreign defined contribution plans

Contributions to other foreign defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

j. Provision (other than for employee benefits)

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of

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a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Provisions for returns

Group records adjustments and allowances for sales returns and uncollectible receivables. Each of these adjustments is estimated based on historical experience. Sales returns are calculated as a percent of sales and are netted against revenue in the consolidated statement of operations.

k. Revenue

Sale of products

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

The Group's general policy is to allow customers to return goods for up to thirty days after the date of delivery. An allowance for returned goods is provided at the time revenue is recorded as a percentage of sales based on historical experience.

Other operating revenues

Duty benefits are recognized on accrual basis and when the right to entitlement has been established.

l. Recognition of dividend income, interest income or expense

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

n. Tax Expense

Tax Expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. “

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

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Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

iii. Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of credit to the Statement of Profit and Loss and included in deferred tax assets. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income tax during the specified period.

Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from fiscal year 2019-20, allows any domestic Company to pay availing income tax at the rate of 25.17% subject to condition they will not avail any incentive or exemptions. The lower rate is an option and companies can continue to account based on the old rates. The Parent Company will be shifting under new tax regime once the Parent Company is able to utilise MAT credit entitlement. Hence, the Parent Company decided not to opt for lower rate.

o. Sales / Value Added Taxes (VAT) / Goods and Services Tax (GST)

Expenses and assets are recognised net of the amount of sales/ value added taxes/ goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

p. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the

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cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

q. Treasury shares

The group has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The group uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. Company issue shares to EBT for allotting them to the employees of Group. EBT is treated as an extension of the Group, and accordingly, shares held by EBT are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets, liabilities, income and expenses of the Group, except for profit / loss on issue of shares to the employees and the dividend earned by the trust which are directly taken to the Share Based Payment Reserve.

r. Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

s. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t. Dividend

Final dividends proposed by the Board of Directors are recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors.

u. Earnings per share (EPS)

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted 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). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented

v. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined in Ind AS 108,'Operating Segments' for allocating resources and assessing performance. The Group has identified geographical segments as its reporting segments based on the CODM approach.

w. Standards issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The

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amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements which is not expected to be material.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

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4 PROPERTY, PLANT AND EQUIPMENT *

Reconciliation of carrying amount

Particulars	Note	Freehold Land	Leasehold Improvement	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost										
Balance at 01 April 2021		**61.90**	**2,481.61**	**2,180.46**	**6,557.73**	**1,321.65**	**1,187.87**	**2,642.80**	**260.33**	**16,694.35**
Acquisition through business combination	48	100.00	-	173.56	348.98	5.45	1.90	0.98	-	630.87
Additions		10,312.23	356.22	841.29	6,618.39	311.78	276.92	720.10	84.83	19,521.76
Disposals		-	(1.88)	-	(12.37)	(0.40)	(3.07)	(10.17)	-	(27.89)
Exchange differences on translation of foreign operations		-	68.16	(3.31)	47.21	37.86	15.51	70.16	(0.54)	235.05
Balance at 31 March 2022		**10,474.13**	**2,904.11**	**3,192.00**	**13,559.94**	**1,676.34**	**1,479.13**	**3,423.87**	**344.62**	**37,054.14**
Balance at 01 April 2022		**10,474.13**	**2,904.11**	**3,192.00**	**13,559.94**	**1,676.34**	**1,479.13**	**3,423.87**	**344.62**	**37,054.14**
Additions		1.87	79.44	152.18	824.89	92.83	94.19	288.49	50.89	1,584.78
Disposals		-	-	-	(13.58)	-	(24.69)	(2.04)	(0.94)	(41.25)
Exchange differences on translation of foreign operations		849.13	292.94	25.01	618.59	148.81	99.17	262.35	10.10	2,306.10
Balance at 31 March 2023		**11,325.13**	**3,276.49**	**3,369.19**	**14,989.84**	**1,917.98**	**1,647.80**	**3,972.67**	**404.67**	**40,903.77**
Accumulated depreciation										
Balance at 01 April 2021		**-**	**1,535.46**	**392.64**	**2,856.72**	**934.18**	**601.59**	**1,955.40**	**149.93**	**8,425.92**
Depreciation	35	-	475.48	94.63	1,157.62	168.11	280.66	461.20	33.91	2,671.61
Exchange differences on translation of foreign operations		-	58.97	(0.78)	37.79	32.30	10.14	62.34	(0.50)	200.26
Balance at 31 March 2022		**-**	**2,069.91**	**486.49**	**4,052.13**	**1,134.59**	**892.39**	**2,478.94**	**183.34**	**11,297.79**
Balance at 01 April 2022		**-**	**2,069.91**	**486.49**	**4,052.13**	**1,134.59**	**892.39**	**2,478.94**	**183.34**	**11,297.79**
Depreciation	35	-	449.73	117.92	1,622.82	151.12	479.60	459.88	34.24	3,315.31
Exchange differences on translation of foreign operations		-	242.59	4.22	296.91	130.15	71.08	241.91	5.84	992.70
Balance at 31 March 2023		**-**	**2,762.23**	**608.63**	**5,971.86**	**1,415.86**	**1,443.07**	**3,180.73**	**223.42**	**15,605.80**
Carrying amounts										
At 31 March 2022		**10,474.13**	**834.20**	**2,705.51**	**9,507.81**	**541.75**	**586.74**	**944.93**	**161.28**	**25,756.35**
At 31 March 2023		**11,325.13**	**514.26**	**2,760.56**	**9,017.98**	**502.12**	**204.73**	**791.94**	**181.25**	**25,297.97**

* Refer note 42 for assets hypothecated as security against bank borrowings.

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5 CAPITAL WORK IN PROGRESS

Reconciliation of carrying amount

Particulars	31 March 2023	31 March 2022
Opening balance	**110.69**	**770.43**
Additions during the year	793.12	3,341.16
Capitalisation during the year	(521.18)	(3,997.77)
Exchange differences on translation of foreign operations	6.74	(3.13)
Closing balance	**389.37**	**110.69**

Ageing of Capital work-in-progress

As at 31 March 2023	Amount in Capital work in progress for a period of				
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	310.86	78.51	-	-	389.37

As at 31 March 2022	Amount in Capital work in progress for a period of				
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	110.69	-	-	-	110.69

6 RIGHT-OF-USE ASSETS

Leases as lessee

Right-of-use assets related to leased properties that do not meet the definition of investment property:

Particulars	Note	Land	Buildings	Total
As at 31 March 2023				
Balance as at 1 April 2022		**849.24**	**5,523.46**	**6,372.70**
Depreciation charge for the year	35	(26.52)	(1,916.75)	(1,943.27)
Additions to right-of-use assets		-	3,370.70	3,370.70
Exchange differences on translation of foreign operations		4.45	318.23	322.68
Balance as at 31 March 2023		**827.17**	**7,295.64**	**8,122.81**
As at 31 March 2022				
Balance as at 1 April 2021		**858.38**	**2,426.12**	**3,284.50**
Depreciation charge for the year	35	(9.96)	(1,748.17)	(1,758.13)
Additions to right-of-use assets		-	4,817.44	4,817.44
Exchange differences on translation of foreign operations		0.82	28.07	28.89
Balance as at 31 March 2022		**849.24**	**5,523.46**	**6,372.70**

As at Balance sheet date, the Company is not exposed to future cashflows relating to extension / termination options, residual value guarantees and leases not commenced to which lessee is committed. The total amount of cashflow on account of leases for the year has been disclosed in the consolidated cash flow statement of cash flows.

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The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Amount recognised in profit or loss

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on lease liabilities	34	264.48	310.06
Expenses relating to short-term leases	36	1,677.06	1,036.31
		1,941.54	**1,346.37**

Amounts recognised in statement of cash flows

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Total cash outflow for leases	**(2,634.67)**	**(1,821.27)**

7 INTANGIBLE ASSETS

Reconciliation of carrying amount

Particulars	Note	Softwares (a)	Broadcast rights (b)	Other intangible assets (a) + (b)	Goodwill on consolidation
Cost					
Balance at 01 April 2021		**7,811.63**	**1,831.11**	**9,642.74**	**2,868.32**
Additions*		3,448.82	7,289.47	10,738.29	181.00
Written off / disposals		(7.99)	-	(7.99)	-
Exchange differences on translation of foreign operations		155.36	(17.92)	137.44	-
Balance at 31 March 2022		**11,407.82**	**9,102.66**	**20,510.48**	**3,049.32**
Balance at 01 April 2022		**11,407.82**	**9,102.66**	**20,510.48**	**3,049.32**
Additions		4,765.32	-	4,765.32	-
Written off / disposals		(2.53)	-	(2.53)	-
Exchange differences on translation of foreign operations		866.17	212.68	1,078.85	-
Balance at 31 March 2023		**17,036.78**	**9,315.34**	**26,352.12**	**3,049.32**
Accumulated amortisation					
Balance at 01 April 2021		**6,422.51**	**1,384.06**	**7,806.57**	**-**
Amortisation	35	806.71	244.47	1,051.18	-
Exchange differences on translation of foreign operations		145.04	(16.63)	128.41	-
Balance at 31 March 2022		**7,374.26**	**1,611.90**	**8,986.16**	**-**
Balance at 01 April 2022		**7,374.26**	**1,611.90**	**8,986.16**	**-**
Amortisation	35	1,696.46	820.25	2,516.71	-
Exchange differences on translation of foreign operations		605.94	61.73	667.67	-
Balance at 31 March 2023		**9,676.66**	**2,493.88**	**12,170.54**	**-**
Carrying amounts					
At 31 March 2022		**4,033.56**	**7,490.76**	**11,524.32**	**3,049.32**
At 31 March 2023		**7,360.12**	**6,821.46**	**14,181.58**	**3,049.32**

Goodwill is allocated to the acquisition of below subsidiaries:

Particulars	31 March 2023	31 March 2022
STS Jewels Inc., USA	2,867.05	2,867.05
Encase Packaging Private Limited, India	181.00	181.00
VGL Retail Ventures Limited, Mauritius	1.27	1.27
	3,049.32	**3,049.32**

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The recoverable amount of each CGU is based on fair value less costs to sell, estimated using discounted cash flows. The fair value measurement has been categorized as Level 3 fair value based on the inputs to the valuation technique used.

During the year, there has been no impairment loss recognised on goodwill. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been assigned based on historical data both from external and internal sources.

Particulars	31 March 2023	31 March 2022
Discount rate	17.00%	16.25%
Terminal value growth rate	3.00%	7.70%
Budgeted EBITDA growth rate	6.00% to 20.00%	10.00% to 12.00%

The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital. 'The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make. Budgeted EBITDA has been estimated taking into account past experience.

8 INTANGIBLE ASSET UNDER DEVELOPMENT

Reconciliation of carrying amount

Particulars	31 March 2023	31 March 2022
Opening balance	2,555.20	2,161.69
Additions during the year	2,175.12	3,481.00
Capitalisation during the year	(4,741.08)	(3,129.43)
Exchange differences on translation of foreign operations	109.85	41.94
Closing balance	**99.09**	**2,555.20**

Ageing for Intangible asset under development:

As at 31 March 2023	Amount in Intangible asset under development for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	96.09	3.00	-	-	99.09

As at 31 March 2022	Amount in Intangible asset under development for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	2,073.27	472.00	9.92	-	2,555.20

9 FINANCIAL ASSETS - INVESTMENTS

Particulars		31 March 2023	31 March 2022
A	**Non-current investments**		
	Unquoted		
	Investment in equity instruments at FVTPL		
	1,000 (31 March 2022: 1,000) equity shares of Yen 50 each Asahi Shinkin Bank Stock	0.31	0.31
	Total unquoted non current investments	**0.31**	**0.31**
	Note:		
	Aggregate amount of unquoted non-current investments	0.31	0.31
	Aggregate amount of impairment in value of non-current investments	-	-

Note: Parent Company had investment of ₹ 52.07 lacs (Impairment loss recognised - ₹ 52.07 lacs) in VGL Softech Limited. During previous year, VGL Softech Limited was struck off from the register of companies and dissolved via notice dated 27 October 2021 w.e.f. 21 March 2022. The investment is now written off.

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as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars		31 March 2023	31 March 2022
B	**Current investments**		
	Unquoted investments at FVTPL		
	Investment in liquid mutual funds:		
	JP Morgan Prime MM C3605 - 93,505.59 units (31 March 2022 - 2,515,186.19 units)	76.92	1,899.47
	AGI Heritage Sel 3801 - 62,787.87 units (31 March 2022 - Nil units)	51.66	-
	Goldman FS MM Inst 474 - 14,183.80 units (31 March 2022 - 7,631.19 units)	11.67	5.76
	Goldman FS TR OB Ins 468 - 12,361.32 units (31 March 2022 - 1,501,993 units)	10.17	1,134.30
	Wells Fargo Treasury Plus Money Market Fund - I	-	0.08
	Investment in corporate bonds:		
	Indian Oil Corp 5.75% - 1,620,000 units (31 March 2022 - 1,620,000 units)	1,334.20	1,264.04
	ONGC Videsh Ltd 3.75% - 1,380,000 units (31 March 2022 - 1,380,000 units)	1,133.42	1,049.37
	NTPC LTD FGN 3.75%- 1,000,000 units (31 March 2022 - 1,000,000 units)	810.67	756.78
	Bharat Petrol SR unsec regs 4.625% - Nil units (31 March 2022 - 1,200,000 units)	-	914.67
	Bharat Petrol SR unsec regs 4.625% - Nil units (31 March 2022 - 1,000,000 units)	-	762.22
	ICICI Bank Dubai 3.25% - Nil units (31 March 2022 - 775,000 units)	-	585.72
	Advantage Bank Deposit FDIC- Nil units (31 March 2022 - 59,169.40 units)	-	44.68
	Total current investments at FVTPL	**3,428.71**	**8,417.09**
	Note:		
	Aggregate amount of unquoted current investments	3,429.02	8,417.40
	Aggregate amount of impairment in value of current investments	-	-

10 OTHER FINANCIAL ASSETS

Particulars	31 March 2023	31 March 2022
Non- Current		
Balance with bank to the extent held as security *	53.09	98.28
Security deposits, unsecured, considered good	771.12	739.27
Other receivables	-	211.13
	824.21	**1,048.68**
Current		
Interest accrued on deposits with banks	237.38	193.88
	237.38	**193.88**

* Pledged with custom authority, vendors against the procurement of raw material and bank for credit card and short term borrowings.

11 OTHER TAX ASSETS (NET)

Particulars	31 March 2023	31 March 2022
Deposits with tax authorities	1,135.89	2,326.65
	1,135.89	**2,326.65**

12 OTHER NON- CURRENT ASSETS

Particulars	31 March 2023	31 March 2022
Capital advances	25.52	66.84
Prepaid expenses	34.08	-
	59.60	**66.84**

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13 INVENTORIES*

Particulars	31 March 2023	31 March 2022
Raw materials (including gemstone inventory of ₹ 8,269.35 lacs (31 March 2022: ₹ 7,552.96 lacs)	10,962.77	9,956.40
Work-in-progress	316.70	326.95
Finished goods **	51,050.16	50,015.09
Stores and consumables	164.19	166.29
Right to recover returned goods ***	1,757.61	1,481.63
Total inventories	**64,251.43**	**61,946.36**

* Refer note 42 for current assets hypothecated as security against bank borrowings

** Finished goods includes goods purchased for re-sale, as both are stocked together

*** Denotes sales with right to return

14 TRADE RECEIVABLES*

Particulars	31 March 2023	31 March 2022
Trade receivables		
Trade receivables considered good - unsecured	24,038.46	23,150.15
Trade receivables - credit impaired	1,934.51	1,990.60
Total trade receivables	25,972.97	25,140.75
Less: Loss allowance	(1,934.51)	(1,990.60)
Net trade receivables	**24,038.46**	**23,150.15**

* Refer note 42 for current assets hypothecated as security against bank borrowings.

Ageing of trade receivables

As at 31 March 2023	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	19,076.00	3,308.34	1,654.12	-	-	-	24,038.46
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired			110.72	1,154.85	395.90	263.52	1,925.00
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	9.51	9.51

As at 31 March 2022	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	17,398.57	5,310.64	440.94	-	-	-	23,150.15
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	861.42	948.74	150.41	20.52	1,981.09
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	9.51	-	9.51

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables are included in note 47.

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as at 31 March 2023

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15 CASH AND CASH EQUIVALENTS *

Particulars	31 March 2023	31 March 2022
Balances with bank		
On current account **	5,241.63	3,957.37
Deposits with original maturity of less than three months ***	5,764.71	-
Cash on hand	35.78	46.08
Funds-in-transit	15.88	303.16
Cash and cash equivalents in the balance sheet and cash flows	**11,058.00**	**4,306.61**

* Refer note 42 for current assets hypothecated as security against bank borrowings.

** includes cash balance of ₹ 226.14 lacs (previous year: ₹ 129.23 lacs) for balances with banks in Vaibhav Global Employee Stock Option Welfare Trust.

*** Deposits of ₹ 1,300.00 lacs (Previous year: Nil) pledged with bank for short term borrowings.

16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS*

Particulars	31 March 2023	31 March 2022
Deposits with banks with original maturity of more than three months but less than twelve months **	12,851.34	6,381.19
Unpaid dividend account ***	12.73	10.21
	12,864.07	**6,391.40**

* Refer note 42 for current assets hypothecated as security against bank borrowings.

** Deposits pledged with custom authority, vendors against the procurement of raw material and bank for credit card and short term borrowings.

*** Does not include any amount payable to Investor Education and Protection Fund.

17 LOANS*

Particulars	31 March 2023	31 March 2022
Current		
Other receivables	141.87	122.27
	141.87	**122.27**

* Refer note 42 for current assets hypothecated as security against bank borrowings.

18 OTHER CURRENT ASSETS*

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Advances other than capital advances		
Advances to suppliers	1,719.74	4,387.61
Others		
Balances with government authorities	1,617.51	2,118.23
Prepaid expenses	2,985.22	2,074.65
Forward contracts receivable	30.01	38.55
Other receivables	519.16	406.88
	6,871.64	**9,025.92**

* Refer note 42 for current assets hypothecated as security against bank borrowings.

19 EQUITY SHARE CAPITAL

Particulars	31 March 2023	31 March 2022
Authorised		
205,000,000 equity shares of ₹ 2 each (31 March 2022: 41,000,000 equity shares of ₹ 10 each)	4,100.00	4,100.00
4,500,000 (31 March 2022: 4,500,000) unclassified equity shares of ₹100 each	4,500.00	4,500.00
	8,600.00	**8,600.00**
Issued, subscribed and fully paid-up shares		
164,882,085 equity shares of ₹ 2 each (31 March 2022: 163,798,614 equity shares of ₹ 2 each)	3,297.63	3,275.96
Total issued, subscribed and fully paid-up share capital	**3,297.63**	**3,275.96**

Notes to Consolidated Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

a) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:

Equity shares of ₹ 2 each issued, subscribed and fully paid	Note	31 March 2023		31 March 2022	
		No. of shares	Amount	No. of shares	Amount
At the commencement of the period		16,37,98,614	3,275.96	3,25,36,798	3,253.67
Adjustment for sub division of equity shares		-	-	13,01,47,192	-
Shares issued on exercise of employee stock options		12,16,960	24.34	13,09,587	26.19
		16,50,15,574	**3,300.30**	**16,39,93,577**	**3,279.86**
Less: Treasury shares	40	1,33,489	2.67	1,94,963	3.90
At the end of the period		**16,48,82,085**	**3,297.63**	**16,37,98,614**	**3,275.96**

b) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share (31 March 2022 of ₹ 2 per share). Each shareholder is eligible for one vote per share held. 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.

c) Employee stock options

Terms attached to stock options granted to employees are described in note 40 regarding share-based payments.

d) Shares held by Ultimate holding company

Particulars	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
Equity shares of ₹ 2 each fully paid up held by holding company (Brett Enterprises Private Limited)	9,20,42,991	1,840.86	9,16,04,491	1,832.09

e) Particulars of shareholders holding more than 5% shares of a class of shares:

Name of the shareholder	31 March 2023		31 March 2022	
	% of Holding	No. of shares	% of Holding	No. of shares
Brett Enterprises Private Limited *	55.78%	9,20,42,991	55.86%	9,16,04,491
Nalanda India Fund Limited	10.18%	1,67,98,565	10.24%	1,67,98,565
Motilal Oswal Fund	5.50%	90,71,323	6.78%	1,11,24,357
Malabar India Fund Limited	5.39%	88,98,677	5.43%	88,98,677

f) Shares reserved for issue under options

Particulars	31 March 2023			31 March 2022		
	No of shares	WAEP	Amount	No of shares	WAEP	Amount
Vaibhav Global Limited, Employee Stock Options Plan - 2006	33,79,950	153.02	67.60	48,06,526	153.77	96.13
Vaibhav Global Limited Restricted Stock Unit Plan - 2019	6,72,327	2.00	13.45	2,36,797	2.00	4.74
Vaibhav Global Limited, Employee Stock Options Plan - 2021	1,31,483	273.40	2.63	65,678	562.00	1.31
Vaibhav Global Limited, Management Stock Options Plan - 2021	32,470	2.00	0.65	18,689	2.00	0.37

g) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company bought back 865,675 equity shares at an average buyback price of ₹ 831.72 per equity share, comprising 2.63% of the pre-buyback paid-up equity share capital of the Company for an aggregate amount of ₹ 7,199.99 lacs. The buyback of equity shares through the stock exchange commenced on 20 August 2019 and was completed on 25 November 2019.

h) On 22 March 2021, the Board of directors approved, subject to approval of shareholders, the sub-division of equity shares of ₹ 10 each (fully paid up) into five equity shares of ₹ 2 each (fully paid up). The shareholders have approved the sub-division of equity shares through postal ballot resolution dated 24 April 2021. The record date for sub-division was 10 May 2021.

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i) Shareholding of promoters

As at 31 March 2023

Name of the Promoter (Equity shares of ₹ 2 each fully paid up)	No. of shares at the commencement of reporting period	Change during the year	No. of shares at the end of reporting period	% of total shares	% change during the year
Brett Enterprises Private Limited	9,16,04,991	4,38,000	9,20,42,991	55.78%	0.48%
Deepti Agrawal	21,38,000	(45,000)	20,93,000	1.27%	-2.10%
Nirmal Kumar Bardiya *	6,00,000	(6,00,000)	-	0.00%	-100.00%
Kusum Bardiya *	5,63,525	(5,63,525)	-	0.00%	-100.00%
Sunil Agrawal	1,40,700	-	1,40,700	0.09%	0.00%
Sheela Agarwal	1,13,200	-	1,13,200	0.07%	0.00%
Hursh Agrawal	50,000	-	50,000	0.03%	0.00%
Sanjeev Agrawal	42,100	-	42,100	0.03%	0.00%
Total	**9,52,52,516**	**(7,70,525)**	**9,44,81,991**	**57.26%**	**-0.81%**

* During the current year, Company has made the application for reclassification of the above promoters/promoter group of the Company to public shareholders and the same is approved by BSE Limited and National Stock Exchange of India Limited on 17 March 2023.

As at 31 March 2022

Name of the Promoter (Equity shares of ₹ 2 each fully paid up)	No. of shares at the commencement of reporting period	Change during the year	No. of shares at the end of reporting period	% of total shares	% change during the year
Brett Enterprises Private Limited	9,08,63,820	7,41,171	9,16,04,991	55.86%	0.82%
Deepti Agrawal	21,38,000	-	21,38,000	1.30%	0.00%
Nirmal Kumar Bardiya	7,52,905	(1,52,905)	6,00,000	0.37%	-20.31%
Kusum Bardiya	8,26,025	(2,62,500)	5,63,525	0.34%	-31.78%
Sunil Agrawal	1,40,700	-	1,40,700	0.09%	0.00%
Sheela Agarwal	1,12,250	950	1,13,200	0.07%	0.85%
Hursh Agrawal	50,000	-	50,000	0.03%	0.00%
Sanjeev Agrawal	41,600	500	42,100	0.03%	1.20%
Total	**9,49,25,300**	**3,27,216**	**9,52,52,516**	**58.09%**	**0.34%**

20 OTHER EQUITY - RESERVES AND SURPLUS

A. Movement in reserves and surplus

Particulars	Note	31 March 2023	31 March 2022
Securities premium	i	35,430.62	32,937.41
Share based payment reserve	ii	1,511.40	1,160.22
Capital redemption reserve	iii	4,486.57	4,486.57
Capital reserve	iv	954.76	954.76
General reserve	v	1,296.47	1,296.47
Retained earnings	vi	66,688.09	66,501.09
Total reserves and surplus		**1,10,367.91**	**1,07,336.52**

i. Securities premium

Particulars	Note	31 March 2023	31 March 2022
Opening balance		32,937.41	31,049.52
Share options exercised		2,668.59	2,157.58
Treasury shares	40	(175.38)	(269.69)
Closing balance		**35,430.62**	**32,937.41**

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ii. Share based payment reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		1,160.22	1,666.60
Equity settled share based payments	33	1,361.90	925.22
Transfer to securities premium and other reserves		(1,010.72)	(1,431.60)
Closing balance		**1,511.40**	**1,160.22**

iii. Capital redemption reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		4,486.57	4,486.57
Movement during the year		-	-
Closing balance		**4,486.57**	**4,486.57**

iv. Capital reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		954.76	954.76
Movement during the year		-	-
Closing balance		**954.76**	**954.76**

v. General reserve

Particulars	Note	31 March 2023	31 March 2022
Opening balance		1,296.47	1,296.47
Movement during the year		-	-
Closing balance		**1,296.47**	**1,296.47**

vi. Retained earnings

Particulars	Note	31 March 2023	31 March 2022
Opening balance		66,501.09	52,145.64
Profit for the year		10,496.21	23,771.13
Other comprehensive (loss)/income for the year		(83.31)	72.45
Dividends		(9,879.57)	(9,812.66)
Dividend distribution tax		(346.33)	(450.14)
Transfer from share based payment reserve		-	826.99
Decrease in reserves due to reduction in non - controlling interest on purchase of further shares in subsidiary		-	(52.32)
Closing balance		**66,688.09**	**66,501.09**

B. Nature and purpose of reserves:

i) Securities premium

Securities premium is used to record the premium on issue of shares. It is utilized in accordance with the provision of the Companies Act, 2013.

ii) Share based payment reserve

The Group has established various equity-settled share-based payment plans for certain categories of employees of the Group. Refer note 40 for further details of these plans.

iii) Capital redemption reserve

As per the Companies Act, 2013, capital redemption reserve is created when the Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

iv) Capital reserve

The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

v) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

vi) Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

C. Dividends

Dividend declared by the Company are based on the profit available for distribution in accordance with Section 123 of the Companies Act, 2013. The following dividends were declared and paid by the Company during the year:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
₹ 1.5 per equity share as final dividend for the year ended 31 March 2022	2,465.45	-
₹ 1.5 per equity share as interim dividend for the year ended 31 March 2023	2,468.16	-
₹ 1.5 per equity share as second interim dividend for the year ended 31 March 2023	2,471.63	-
₹ 1.5 per equity share as third interim dividend for the year ended 31 March 2023	2,474.33	-
₹ 1.5 per equity share as final dividend for the year ended 31 March 2021	-	2,448.12
₹ 1.5 per equity share as interim dividend for the year ended 31 March 2022	-	2,450.23
₹ 1.5 per equity share as second interim dividend for the year ended 31 March 2022	-	2,455.07
₹ 1.5 per equity share as third interim dividend for the year ended 31 March 2022	-	2,459.24
	9,879.57	**9,812.66**

On 17 May 2023, the Board of Directors of the Company have proposed a final dividend of ₹ 1.5/- per equity share for the year ended 31 March 2023 subject to the approval of the shareholders at the Annual General Meeting. The dividends have not been recognised as liabilities.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
₹ 1.5 per equity share having face value of ₹ 2/- each (31 March 2022: ₹ 1.5 per equity share having face value of ₹ 2/- each)	2,475.23	2,459.90

21 OTHER EQUITY - ANALYSIS OF ACCUMULATED OCI, NET OF TAX

Items OCI (net of tax)

Exchange differences on translation of foreign operations

Particulars	31 March 2023	31 March 2022
Opening balance	**2,064.76**	**1,530.06**
Movement during the year	4,399.10	534.70
Closing balance	**6,463.86**	**2,064.76**

Exchange differences on translation of foreign operations

This comprise of all exchange differences arising from translation of financial statements of foreign operations as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

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22 NON-CONTROLLING INTEREST

The following table summarizes the information relating to each of the Group's subsidiary that has material NCI, before any intra-group eliminations.

Particulars	Encase Packaging Private Limited	
	31 March 2023	31 March 2022
NCI percentage	40.00%	40.00%
Non-current assets	681.66	646.63
Current assets	314.63	362.42
Non-current liabilities	(323.77)	(261.31)
Current liabilities	(246.20)	(365.32)
Net assets	**426.32**	**382.42**
Net assets attributable to NCI	**170.53**	**152.97**
Revenue	996.55	21.48
Profit	43.89	(22.52)
Other comprehensive income	-	-
Total comprehensive income	43.89	(22.52)
Profit allocated to NCI	17.56	(9.01)
OCI allocated to NCI	-	-
Cash flows used in operating activities	(1.47)	(329.16)
Cash flows used in investment activities	(84.27)	-
Cash flows from financing activities (dividends to NCI: nil)	17.95	399.77
Net (decrease)/increase in cash and cash equivalents	**(67.79)**	**70.61**

23 PROVISIONS

Particulars	Note	Non-Current		Current	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Provision for employee benefits					
Provision for gratuity	39	280.64	227.17	298.75	217.10
Provision for compensated absences	39	214.07	206.86	112.89	89.51
Total provisions for employee benefits (A)		**494.71**	**434.03**	**411.64**	**306.61**
Other provision					
Provision for expected sales return (B)		-	-	3,738.83	3,291.63
Total provisions (A+B)		**494.71**	**434.03**	**4,150.47**	**3,598.24**

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24 BORROWINGS

Particulars	Non-Current		Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Loan repayable on demand from banks:				
Pre-shipment credit (secured) ^	-	-	6,461.26	4,512.24
Post-shipment credit (secured) ^	-	-	4,679.15	5,079.30
Term loans:				
From Bank				
Secured bank loan	231.25	246.51	91.58	95.23
From others	-	14.80	-	-
Total borrowings	**231.25**	**261.31**	**11,231.99**	**9,686.77**

Notes:

a) **Nature of security for pre-shipment and post-shipment credit of Parent Company (Vaibhav Global Limited):**

(i) Secured by charge on all the current assets viz inventory, bill receivable, book debts and all other current assets

(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) 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., USA *

(iv) Pledge of 87,500 ordinary shares of HK $100 each of STS Global Supply Limited, Hongkong (formerly STS Gems Limited) *

(v) Pledge of 12,576,633 equity shares of US $ 1 each of VGL Retail Ventures Limited, Mauritius (formerly Genoa Jewelers Limited) *

(vi) Pledge against fixed deposits with HDFC Bank and Yes Bank for ₹ 3,000.00 lacs

(vii) Personal guarantee of Mr. Sunil Agrawal, Managing Director of the Company

* Pursuant to Company's application with lead banker for release of securities pledged with bank, lead banker has provided approval for releasing the pledge securities and the same is also approved by consortium bankers in their meeting held on 15 June 2022.

b) **Nature of security for pre-shipment and post-shipment credit of Subsidiary Company (Vaibhav Lifestyle Limited):**

(i) Secured by charge on all the current assets viz inventories, book debts and all other current assets

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

a) First charge on plant and machinery and all movable assets of the Company

b) Corporate guarantee from the Immediate Holding Company

c) **Nature of security for term loan of Subsidiary Company (Encase Packaging Private Limited):**

i) Hypothecation of the machinery and utilities such as mechanical works, electrical and controls etc. of the company

ii) Equitable mortgage of land and building situated at 1200, Thespia Dr, Sri City, Chittoor, AP 517646.

iii) Personal guarantees of:

- Shilpa Linga Redddy, Director of the Company
- Pavan K Pullula, Director of the company
- Ram Kumar Voleti, Member of the Company

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

d) **Bank loan:**

During the financial year 2020-21, Shop LC Global Inc. (USA) (wholly owned step-down subsidiary of the Parent Company) had availed a loan of USD 48.07 lacs (equivalent to INR 3,520.33 lacs) at 1% interest under Paycheck Protection Program ('PPP') of US Small Business Administration (SBA) under CARES Act of USA. Under SBA guidelines, this loan was eligible for waiver subject to certain conditions, pending which it was classified as borrowings as at 31 March 2021. During the previous year. Shop LC Global Inc. has received approval for waiver of entire loan which has been disclosed as exceptional item amounting to ₹ 3,289.97 lacs (net of expenses) (equivalent to USD 44.70 lacs). Waiver of accrued interest of ₹ 32.46 lacs is netted off from finance cost.

25 TRADE PAYABLES

Particulars	31 March 2023	31 March 2022
Trade payables	25,682.87	27,958.38
	25,682.87	**27,958.38**

As at 31 March 2023	Unbilled dues	Trade payables which are not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed	4,763.00	9,609.24	11,015.66	115.87	33.37	145.73	25,682.87
Disputed	-	-	-	-	-	-	-
Total trade payables	**4,763.00**	**9,609.24**	**11,015.66**	**115.87**	**33.37**	**145.73**	**25,682.87**

As at 31 March 2022	Unbilled dues	Trade payables which are not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed	4,077.55	11,688.53	10,354.27	1,461.33	261.87	114.83	27,958.38
Disputed	-	-	-	-	-	-	-
Total trade payables	**4,077.55**	**11,688.53**	**10,354.27**	**1,461.33**	**261.87**	**114.83**	**27,958.38**

26 OTHER FINANCIAL LIABILITIES

Particulars	31 March 2023	31 March 2022
Employee benefit payables	683.09	616.84
Capital creditors	552.50	310.53
Unclaimed dividend	12.73	10.21
Interest accrued but not due on borrowings	12.58	1.36
Other payables	42.32	11.11
	1,303.22	**950.05**

27 OTHER CURRENT LIABILITIES

Particulars	31 March 2023	31 March 2022
Statutory dues payable	2,261.86	2,092.12
Advance from customers	2,296.14	1,256.28
Other liabilities	2,593.05	2,285.84
	7,151.05	**5,634.24**

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

28 REVENUE FROM OPERATIONS

A. Revenue streams

Group generates revenue primarily from sales of fashion jewelery and lifestyle products. Other sources of revenue comprises immaterial amounts related to subscription income from customers.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	2,67,878.92	2,74,197.94
Other operating revenues	1,212.52	1,045.22
Total revenue from operations	**2,69,091.44**	**2,75,243.16**

B. Primary geographical markets

In the following table, revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Primary geographical markets		
United States of America	1,77,327.42	1,83,308.47
United Kingdom	71,105.44	81,012.33
Germany	12,020.81	3,492.19
India	5,528.48	5,254.32
Rest of world	1,896.77	1,130.63
Revenue from contracts with customers	**2,67,878.92**	**2,74,197.94**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Timing of revenue recognition		
- Products transferred at a point in time	2,67,878.92	2,74,197.94

29 OTHER INCOME

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on deposits and others	670.91	432.11
Gain on sale of property plant and equipment (net)	0.97	7.69
Net gain on foreign currency transactions	1,256.17	459.40
Liabilities no longer required written back	39.45	160.26
Miscellaneous income	795.21	1,124.5
	2,762.71	**2,183.95**

30 COST OF MATERIALS CONSUMED

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Inventory of materials at the beginning of the year	13	9,956.40	9,899.48
Add: Purchases		27,288.08	29,955.19
		37,244.48	**39,854.67**
Less: Inventory of materials at the end of the year	13	(10,964.65)	(9,956.40)
Cost of materials consumed		**26,279.83**	**29,898.27**

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

31 PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchases of stock-in-trade	69,964.17	84,646.22
	69,964.17	**84,646.22**

32 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Inventory at the beginning of the period			
Work in progress	13	326.95	346.05
Finished goods *	13	51,496.72	34,289.10
Inventory at the end of the period			
Work in progress	13	316.70	326.95
Finished goods *	13	52,805.89	51,496.72
Loss on translation of stock at average rate		3,439.84	382.91
		2,140.92	**(16,805.61)**

* Finished goods includes goods purchased for re-sale, as both are stocked together.

33 EMPLOYEE BENEFITS EXPENSE

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	39	42,767.35	42,963.15
Contribution to provident and other funds	39	4,163.39	4,272.77
Share-based payments	40	1,387.90	925.22
Staff welfare expenses		3,193.51	2,781.18
		51,512.15	**50,942.32**

34 FINANCE COSTS

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost		374.58	168.30
Interest expense on lease liabilities		264.48	310.06
Other finance costs		180.62	131.33
		819.68	**609.69**

35 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Deprecitaion of property, plant and equipment	4	3,315.31	2,671.61
Depreciation of right-of-use assets	6	1,943.27	1,758.13
Amortisation of intangible assets	7	2,516.71	1,051.18
		7,775.29	**5,480.92**

Notes to Consolidated Financial Statements

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

36 OTHER EXPENSES

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
a.	**Manufacturing and direct expenses**		
	Job work charges	4,739.81	4,738.27
	Stores and consumables	642.75	640.38
	Power and fuel	367.78	313.96
	Repairs and maintenance - machinery	21.58	47.14
	Other manufacturing and direct expenses	552.34	352.02
		6,324.26	**6,091.77**
b.	**Administrative and selling expenses**		
	Rent	1,677.06	1,036.31
	Rates and taxes	581.48	405.00
	Insurance	662.65	592.17
	Travelling and conveyance	1,366.46	723.32
	Legal and professional fees (refer below note)	1,271.36	1,140.42
	Repairs and maintenance - others	505.34	475.07
	Advertising and sales promotion	4,818.51	4,906.43
	Packing and forwarding	2,915.16	6,600.87
	Postage and telephone	442.32	728.11
	Printing and stationery	161.85	163.55
	Security	285.18	301.27
	Directors' remuneration	174.15	126.80
	Directors' sitting fees	35.63	41.03
	Charitable contribution	693.09	821.47
	Impairment losses on financial assets	2,571.99	2,150.88
	Loss on sale/write off of property, plant and equipments	-	8.46
	Content and broadcasting	41,504.08	34,750.58
	Call handling and collection	9,013.96	8,467.15
	Packing and distribution	19,771.80	24,198.13
	Information technology	2,252.15	2,380.35
	Miscellaneous	2,203.17	2,315.73
		92,907.39	**92,333.10**
		99,231.65	**98,424.87**

Note: Payment to auditors

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
As auditor	199.50	111.27
For taxation matters	39.10	47.73
For reimbursement of expenses	23.97	22.00
	262.57	**181.00**

37 TAX EXPENSE

a) Amounts recognised in profit or loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax expense		
Current year	3,967.30	3,672.92
Deferred tax expense		
Attributable to original and reversal of temporary differences	(350.61)	(329.49)
	3,616.69	**3,343.43**

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

b) Amounts recognised in other comprehensive income

Particulars	31 March 2023		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	(171.99)	44.34	(127.65)
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences	4,399.10	-	4,399.10

Particulars	31 March 2022		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	150.29	(38.92)	111.37
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences	534.70	-	534.70

c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
	%	Amount	%	Amount
Profit before tax		**14,130.46**		**27,054.59**
Tax using the Company's domestic tax rate	34.94%	4,937.76	34.94%	9,453.97
Effect of change in tax rates from Parent Company's tax rates	(20.59%)	(2,909.04)	(15.36%)	(4,156.55)
Tax effects of:				
- Net tax impact on deduction/ disallowances in ascertaining taxable income as per Income Tax Act 1961	(0.52%)	(73.91)	0.25%	68.39
- Net of timing difference reversed within tax exemption period and prior period deferred taxation	(0.51%)	(72.35)	(0.14%)	(38.43)
- Current-year losses for which no deferred tax asset is recognised[#]	14.66%	2,071.63	5.67%	1,532.82
- Non recognition of deferred tax against foreign tax credit due to absence of reasonable certainty	9.88%	1,396.13	4.40%	1,190.53
- Deferred tax against foreign tax credit for Financial year 2021 - 22 *	(9.96%)	(1,407.95)	(7.67%)	(2,073.81)
- Tax-exempt income (Section 10AA of income tax exemption)	(2.41%)	(340.43)	(0.57%)	(152.96)
- Net tax impact pursuant to favourable high court order **	0.00%	-	(6.09%)	(1,647.54)
- Tax-exempt income (PPA Loan waiver)	0.00%	-	(2.78%)	(750.88)
- Other adjustments	0.11%	14.86	(0.30%)	(82.11)
	25.59%	**3,616.69**	**12.36%**	**3,343.43**

*During previous year, the Parent Company has reassessed tax benefits under section 91 of the Income tax Act, 1961 ('Act'), based on which incremental minimum alternate tax credit of ₹ 605.62 lacs was recognized for the financial year 2020-21.

**In earlier years, the Parent Company had claimed losses incurred by its overseas subsidiary as business expenditure upto the extent of its investment in such overseas subsidiary. The Parent Company's appeal on this issue was allowed by the Income-tax Appellate Tribunal ('ITAT') in earlier years, and the Honorable High Court (Rajasthan) dismissed the appeal filed by the Income-tax Department ('ITD') on this issue during the preivious year. Accordingly, the Company has recognised income-tax credit of ₹ 671.17 lacs under current tax and MAT credit of ₹ 976.37 lacs in previous year.

The Parent Company has benefited from certain tax incentives that the Government of India has provided for the units situated in Special Economic Zones (SEZs) under the Special Economic Zone Act, 2005, which began providing services on or after 1 April 2005. The eligible units are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50% of such profits and gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions.

The Parent Company is subject to Minimum Alternate Tax (MAT) on its book profits, which gives rise to future economic benefits in the form of adjustment of future income tax liability. MAT paid for a year can be set-off against the normal tax liability within fifteen subsequent years, expiring between the years 2029 to 2037.

[#] Certain subsidiaries have not recognised any deferred tax on carried forward losses as it has recently become operational and trend of profitability is yet to be established (refer note below).

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d) MAT credit entitlement

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	2,020.33	360.24
Add: MAT credit entitlement during the year	-	1,660.09
Closing balance	**2,020.33**	**2,020.33**

e) Movement in deferred tax balances

Particulars	Property, plant and equipment	Provision for employee benefits	MAT credit entitlement and tax losses carried forward	Other items	Total
Balance as at 01 April 2021	**(37.04)**	**166.69**	**344.33**	**1,460.68**	**1,934.66**
Recognised in profit and loss	(1,780.86)	6.21	-	394.51	(1,380.14)
Recognised in OCI	-	(38.92)	-	-	(38.92)
MAT credit entitlement	-	-	1,676.00	-	1,676.00
Balance as at 31 March 2022	**(1,817.90)**	**133.98**	**2,020.33**	**1,855.19**	**2,191.60**
Balance as at 01 April 2022	**(1,817.90)**	**133.98**	**2,020.33**	**1,855.19**	**2,191.60**
Recognised in profit and loss	(46.88)	87.55	-	309.94	350.61
Recognised in OCI	-	44.34	-	-	44.34
MAT credit entitlement	-	-	-	-	-
Balance as at 31 March 2023	**(1,864.78)**	**265.87**	**2,020.33**	**2,165.13**	**2,586.55**

f) Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Deductible temporary differences and tax losses	3,604.45	1,532.82
MAT credit entitlement	2,586.66	1,190.53

g) Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

Particulars	31 March 2023	Expiry date	31 March 2022	Expiry date
Tax losses of Shop LC GmbH, Germany	3,409.23	Indefinite	1,484.78	Indefinite
Tax losses of Other Subsidiaries	48.04	31 March 2030	48.04	31 March 2030
Tax losses of Other Subsidiaries	147.18	31 March 2031	-	-
Total	**3,604.45**		**1,532.82**	

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(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

38 EARNINGS PER SHARE ("EPS")

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A.	**Basic earnings per share**		
	The calculation of basic EPS has been based on the following profit attributable to equity shareholders and weighted-average number of equity shares outstanding		
i.	Profit for the year, attributable to the owners of the Company	10,496.21	23,771.13
ii.	Weighted average number of equity shares (basic)		
	Opening balance *	16,37,98,614	16,26,83,990
	Effect of share options exercised	5,18,738	6,08,078
	Weighted average number of equity shares for the year *	**16,43,17,352**	**16,32,92,068**
iii.	**Basic earnings per share**	**6.39**	**14.56**
B.	**Diluted earnings per share**		
	The calculation of diluted EPS has been based on the following profit attributable to equity shareholders and weighted-average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares		
i.	Profit attributable to equity shareholders	10,496.21	23,771.13
ii.	Weighted average number of equity shares for (diluted)		
	Weighted-average number of equity shares (basic)	16,43,17,352	16,32,92,068
	Effect of share options on issue	24,88,194	36,53,989
	Weighted average number of equity shares (diluted) for the year *	**16,68,05,546**	**16,69,46,057**
iii.	**Diluted earnings per share**	**6.29**	**14.24**

* Excludes treasury shares (refer note 40)

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the previous six months.

39 EMPLOYEE BENEFITS

A. Defined contribution plan

During the year the Company and its subsidiaries in India have recognized the following amounts in the statement of profit and loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employer's contribution to Employee's Provident Fund	239.91	282.36
Employer's contribution to Employee's State Insurance	37.75	58.58
Employer's contribution to National Pension Scheme	14.07	9.68
	291.73	**350.63**

The Group has contributed ₹ 2,170.08 lacs (previous year: ₹ 2,073.53 lacs) towards other defined contribution plans of subsidiaries outside India.

B. Defined benefit plan

(i) Gratuity

The Group has a defined benefit gratuity plan in India. Every employee gets a gratuity on retirement/termination/resignation at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognised in the consolidated statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Details of actuarial valuation carried out on balance sheet date as under:

(a) Net benefit expense recognised in the statement of profit and loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	161.84	166.89
Interest cost on benefit obligation	20.13	19.05
Net benefit expenses	**181.97**	**185.94**

(b) Position of the assets and obligation

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Defined benefit obligation	(1,159.34)	(1,021.26)
Fair value of plan assets	579.95	576.99
Liability recognised in balance sheet	**(579.39)**	**(444.27)**

(c) Changes in the defined benefit obligation and fair value of plan assets:

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Year ended 31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
Opening balance	1,021.26	576.99	444.27
Gratuity cost charged to profit or loss			
Service cost	161.84	-	161.84
Net interest expense	54.64	34.51	20.13
Benefits paid	(200.66)	(150.77)	(49.89)
Remeasurement gains/(losses) in other comprehensive income			-
Return on plan assets (excluding amounts included in net interest expense)	-	(5.39)	5.39
Actuarial changes arising from changes in demographic assumptions	(14.88)	-	(14.88)
Actuarial changes arising from changes in financial assumptions	42.55	-	42.55
Experience adjustments	94.59	-	94.59
Contributions by employer	-	124.61	(124.61)
Closing balance	**1,159.34**	**579.95**	**579.39**

Particulars	Year ended 31 March 2022		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
Opening balance	980.68	571.42	409.26
Gratuity cost charged to profit or loss			
Service cost	166.89	-	166.89
Net interest expense	53.88	34.83	19.05
Benefits paid	(96.78)	(61.01)	(35.77)
Remeasurement gains/(losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expense)	-	27.96	(27.96)
Actuarial changes arising from changes in demographic assumptions	(22.70)	-	(22.70)
Actuarial changes arising from changes in financial assumptions	(11.24)	-	(11.24)
Experience adjustments	(49.47)	-	(49.47)
Contributions by employer	-	3.79	(3.79)
Closing balance	**1,021.26**	**576.99**	**444.27**

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(d) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	31 March 2023	31 March 2022
Funds managed by insurer	100%	100%

(e) The principal assumptions used in determining gratuity obligations for the Company's plan is shown below:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.28% - 7.50%	6.00% - 6.90%
Future salary increases	3.00% - 9.88%	7.00% - 7.36%
Retirement age (years)	60.00	60.00
Mortality rates inclusive of provision for disability (2006 - 08)	100% of IALM	100% of IALM
Employee turnover Withdrawal Rate (%)		
All ages	6.23% - 27.77%	10.00% - 23.14%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(f) Sensitivity Analysis:

A quantitative sensitivity analysis for significant assumption as at 31 March 2023 and 31 March 2022 are shown as below:

Particulars	31 March 2023	31 March 2022
Impact on defined benefit obligation		
Discount rate		
Increase by 1%	(34.52)	(35.28)
Decrease by 1%	36.95	38.16
Future salary		
Increase by 1%	33.99	35.73
Decrease by 1%	(32.55)	(33.97)

Sensitivities due to mortality and withdrawals are insignificant. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

(g) Defined benefit liability and employer contributions:

Expected contributions to defined benefit obligation for the year ending 31 March 2023 are ₹ 593.20 lacs. The expected maturity analysis of defined benefit plan is as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Year		
- Within the next 12 months (next annual reporting period)	298.79	217.75
- Above 1 to 5 years	675.38	550.73
- More than 5 years	407.26	435.06
Total expected payments	**1,381.43**	**1,203.54**

The average duration of the defined benefit plan obligation at the end of the reporting period is 3 - 9 years (31 March 2022: 4 years)

(ii) Leave obligations

The amount of the provision of ₹ 326.96 lacs (31 March 2022: ₹ 296.37 lacs) is presented as current and non current. The Company has provided for the liability on the basis of actuarial valuation.

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40 SHARE-BASED PAYMENTS

A. Description of share-based payment arrangements

a) Vaibhav Global Limited, Employee Stock Options Plan - 2006

Under the Vaibhav Global Limited, Employee Stock Options Plan (As amended) - 2006 (herein referred as 'ESOP Plan'), the Nomination and Remuneration Committee decides upon the employees who qualify under the ESOP Plan and the number of options to be issued to such employees. The exercise price of the share options shall be the market price which would be the latest available closing price of the shares on the stock exchange, which records the highest trading volume of the Company's shares on the date prior to date of meeting of the Compensation committee at which the options are granted, unless otherwise determined by the Board / Committee. 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 Company has constituted " Vaibhav Global Employee Stock Option Welfare Trust" to administer & implement various ESOP Plan. The fair value of the share options is estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the share options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all the options under various tranches is 7 years from the date of vesting.

b) Vaibhav Global Limited Restricted Stock Unit Plan – 2019

During the previous financial year, the shareholders have approved the Vaibhav Global Limited Restricted Stock Unit Plan – 2019 (herein referred as 'RSU Plan') through postal ballot resolution dated 30 March 2019. According to RSU Plan, the Nomination and Remuneration Committee decides upon the employees who qualify under the Plan and the number of Restricted Stock Unit (RSU) to be issued to such employees. The exercise price of the RSU shall be the face value of the equity shares as on date of exercise unless otherwise determined by the Board / Committee. The exercise price shall not be less than the face value of equity share of the Company. Out of RSU granted, 20% RSU 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 Company has constituted " Vaibhav Global Employee Stock Option Welfare Trust" to administer & implement RSU Plan. The fair value of the RSU will be estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the RSU were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all the RSU will be 3 months from the date of respective vesting. During the year, the Nomination and Remuneration Committee has granted 579,055 RSU (previous year: 276,541).

c) Vaibhav Global Limited, Employee Stock Options Plan - 2021

During the previous financial year, the shareholders have approved the Vaibhav Global Limited Employee Stock Option Plan – 2021 (herein referred as 'ESOP Plan 2021') through postal ballot resolution dated 21 March 2022. According to ESOP Plan 2021, the Nomination and Remuneration Committee (hereinafter referred as "Committee") decides upon the employees who qualify under the ESOP Plan 2021 and the number of stock options to be issued to such employees. The exercise price of the stock options shall be determined by the Committee / Board of Directors from time to time as on the date of grant, which shall not be less than the face value of the equity share and not more than the market price. Out of ESOP granted, vesting period shall be determined by the Committee / Board of Directors at the time of grant of stock options ranging between one to three years from the date of grant of option. The Company has constituted " Vaibhav Global Employee Stock Option Welfare Trust" to administer and implement the plans. The fair value of the stock option will be estimated at the grant date using a Black-Scholes pricing model taking into account the terms and conditions upon which the stock options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all such stock option will be 7 years from the date of respective vesting. During the year, the Company has granted 121,970 options (previous year: 82,816) under the ESOP Plan 2021.

d) Vaibhav Global Limited, Management Stock Options Plan - 2021

During the previous financial year, the shareholders have approved the Vaibhav Global Limited Management Stock Option Plan – 2021 (herein referred as 'MSOP Plan') through postal ballot resolution dated 21 March 2022. According to MSOP Plan, the Nomination and Remuneration Committee (hereinafter referred as "Committee") decides upon the employees

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who qualify under the MSOP Plan and the number of stock options to be issued to such employees. The exercise price of the such stock optionns shall be the face value of the equity shares as on date of exercise. For stock options granted, the vesting period shall be determined by the Committee / Board of Directors at the time of grant of stock option ranging between one to three years from the date of grant of options. The Company has constituted "Vaibhav Global Employee Stock Option Welfare Trust" to administer and implement MSOP Plan. The fair value of the stock options will be estimated at the grant date using a Black-Scholes pricing model taking into account the terms and conditions upon which the stock options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest. The exercise period for all such stock options will be 7 years from the date of respective vesting. During the year, the Nomination and Remuneration Committee has granted 25,374 (previous year: 23,187) stock options.

B. Reconciliation of outstanding share options:-

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
	Number of options	WAEP	Number of options	WAEP
Outstanding at beginning of the year	51,20,190	151.42	12,68,022	752.62
Adjustment for sub division of equity shares	-	-	50,72,088	-
Granted during the year	7,26,399	41.63	3,82,544	123.23
Forfeited during the year	(5,46,888)	183.72	(4,87,840)	195.85
Exercised during the year *	(10,83,471)	138.76	(11,14,624)	96.73
Outstanding at the end of the year	**42,16,230**	**131.53**	**51,20,190**	**151.42**
Exercisable at 31 March	35,59,965	147.73	27,50,843	135.14

* The weighted average share price at the date of exercise of these options was ₹ 375.07 (previous year: ₹ 697.16)

The weighted average remaining contractual life for the share options outstanding as at 31 March 2023 was 4.45 years (31 March 2022: 5.81 years)

The weighted average fair value of options granted during the year was ₹ 327.50 (31 March 2022: ₹ 740.51).

The range of exercise prices for options outstanding at the end of the year was ₹ 2 to ₹ 263.56 (31 March 2022: ₹ 9.06 to ₹ 263.56).

The following tables list the inputs to the models used for the plans for the years ended 31 March 2023:

Series	31 March 2023								
	AN	AO	AP	AQ	AR	AS	AT	AU	AV
Stock price of option as on grant date	390.90	390.90	390.90	390.90	323.90	342.10	342.10	299.40	299.40
Exercise price of option	2.00	170.00	2.00	2.00	2.00	2.00	270.00	2.00	270.00
Risk free rate	6.07% to 6.99%	7.21%	7.31%	7.21% to 7.31%	6.34% to 6.84%	6.86% to 7.30%	7.23%	7.02% to 7.17%	7.11%
Volatility	46% to 47%	42.50%	42.40%	42.4% to 42.5%	43.9% to 46.7%	45.9% to 47.6%	49.7%	42.1% to 48.1%	44%

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The following tables list the inputs to the models used for the plans for the years ended 31 March 2022:

Series	31 March 2022					
	AH	AI	AJ	AK	AL	AM
Stock price of option as on grant date	974.10	974.10	798.40	696.30	696.30	506.60
Exercise price of option	2.00	2.00	2.00	562.00	2.00	2.00
Risk free rate	3.98% to 5.02%	5.55%	3.99% to 5.02%	5.01%	4.15% to 5.25%	4.63% to 5.63%
Volatility	42.8% to 47.8%	42.20%	43.1% to 47.8%	44.0%	42.6% to 43.5%	62.0% to 84.0%

C. The expense recognised for employee services received during the year is shown in the following table:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Expense arising from equity-settled share-based payment transactions	1,387.90	925.22

There were no cancellations or modifications to the awards during the year ended 31 March 2023 or 31 March 2022.

D. A summary of movement of treasury shares is as follows:

Particulars	Number of shares	Amount
Opening balance as on 01 April 2021	1,354	0.14
Adjustment for sub division of equity shares	5,416	-
Add: Shares allotted by Company	13,02,817	26.05
Less: Shares exercised by employee	(11,14,624)	(22.29)
Closing balance as on 31 March 2022	**1,94,963**	**3.90**
Opening balance as on 01 April 2022	1,94,963	3.90
Add: Shares allotted by Company	10,21,997	20.44
Less: Shares exercised by employee	(10,83,471)	(21.67)
Closing balance as on 31 March 2023	**1,33,489**	**2.67**

41 CONTINGENT LIABILITIES AND COMMITMENTS

a) Contingent liabilities:

Particulars	31 March 2023	31 March 2022
(a) Demand / show cause notices received from government authorities		
- Demand / show cause notice received under Income Tax Act	149.58	149.58
- Demand / show cause notice received under Customs Act	7.51	4.80
- Demand / show cause notice received under Goods and services Act	333.90	333.90
(b) Guarantees provided by the Parent Company		
- Guarantee given by the bank on behalf of the Parent Company to vendors/ government departments	500.00	785.00
- Corporate guarantee by Parent Company to subsidiaries for working capital loan	971.00	500.00
(c) Claims against the Group not acknowledged as debt:	Not quantifiable	Not quantifiable

A In earlier years, the Parent Company received notice from the Income Tax Department under Section 148 of the Act for Assessment Year 2012-13. Subsequently the Parent Company has also received similar notices for Assessment Year 2013-14 to Assessment Year 2015-16. The Honorable High Court of Rajasthan had granted stay order on the Company's petition for these Assessment Years mentioned above. Based upon the nature and external expert opinion obtained by the Company, the management does not expect any liability to arise out of it. Amount is not quantifiable at this point in time.

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B In the previous year, the Income Tax Department ("the ITD") conducted a Survey proceeding under section 133A of the Act at the premises of the Parent Company in November 2021. Subsequently, the Parent Company provided all cooperation and necessary data, documents and information, as requested by the ITD or otherwise. The ITD issued further queries post the conclusion of survey to which the Company has subsequently replied with. As on date, based upon the nature by the Parent Company, the management does not expect any liability to arise out of these proceedings.

C During the financial year 2019-20, pursuant to the shareholder's approval, the Company has bought back and extinguished a total of 865,675 equity shares at an average buyback price of ₹ 831.72 per equity share. Basis external opinion obtained by the Company, the Company believes that provisions of Section 115QA of Income Tax Act 1961 is not applicable to the Company.

D The Parent Company is required to comply with the transfer pricing regulations, which are contemporaneous in nature. The Parent Company appoints independent consultant annually for conducting transfer pricing studies to determine whether transactions with associate enterprises undertaken during the financial year, are on an arm's length basis. Adjustments, if any, arising from the transfer pricing studies will be accounted for when the study is completed for the current financial year. The management is of the opinion that its transactions with associates are at arm's length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.

E The Parent Company has certain pending litigations and claims filed by various forums/ authorities and third parties in the normal course of business. The Company has reviewed all pending litigations and claims files by various forums/authorities and has adequately provided for wherever provisions are required and disclosed as contingent liabilities, as applicable. In the opinion of management and legal advice obtained, the claims filed by third parties are speculative and frivolous and amount is unquantifiable at this point of time. The Company also believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Company.

b) Commitments:

A.

Particulars	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account {net of advances of ₹ 25.52 lacs (31 March 2022: ₹ 42.76 lacs)} and not provided for	9.90	30.02

B. The Parent Company has issued letter of support for financial assistance to its subsidiaries (Vaibhav Lifestyle Limited, India and Shop LC GmbH, Germany) for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the subsidiary Companies for the year ended 31 March 2023.

42 ASSETS HYPOTHECATED AS SECURITY

Particulars	31 March 2023	31 March 2022
Current assets	40,473.78	35,402.23
Non-current assets		
Property, plant and equipment	5,925.99	5,163.96
Right-of-use assets	363.58	363.58
Investment in subsidiaries		
- 200 common shares with no par value of STS Jewels Inc., USA*	-	7,980.32
- 87,500 ordinary shares of HK $100 each of STS Global Supply Limited, Hongkong (formerly STS Gems Limited) *	-	1,575.00
- 12,576,633 equity shares of US $ 1 each of equity investment of VGL Retail Ventures Limited, Mauritius (formerly Genoa Jewelers Limited) *	-	6,135.39
Other financial assets - bank deposits	64.23	98.28
Total non-current assets hypothecated as security	**6,353.80**	**21,316.53**
Total assets hypothecated as security	**46,827.58**	**56,718.76**

* Pursuant to Parent Company's application with lead banker for release of securities pledged with bank, lead banker has provided approval for releasing the pledge securities and the same is also approved by consortium bankers in their meeting held on 15 June 2022.

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The Parent Company has filed quarterly return/statement of current assets with the banks. Summary of reconciliation and reasons for material discrepencies as mentiond below:

Quarter	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Whether return/ statement subsequently rectified
March 2022	Punjab National Bank, HDFC, Yes Bank and State Bank of India	Inventories	10,817.54	9,921.48	896.06	Yes *
		Trade receivables	11,717.99	11,843.33	(125.34)	Yes *
		Trade payables	5,309.41	3,992.72	1,316.69	Yes *
June 2022	Punjab National Bank, HDFC, Yes Bank and State Bank of India	Inventories	11,430.08	10,575.69	854.39	Yes *
		Trade receivables	12,928.44	12,140.73	787.71	Yes *
		Trade payables	6,478.62	5,217.22	1,261.40	Yes *
September 2022	Punjab National Bank, HDFC, Yes Bank and State Bank of India	Inventories	12,232.70	11,379.23	853.47	Yes *
		Trade receivables	10,516.07	10,417.21	98.86	Yes *
		Trade payables	4,833.51	3,269.36	1,564.15	Yes *
December 2022	Punjab National Bank, HDFC, Yes Bank and State Bank of India	Inventories	11,609.39	11,054.01	555.38	Yes *
		Trade receivables	12,641.29	12,602.28	39.01	Yes *
		Trade payables	5,121.53	4,180.19	941.34	Yes *

* The Parent Company submits provisional drawing power (DP) statements on monthly basis to Punjab National Bank (PNB) being the lead bank latest by 15th of the next month and also to other member banks, in which DP limit is computed as per the terms and conditions of the sanction letter. The difference between DP statement and financial statement arise since DP statements are prepared on a provisional basis after exclusion of certain items of inventory, debtors, creditors and valuation of inventories is as per the bank sanction letter. Further, the Company submit Quarterly Review Statements (QRS) to PNB which is tallied with the books of account and which could be different from DP statement submitted provisionally. In financial year 2022-23, the actual utilization of working capital remained within the bank sanction/DP limits.

43 SEGMENT REPORTING

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance for which discrete financial information is available.

The Group is engaged in manufacturing and sale of "Fashion and lifestyle products'. The Group sells its product majorly in four geographies: America (including Canada), United Kingdom (including some parts of Europe), India, Germany and Rest of world.

A. Segment revenue

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
a) United States of America	1,88,446.95	1,97,118.41
b) United Kingdom	72,774.97	82,752.49
c) India	44,542.93	49,373.09
d) Germany	12,049.54	3,532.63
e) Rest of world	27,004.88	44,441.43
Less: Intersegment eliminations	(75,727.83)	(1,01,974.89)
Total	**2,69,091.44**	**2,75,243.16**

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B. Segment results profit/(loss) before tax, interest and exceptional items

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
a) United States of America	13,253.04	17,314.44
b) United Kingdom	8,319.33	15,192.01
c) India	10,585.25	11,356.31
d) Germany	(5,257.79)	(4,766.45)
e) Rest of world	9,229.03	10,630.05
Less: Intersegment eliminations	(21,178.72)	(24,886.24)
Subtotal	**14,950.14**	**24,840.12**
Add/(less): Exceptional items (refer note 52)		
a) United States of America	-	3,289.87
b) United Kingdom	-	-
c) India	-	(56.22)
d) Germany	-	-
d) Rest of world	-	(409.49)
Less: Intersegment eliminations	-	-
Add/(less): Finance cost	(819.68)	(609.69)
Total profit before tax	**14,130.46**	**27,054.59**

C. Segment assets

Particulars	31 March 2023	31 March 2022
a) United States of America	1,02,790.34	89,638.87
b) United Kingdom	1,70,555.58	1,70,057.64
c) India	83,361.86	78,242.12
d) Germany	11,110.07	8,123.94
e) Rest of world	1,74,172.10	1,71,959.72
Less: Intersegment eliminations	(3,63,138.50)	(3,48,973.41)
Total	**1,78,851.45**	**1,69,048.88**

D. Segment liabilities

Particulars	31 March 2023	31 March 2022
a) United States of America	45,859.45	40,366.72
b) United Kingdom	22,194.48	21,921.55
c) India	21,420.73	19,362.15
d) Germany	22,267.47	12,995.19
e) Rest of world	6,192.95	6,549.36
Less: Intersegment eliminations	(59,383.56)	(44,976.30)
Total	**58,551.52**	**56,218.67**

44 CAPITAL MANAGEMENT

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and the market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The board of directors of the holding Company seeks to maintain a balance between the higher returns that might be possible with the higher level of borrowings and the advantages and security afforded by a sound capital position. The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities less cash and cash equivalents. Adjusted equity comprises of all components of equity.

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The Group's adjusted net debt to equity ratio as at 31 March 2023 is as follows:

Particulars	Note	31 March 2023	31 March 2022
Borrowings	24	11,463.24	9,948.08
Cash and cash equivalents	15	(11,058.00)	(4,306.61)
Bank balances other than cash and cash equivalents	16	(12,864.07)	(6,391.40)
Balance with bank to the extent held as security	10	(53.09)	(98.28)
Net debt		**(12,511.92)**	**(848.21)**
Equity share capital	19	3,297.63	3,275.96
Other equity - Reserves and surplus	20	1,10,367.91	1,07,336.52
Other equity - Items of Other comprehensive income	21	6,463.86	2,064.76
Total equity		**1,20,129.40**	**1,12,677.24**
Net debt to equity ratio		**(10.42%)**	**(0.75%)**

45 RELATED PARTY TRANSACTIONS

A. List of related parties :

Ultimate Holding Company:

Brett Enterprises Private Limited

Key Management Personnel (KMP):

Mr. Sunil Agrawal - Managing Director
Mr. Nitin Panwad - Group Chief Financial Officer (w.e.f. 27 October 2022)
Mr. Vineet Ganeriwala - Group Chief Financial Officer (upto 27 October 2022)
Mr. Sushil Sharma - Company Secretary

Non-Executive and Non-Independent Directors:

Mrs. Sheela Agarwal
Mr. Pulak Chandan Prasad
Mr. Sanjeev Agrawal
Mr. Harsh Bahadur (w.e.f. 26 September 2022)
Mr. Nirmal Kumar Bardiya (upto 02 August 2022)

Non-Executive and Independent Directors:

Mr. Sunil Goyal
Mr. James Patrick Clarke
Ms. Stephanie Renee Spong (w.e.f. 06 September 2021)
Mr. Santiago Roces (upto 27 July 2022)
Ms. Monica Justice (upto 05 September 2021)
Mr. Harsh Bahadur (upto 25 September 2022)

Relatives of Key Management Personnel ('KMP') where tranactions have taken place:

Name of relative of KMP	Relationship with KMP
Mr. Hursh Agrawal	Son of Mr. Sunil Agrawal
Mrs. Deepti Agrawal	Wife of Mr. Sunil Agrawal
Master Neil Agrawal	Son of Mr. Sunil Agrawal
Mrs. Renu Raniwala	Daughter of Mrs. Sheela Agrawal
Mr. Mukul Raniwala	Daughter's husband of Mrs. Sheela Agrawal
Mrs. Sheeta Sharma	Wife of Mr. Sushil Sharma
Mrs. Kusum Bardiya (upto 02 August 2022)	Wife of Mr. Nirmal Kumar Bardiya
Ms. Garima Chordia (upto 02 August 2022)	Daughted of Mr. Nirmal Kumar Bardiya

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Others (significant influence) where tranactions have taken place:
VGL Softech Limited (struck off w.e.f. 21 March 2022)
Stone Age Private Limited

Employee benefit trust:
Vaibhav Global Limited Employees Gratuity Fund

B. Details of transactions with related parties:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Remuneration:		
Mr. Sunil Agrawal	498.72	519.27
Mr. Nitin Panwad	28.76	-
Mr. Vineet Ganeriwala	55.62	212.55
Mr. Sushil Sharma	20.11	19.61
Mr. Harsh Bahadur	22.80	21.10
Mr. James Patrick Clarke	52.64	48.19
Ms. Stephanie Renee Spong	40.49	21.21
Mr. Santiago Roces	6.81	19.65
Other directors	-	15.23
Rent paid:		
Mr. Nitin Panwad	7.41	-
Share based payment to employees		
Mr. Nitin Panwad	12.34	-
Mr. Vineet Ganeriwala	16.77	31.10
Mr. Sushil Sharma	3.49	3.01
Dividend paid		
Brett Enterprises Private Limited	5,505.30	5,479.65
Mr. Sunil Agrawal	8.44	8.44
Mr. Nitin Panwad	0.02	-
Mr. Vineet Ganeriwala	0.69	0.57
Mr. Sushil Sharma	0.01	-
Other directors	27.32	49.86
Stone Age Private Limited	0.06	0.05
Dividend paid to relatives of KMP		
Relatives of Mr. Sunil Agrawal	128.58	131.28
Relatives of other directors	17.19	35.73
Directors sitting fees		
Mr. Harsh Bahadur	7.20	8.90
Mr. Sunil Goyal	7.90	7.90
Other directors	25.25	31.70

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C. Details of closing balances with related parties:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Payable at year end		
Mr. James Patrick Clarke	13.33	10.95
Ms. Stephanie Renee Spong	10.25	8.42
Mr. Harsh Bahadur	7.25	4.64
Mr. Sunil Goyal	0.90	0.45
Mr. Santiago Roces	-	4.46
Other directors	-	0.45
Vaibhav Global Limited Employee's Gratuity Fund	451.48	328.2

Note 1:

Working capital borrowings of the Parent Company are secured by the personal guarantee of Mr. Sunil Agrawal, Managing Director of the Company. (Refer note 24)

Note 2:

All transactions with these related parties are priced on an arm's length basis and are to be settled in cash within six months of the reporting date. None of the balances are secured.

46 FAIR VALUE MEASUREMENTS

(i) Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts are set out below:

As at 31 March 2023	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
Financial assets					
Investments	9	3,429.02	-	-	3,429.02
Trade receivables	14	-	-	24,038.46	24,038.46
Cash and cash equivalents	15	-	-	11,058.00	11,058.00
Bank balances other than cash and cash equivalents	16	-	-	12,864.07	12,864.07
Loans	17	-	-	141.87	141.87
Other financial assets	10	-	-	1,061.59	1,061.59
		3,429.02	**-**	**49,163.99**	**52,593.01**
Financial liabilities					
Borrowings	24	-	-	11,463.24	11,463.24
Lease liabilities		-	-	7,869.32	7,869.32
Trade payables	25	-	-	25,682.87	25,682.87
Other financials liabilities	26	-	-	1,303.22	1,303.22
		-	**-**	**46,318.65**	**46,318.65**

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As at 31 March 2022	Notes No	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value
Financial assets					
Investments	9	8,417.40	-	-	8,417.40
Trade receivables	14	-	-	23,150.15	23,150.15
Cash and cash equivalents	15	-	-	4,306.61	4,306.61
Bank balances other than cash and cash equivalents	16	-	-	6,391.40	6,391.40
Loans	17	-	-	122.27	122.27
Other financial assets	10	-	-	1,242.56	1,242.56
		8,417.40	**-**	**35,212.99**	**43,630.39**
Financial liabilities					
Borrowings	24	-	-	9,948.08	9,948.08
Lease liabilities		-	-	6,527.63	6,527.63
Trade payables	25	-	-	27,958.38	27,958.38
Other financials liabilities	26	-	-	950.05	950.05
		-	**-**	**45,384.14**	**45,384.14**

(ii) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

a) Level 1:

Level 1 hierarchy includes financial instrument measured using quoted prices. This includes listed equity instruments that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period end.

b) Level 2:

If inputs required to fair value an instrument other than quoted prices included within Level 1 are observable, either directly (i.e., as prices) or indirectly (i.e., derived from prices), the instruments are included in Level 2.

c) Level 3:

If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3.

Financial assets and liabilities measured at fair value- recurring fair value measurements:

Financial instruments	Note	As at 31 March 2023		
		Level 1	Level 2	Level 3
Financial assets				
Investments (unquoted)	9	-	3,428.71	0.31
Total		**-**	**3,428.71**	**0.31**

Financial instruments	Note	As at 31 March 2022		
		Level 1	Level 2	Level 3
Financial assets				
Investments (unquoted)	9	-	8,417.09	0.31
Total		**-**	**8,417.09**	**0.31**

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with income approach, unless the carrying value is considered to approximate to fair value.
- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

47 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

This section gives an overview of the significance of financial instruments for the Group and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in these financial statements.

Risk management framework

The Group being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Group's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations.

The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Group has in place risk management processes in line with the Group's policy. Each significant risk has an owner, who coordinates the Risk Management Process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Group value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws and regulations; and
- Improve financial returns

Treasury management

The Group's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Group's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. A monthly reporting system exists to inform senior management of investments, debt, currency and interest rate derivatives. The Group has a strong system of internal control which enables effective monitoring of adherence to Group's policies.

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase. Due to the volatility of the price of the raw material (i.e. gold, silver etc.), the Group maintains a steady mix of domestic and international suppliers to cater to its requirement. The commodity price for all the imported and domestic purchases are periodically reviewed and renegotiated depending upon the market situation.

Notes to Consolidated Financial Statements
as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Financial Risk

The Holding Company's board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Group does not engage in speculative treasury activity but seeks to manage risk and optimise interest through proven financial instruments.

(a) Liquidity

The Group requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Group generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term. The Holding company has been rated by Care Ratings Ltd (CARE) for its banking facilities in line norms.

The Group remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet. The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Group.

Financial liabilities	Note	As at 31 March 2023			Total
		< 1 year	1-3 Years	> 3 Years	
Borrowings	24	11,463.24	-	-	11,463.24
Lease liabilities		2,405.81	5,463.51	-	7,869.32
Trade payables	25	25,682.87	-	-	25,682.87
Other financials liabilities	26	1,303.22	-	-	1,303.22
Total		**40,855.14**	**5,463.51**	**-**	**46,318.65**

Financial liabilities	Note	As at 31 March 2022			Total
		< 1 year	1-3 Years	> 3 Years	
Borrowings	24	9,948.08	-	-	9,948.08
Lease liabilities		1,986.15	4,541.48	-	6,527.63
Trade payables	25	27,958.38	-	-	27,958.38
Other financials liabilities	26	950.05	-	-	950.05
Total		**40,842.66**	**4,541.48**	**-**	**45,384.14**

Collateral

The Group has hypothecated its trade receivables, inventory, advances and other current assets in order to fulfil the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collateral.

(b) Foreign exchange risk

The Group operates internationally and exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Great British Pound. The Group is subject to the risk that changes in foreign currency values impact the Group exports revenue and purchases from overseas suppliers in foreign currency and foreign currency denominated borrowings.

The exchange rate between Indian Rupee and foreign currencies has impact on results of the Group's operations. Consequently, the results of the Group's operations get affected as the Rupee appreciates/ deprecites against these foreign currencies.

Notes to Consolidated Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

The summary of exposure of financial assets and liablities to the currency risk is as follows:

Particulars	Financial assets	
	31 March 2023	31 March 2022
HKD to USD	240.97	204.25
INR to USD	623.14	868.20
EURO to USD	100.91	106.08
EURO to GBP	4.09	4.30
GBP to EURO	34.46	51.63
GBP to USD	160.89	124.27
THB to USD	143.35	446.20
Others	-	1.38

Particulars	Financial liabilities	
	31 March 2023	31 March 2022
INR to USD	432.04	753.04
GBP to USD	282.54	304.51
GBP to EURO	26.10	25.84
Others	-	0.26

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 5% against the functional currency of the Group.

A 5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency would result in net increase / decrease in the Group's profit and equity for the fiscal year 2023 and 2022 by ₹ 28.36 lacs and ₹ 46.35 lacs respectively.

(c) Interest rate risk

The Group is exposed to interest rate risk on short-term rate instruments. The borrowings of the Group are denominated in US dollars, Indian Rupee and GBP with floating and fixed rates of interest. The debt is of floating rates linked to LIBOR for foreign currency denominated loans and Repo Rate for Indian Rupee denominated loans. These exposures are reviewed by appropriate levels of management on a monthly basis.

The exposure of the Group's financial liabilities to interest rate risk is as follows:

Particulars	31 March 2023	31 March 2022
Floating rate financial liabilities	11,463.24	9,948.08

Interest rate sensitivity

The table below illustrates the impact of a 0.5% to 1.50% movement in interest rates on interest expense on loans and borrowings. The risk estimate provided assumes that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Movement in interest rates	Year ended 31 March 2023	Year ended 31 March 2022
0.50%	57.32	49.74
1.00%	114.63	99.48
1.50%	171.95	149.22

Notes to Consolidated Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

(d) Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks, short-term investments, foreign exchange transactions and other financial assets. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivable

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are wholesale or end-user customer, their geographic location, trade history with the Company. An impairment analysis is performed quarterly. The calculation is based on historical experience/ current facts available in relation to default and delays in collection thereof.

The management historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets. Refer note 14 for exposure to trade receivables and note 3 for accounting policy on financial instruments.

Financial assets other than trade receivables

With regards to other financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes. The carrying value of other financial assets other than cash and bank represents the maximum credit exposure. The Group's maximum exposure to credit risk at 31 March 2023 is ₹ 4,539.15 lacs; 31 March 2022 is ₹ 9,683.95 lacs.

Derivative financial instruments

The Group is exposed to foreign currency fluctuations on foreign currency assets / liabilities and forecast cash flows denominated in foreign currency. The use of derivatives to hedge United States of Dollar and Great Britain Pount forecasted cash flows is governed by the Holding Company's strategy, which provides principles on the use of such forward contracts consistent with the Holding Company's Risk Management Policy. The counterparty in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as insignificant. The Holding Company has entered into a series of foreign exchange forward contracts that are designated as fair value hedges. The Holding Company does not use forward covers and currency options for speculative purposes.

During the current year, the Holding Company has earned profits on acount of cash flow hedging derivatives amounting to ₹ 30.01 Lacs. The above profit is included in foreign exchange gain (net) in the Statement of Profit and Loss. All the foreign exchange forward contracts designated as fair value flow hedges along with related forecasted transactions will be matured within the next financial year.

The fair value of the derivative instruments presented on a net basis as at each date indicated below is as follows:

Particulars	31 March 2023		31 March 2022	
	Assets	Liabilities	Assets	Liabilities
Derivatives not designated as hedging instruments				
Foreign exchange contracts in an assets / liability position	30.01	-	38.55	-
Net assets/ liability	**30.01**	**-**	**38.55**	**-**

The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Notes to Consolidated Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

48 BUSINESS COMBINATIONS

(a) Acquisitions during the year ended 31 March 2022

On 15 March, 2022, the Parent Company had acquired 60% stake in Encase Packaging Private Limited. The acquiree is engaged in the business of manufacturing and trading of all kind of packing materials. This acquisition will help the Group in further strengthening its supply chain network providing requisite flexibility, cost advantage and speeding up efforts to develop sustainable packaging.

(b) Total consideration for business combinations were paid in cash.

(c) Identifiable assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of M/s Encase Packaging Private Limited as at the date of acquisition were:

Particulars	Fair value recognised on acquisition
Assets	
Property, plant and equipment	630.87
Other Non Current financial assets	17.61
Inventories	80.48
Trade receivables	102.23
Cash and cash equivalents	403.43
Other assets	85.44
	1,320.06
Liabilities	
Trade payables	91.68
Borrowings - Non current	258.12
Borrowings - Current	93.69
Other financial liabilities	154.84
Other current liabilities	316.81
	915.14
% Holding by Parent Company	**60%**
Total identifiable net assets at fair value	**242.95**
Goodwill (excluding deferred tax) (A)	156.94
Purchase consideration transferred	**399.89**
Deferred tax recognised on difference between carrying value and fair value (DTL) (B)	**24.06**
Goodwill (including deferred tax impact) (A+B)	**181.00**

From the date of acquisition, Encase Packaging Private Limited has contributed ₹ 20.02 lacs of revenue and ₹ (22.52) lacs to the profit before tax of the Group for the year ended 31 March 2022. If the combination had taken place at the beginning of the year, revenue would have been increased by ₹ 224.01 lacs and the profit before tax for the Group would have been decreased by ₹ 48.90 lacs.

49 ACQUISITION OF FURTHER STAKE IN SUBSIDIARY

During previous year, Parent Company agreed to acquire additional 25% stake in Vaibhav Lifestyle Limited (Subsidiary Company) for a total consideration of ₹ 13.50 lacs. Out of which, 24.99% stake was acquired in previous year and 0.01% stake is acquired in current year. As on 31 March 2023, Parent Company holds 100.00% in the Subsidiary Company.

50 During previous year, Vaibhav Vistar Limited (Subsidiary of Vaibhav Global Limited) had acquired assets from Pattern India against the payment of ₹ 1,215.00 lacs. Details of assets are as below:

	Value of Assets acquired
Assets	
Right-of-use asset (Land)	293.06
Building	767.04
Inventories	131.15
Plant and equipment	23.75
	1,215.00

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as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

51 REGULATORY INFORMATION

(i) The Group does not have any benami property, where any proceedings have been initiated or pending against the Group for holding any benami property.

(ii) The Group doesn't have any transactions with Companies that have been struck off.

(iii) The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Group has not traded or invested in Crypto currency or virtual currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or

  b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

  a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;

  b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) The group has complied with the number of layers prescribed under the Companies Act, 2013.

(x) The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

52 EXCEPTIONAL ITEMS

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
PPP loan waiver	24	-	3,289.97
Restructuring cost*		-	(465.71)
Others		-	(0.10)
		-	**2,824.16**

* During previous year, Group had done functional restructuring at its Parent Company and two subsidiaries (Shop LC Global Inc. and STS Global Supply Limited and its step-down subsidiary STS (Guangzhou) Trading Limited,China in its pursuit of bringing in more efficiency. This involved reduction in manpower and hence resulted in a one-time cost of ₹ 465.71 lacs.

53 CYBER INCIDENT

During current year, there is a cyber-attack on some of Information Technology (IT) infrastructure of the Group. Management took steps to retrieve and restore the systems. All critical operational systems are functioning, however as a measure of abundant precaution, restricted access and preventive checks were put in place. The Group through an IT service provider also completed the process of investigation to ascertain the nature, extent, and cause of possible data breach. Basis the procedures performed, the Group did not identify any instance of data breach. Basis the legal opinion obtained from the independent solicitors of the respective impacted countries, the Group is in compliance with applicable legal and regulatory requirements. Group management believes that there is no impact on these financial statements on account of this incident. The business operations of the Group are continuing in the normal manner post the cyber incident.

Notes to Consolidated Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

54 STATUTORY GROUP INFORMATION

Additional information pursuant to paragraph 2 of Division II of schedule III to the Companies Act 2013:

For the year ended 31 March 2023:

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount	As % of consolidated OCI	Amount	As % of consolidated OCI	Amount
Parent								
Vaibhav Global Limited	14.43%	61,208.25	32.06%	9,990.18	99.10%	(82.56)	31.88%	9,907.62
Subsidiaries								
STS Jewels Inc., USA	1.11%	4,690.83	2.28%	709.33	0.00%	-	2.28%	709.33
STS Global Limited, Thailand	0.62%	2,616.01	0.84%	262.64	0.00%	-	0.85%	262.64
STS Global Supply Limited, Hong Kong	1.21%	5,151.41	0.36%	112.46	0.00%	-	0.36%	112.46
STS Global Limited, Japan	(0.01%)	(21.98)	(0.01%)	(3.45)	0.00%	-	(0.01%)	(3.45)
VGL Retail Ventures Limited, Mauritius	36.83%	156,171.43	26.70%	8,319.44	0.00%	-	26.77%	8,319.44
Vaibhav Vistar Limited, India	0.20%	862.48	(0.25%)	(77.53)	0.00%	-	(0.25%)	(77.53)
Vaibhav Lifestyle Limited, India	(0.11%)	(457.67)	(0.96%)	(299.10)	0.90%	(0.75)	(0.96%)	(299.85)
Shop LC GmbH, Germany	(2.63%)	(11,157.40)	(17.94%)	(5,590.67)	0.00%	-	(17.99%)	(5,590.67)
Encase Packaging Private Limited, India	0.04%	157.54	0.09%	26.90	0.00%	-	0.09%	26.90
Minority interest in Encase Packaging	0.04%	170.53	0.06%	17.56	0.00%	-	0.06%	17.56
Step down subsidiaries								
Pt. STS Bali, Indonesia	0.40%	1,702.66	0.25%	77.51	0.00%	-	0.25%	77.51
Shop TJC Limited, United Kingdom	34.99%	148,361.10	25.85%	8,054.87	0.00%	-	25.92%	8,054.87
Shop LC Global Inc., United States of America	12.32%	52,240.06	29.78%	9,278.84	0.00%	-	29.86%	9,278.84
STS (Guangzhou) Trading Limited, China	0.56%	2,359.62	0.91%	283.68	0.00%	-	0.91%	283.68
Subtotal	**100.00%**	**424,054.87**	**100.00%**	**31,162.66**	**100.00%**	**(83.31)**	**100.00%**	**31,079.35**
Less: Adjustments on acccount of consolidation		(303,754.94)		(20,648.89)		4,399.10		(16,249.79)
Net of adjustments		**120,299.93**		**10,513.77**		**4,315.79**		**14,829.56**

Notes to Consolidated Financial Statements

as at 31 March 2023

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

For the year ended 31 March 2022:

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount	As % of consolidated OCI	Amount	As % of consolidated OCI	Amount
Parent								
Vaibhav Global Limited	13.99%	58,314.14	26.67%	12,885.19	100.00%	72.45	26.78%	12,957.64
Subsidiaries								
STS Jewels Inc., USA	0.87%	3,642.30	2.38%	1,148.22	-	-	2.37%	1,148.22
STS Global Limited, Thailand	0.53%	2,198.22	1.30%	630.40	-	-	1.30%	630.40
STS Global Supply Limited, Hong Kong	1.12%	4,653.12	(0.66%)	(319.66)	-	-	(0.66%)	(319.66)
STS Global Limited, Japan	0.00%	(18.41)	(0.03%)	(13.09)	-	-	(0.03%)	(13.09)
VGL Retail Ventures Limited, Mauritius	37.18%	154,964.96	17.58%	8,493.19	-	-	17.55%	8,493.19
Vaibhav Vistar Limited, India	0.11%	438.54	(0.11%)	(53.19)	-	-	(0.11%)	(53.19)
Vaibhav Lifestyle Limited, India	(0.04%)	(156.55)	(0.42%)	(203.82)	-	-	(0.42%)	(203.82)
Shop LC GmbH, Germany	(1.17%)	(4,871.25)	(10.16%)	(4,910.31)	-	-	(10.15%)	(4,910.31)
Encase Packaging Private Limited, India	0.03%	130.87	0.08%	37.45	-	-	0.08%	37.45
Minority interest in Encase Packaging	0.04%	152.97	(0.12%)	(59.97)	-	-	(0.12%)	(59.97)
Step down subsidiaries								
Pt. STS Bali, Indonesia	0.37%	1,555.73	0.64%	309.52	-	-	0.64%	309.52
Shop TJC Limited, United Kingdom	35.54%	148,136.09	28.33%	13,688.65	-	-	28.29%	13,688.65
Shop LC Global Inc., United States of America	10.95%	45,629.85	33.16%	16,023.72	-	-	33.11%	16,023.72
STS (Guangzhou) Trading Limited, China	0.49%	2,056.74	1.37%	660.33	-	-	1.36%	660.33
Subtotal	**100.00%**	**416,827.32**	**100.00%**	**48,316.63**	**100.00%**	**72.45**	**100.00%**	**48,389.08**
Less: Adjustments on acccount of consolidation		(303,997.11)		(24,605.47)		534.70		(24,070.77)
Net of adjustments		**112,830.21**		**23,711.16**		**607.15**		**24,318.31**

Note :

Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies are based on the exchange rates for respective subsidiary.

Signatures to notes 1 to 54

As per our attached report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. : 094549

Place: Jaipur
Date: 17 May 2023

For and on behalf of the Board of Directors of
Vaibhav Global Limited

Sunil Agrawal
Managing Director
DIN: 00061142

Place: Jaipur
Date: 17 May 2023

Sheela Agarwal
Director
DIN: 00178548

Place: Jaipur
Date: 17 May 2023

Nitin Panwad
Group CFO

Place: Jaipur
Date: 17 May 2023

Sushil Sharma
Company Secretary
ICSI Membership No: F6535

Place: Jaipur
Date: 17 May 2023

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