

Business Responsibility Report

About this Report

This Business Responsibility Report includes our responses to questions on our practices and performance on key principles defined in Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance and stakeholder relationships. This report is being published due to applicability of said regulations on the Company from this financial year.

Section A - General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L36911RJ1989PLC004945
2.	Name of the Company	Vaibhav Global Limited
3.	Registered address	K-6B, Fateh Tiba, Adarsh Nagar, Jaipur 302 004 (Raj.)
4.	Website	www.vaibhavglobal.com
5.	E-mail id	Investor_relations@vaibhavglobal.com
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of fashion jewelry and related articles (3211)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Fashion jewelry, Gemstone, and lifestyle products
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations	NA
	(b) Number of National Locations	6 National Locations (4 in Jaipur, 2 in Mumbai)
10.	Markets served by the Company – Local/State/ National/International	National/International

Section B: Financial Details of the Company

1	Paid-up Capital (₹)	32,31,43,460
2	Total Turnover (including other income) (₹)	54,286.04 lacs
3	Total profit after taxes (₹)	127,36.92 lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year, the Company spent ₹129.76 lacs towards Corporate Social Responsibility (CSR) which was 3.70% of average net profits of three immediately preceding financial years.
5	List of activities in which expenditure in 4 above has been incurred:-	Vaibhav Global Ltd., has focused its CSR initiative in the field of providing mid-day meal, taking care of old age people, support schools for meeting the expenses relating to educational aids and other expenses, Scholarships to students and providing education to underprivileged children. For more details, refer Annexure 2 of the Board's report.

Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	The Company has following Subsidiaries / Stepdown subsidiaries. • Subsidiaries: 1. VGL Retail Ventures Ltd., Mauritius 2. STS Jewels Inc., USA 3. STS Gems Limited, Hong Kong 4. STS Gems Thai Ltd., Thailand 5. STS Gems Japan Limited, Japan • Step Down Subsidiaries: 1. Shop TJC Limited, UK 2. Shop LC Global Inc., USA 3. PT. STS Bali, Indonesia 4. STS (Guangzhou) Trading Limited, China
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2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiary companies are operating in different geographies and conducting their own BR initiatives.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company always encourage the other entities (e.g. suppliers, distributors etc.) for participating in BR initiatives of the Company.

Section D: BR Information

1. Details of Director/Directors responsible for BR

- (a) BR Initiatives of the Company are undertaken under the supervision of Corporate Social Responsibility Committee of the Board of Directors, which comprises following directors.

DIN Number	Name of Director	Designation
00061142	Mr. Sunil Agrawal	Managing Director
00724826	Mr. Harsh Bahadur	Non-Executive Independent Director
00044624	Mr. Nirmal Kumar Bardiya	Non-Executive Non-Independent Director

- (b) Details of BR Head

DIN Number	Name of Director	Designation	Telephone No.	Email ID
00061142	Mr. Sunil Agrawal	Managing Director	91-141-2771948	Investor_relations@vaibhavglobal.com

2(a) Principle-wise (as per NVGs) BR Policy/policies

- Principle 1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- Principle 3:** Businesses should promote the wellbeing of all employees
- Principle 4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
- Principle 5:** Businesses should respect and promote human rights
- Principle 6:** Business should respect, protect, and make efforts to restore the environment
- Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- Principle 8:** Businesses should support inclusive growth and equitable development
- Principle 9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	Remark
1.	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y	
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	The policies have been formulated by taking inputs from the concerned internal stakeholders, there is no formal consultation with external stakeholders.
3.	Does the policy conform to any national / international standards? If yes, specify?	NA	As the Company deals with the stakeholders spread across the globe, so the policies have been designed in view of the industry practices and national / international level standards.								
4.	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Signed by Managing Director

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	Remark
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y	-
6	Indicate the link for the policy to be viewed online?	https://www.vaibhavglobal.com/code-policies									-
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policies have been placed at the website/intranet of the Company. Further, the Company's executives also discuss the policies of the Company at the time of dealing with Stakeholders. As regards internal stakeholders, the same are clearly communicated to them.									-
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y	-
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y	-
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are evaluated internally as and when required.									-

2(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									

Not Applicable

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Compliance with the Policy(ies) shall be monitored and evaluated on regular basis at least once in a year by the CSR Committee.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company is publishing business responsibility report from this year being a part of Annual Report, which is available at the website of the Company i.e. <https://www.vaibhavglobal.com/annual-reports>

Section E: Principle-Wise Performance

Principle 1:

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

The Company believes in conducting the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior in the Organization. The Company exercises complete transparency in its operations with clear communication of the decisions impacting the stakeholders.

The Code of Conducts for directors & senior management personal extends to all the members of the Board, Key

Managerial Personnel and Senior Management of the Company.

The Company also adopted a Vigil Mechanism / Whistle Blower Policy to establish a vigil mechanism for Directors and employees to report concerns about unethical, actual or suspected fraud in violation of the Company's code of conduct or ethical policy. The Anti Sexual Harassment Policy provide harmonious and safe conditions at workplace that redress complaints of sexual harassment in an unbiased and effective manner, with an approach of zero tolerance. It covers all employees of the Company whether permanent, temporary or apprentice and any such sexual harassment which has taken place whether within or without office hours. The Anti Bribery and Corruption policy of the Company applies to all employees (full-time, part-time and those on contractual assignments) of the Company and to relevant Third Parties and their employees deployed for the Company's activities.

The policy on determination of materiality of events ensure timely and adequate disclosure of material events to all concerned stakeholders and public at large.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

During the financial year, the Company has received 30 complaints from investors pertaining to Non receipt of Annual Report / dividend etc. and all complaints were resolved. No Complaint was outstanding as on 31st March, 2020. The Company has received no complaint under anti-sexual harassment, whistle blower, bribery and corruption from any of the stakeholder.

Principle 2:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The three product categories, i.e., fashion jewellery, gemstone and lifestyle products incorporate principles of Environmental Management Systems (EMS) at various levels of operations.

2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

We, at VGL, are committed to inclusive growth and have taken several environment conservation initiatives related to renewable sources of energy, rainwater harvesting, waste management, tree plantation, and the like.

Energy: VGL emphasizes on deriving energy from renewable energy solutions with an outlook of addressing 100% of its power requirements in its manufacturing units in Jaipur. The Company's installed

rooftop solar panel capacity in India was 385 KW, servicing nearly 7% of the Company's consolidated electricity requirement at its manufacturing facilities in Jaipur. Currently, a plan to commence work on a 1.3 MW power project in Bikaner, Rajasthan is under review. Once commissioned, along with the existing solar facility, we will be able to meet around 45% of our total power requirements at our manufacturing facilities in Jaipur, Rajasthan.

Water: The Company's installed structures enabled rainwater harvesting of ~52 lac litres covering ~95,000 sq ft during the year under review.

Tree plantation: To improve the quality of air and land, VGL planted 1,500 trees throughout the year.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? – Not Applicable

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.

VGL is a growing organization and provides multitude of opportunities to vendors who want to associate with this vibrant organization and become part of its growth and success.

Each vendor is viewed as a partner in the process of business growth, and also as enablers of mutual long-term sustainable growth. The Company believes in investing time and effort in building mutually beneficial relationships. Vendors are a part of the Company's family and their relationship with the Company is a reflection of the same. Company also provide a vendor/partner portal where people directly enquiry the requirement and deals.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company's intent is helping local suppliers scale up and improve their operations, besides ensuring sustainable livelihood in the neighbourhood of its operations and expects to build stronger and long-term ties with them. The Company's Adarsh Nagar office and Branch office in Mumbai are situated at a place which is easily accessible to local vendors. It helps to build the strong and long-term relationship with the local suppliers.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof.

The Company works with Zero dumping philosophy. With the goal to 'reduce, reuse, recycle', we are engaged in various initiatives.

- The STP (sewage treatment plant) processes 43KL per day, translating to ~15,000KL on a yearly basis.
- Generated 850 kg compost from biodegradable waste.
- 2,000 kg residual casting powder was provided to brick & tiles manufacturer(s).
- The Ozonator water treatment plant facilitates removal of dirt, inorganic chemical impurities, and odour from water, thereby eliminating/reducing the risk of ground water contamination. Ozone generator can generate 10 grams of oxygen per hour to disinfect water.
- Venturi and wet scrubber installations reduce toxicity of fumes that get generated in the jewellery manufacturing process.

Principle 3:

1. Please indicate the total number of employees. – 1069 permanent employees as on 31st March, 2020.
2. Please indicate the total number of employees hired on temporary / contractual / casual basis - 1530 contractual employees as on 31st March, 2020.
3. Please indicate the number of permanent women employees - The Company provides equal opportunity to all and do not discriminate on the grounds of gender. However, as on 31st March, 2020, there were 110 permanent woman employees.
4. Please indicate the number of permanent employees with disabilities - The Company provides equal opportunity to all and do not discriminate on the grounds of disability. However, as on 31st March, 2020, there were 6 employees with disabilities.
5. Do you have an employee association that is recognised by management - No
6. What percentage of your permanent employees is members of this recognised employee association? - NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.
The Company has not received any complaint relating to child labour, forced labour, involuntary labour and sexual harassment during FY 2019-20 and no complaint is pending as on 31st March, 2020.
8. What percentage of under mentioned employees were given safety & skill up-gradation training in the last year?

Training provided during the year is as under:

(a) Permanent Employees	90%
(b) Permanent Women Employees	90%
(c) Casual/Temporary/Contractual Employees	95%
(d) Employees with Disabilities	80%

Principle 4:

1. Has the Company mapped its internal and external stakeholders? Yes/No
VGL has mapped its internal and external stakeholders. We recognise employees, communities surrounding our operations, business associates, customers, shareholders/ investors and regulatory authorities as our key stakeholders.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.
The Company identifies communities specially children, poor patients as disadvantaged, vulnerable & marginalised and serve them through our CSR activities.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof.

VGL enhances sustainable CSR impacts with a focus on education, healthcare and poverty alleviation through various organizations including Manav Seva Sangh Prem Niketan Ashram/Bal Mandir/Hospital in India. VGL's One for One programme is the Company's global flagship CSR initiative is locally registered through charity partners like Akshaya Patra in India, No Kid Hungry in the US and Magic Breakfast in the UK.

Since the inception of the programme ~37 mn meals have been delivered at the group level. This number stood at ~11 mn meals for FY 2019-20. In India, the programme spans across 350 schools in Jaipur with 15+ vehicles providing logistical support to this initiative.

Principle 5:

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/Others?
At VGL, we are committed to respect the human rights of our employees. We seek to respect and promote human rights when engaging with subcontractors, suppliers, customers, joint venture and other partners. We seek to respect the human rights of local potentially affected peoples and to develop an understanding of the cultures, customs and values that prevail in our local communities.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has not received any complaint in respect of violation of human rights.

Principle 6:

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors / NGOs/others.

The nature of the businesses of the Company has limited impact on environment; however, the Company endeavours to protect and make efforts to restore the environment. EHS policy covers the Company only.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

We, at VGL, are committed to inclusive growth and have taken several environment conservation initiatives related to renewable sources of energy, rainwater harvesting, waste management, tree plantation, and the like.

Building on last year's efforts to improve the quality of air and land, VGL planted 1,500 trees throughout the year, nearly double of last year's 800.

The Company's SEZ unit successfully achieved green building standards under 'Gold' category, certified by Indian Green Building Council (IGBC).

VGL emphasizes on deriving energy from renewable energy solutions with an outlook of addressing 100% of its power requirements in its manufacturing units in Jaipur. The Company's installed rooftop solar panel capacity in India is 385 KW, servicing nearly 7% of the Company's consolidated electricity requirement at its manufacturing facilities in Jaipur. Currently, a plan to commence work on a 1.3 MW power project in Bikaner, Rajasthan is under review. Once commissioned, along with the existing solar facility, we will be able to meet around 45% of our total power requirements at our manufacturing facilities in Jaipur (Raj.).

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company identifies and assess the potential environmental risks regularly.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any environmental compliance report is filed?

No, we have not registered any project related to Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The operations of the Company are not energy intensive. However, the Company always focuses on conservation of energy, wherever possible. The energy conservation team continuously meets, conducts studies, verifies and monitors the consumption and utilisation of energy, including identification of energy conservation areas in different manufacturing units of the Company. During the year, the Company has Installed 85 KW rooftop solar panel at E-68 unit to reduce energy consumption cost. The Company has taken several other initiatives related to renewable sources of energy, rainwater harvesting, waste management, tree plantation, and the like.

Renewable energy: The Company's installed rooftop solar panel capacity in India was 385 KW, servicing nearly 7%

of the Company's consolidated electricity requirement at its manufacturing facilities in Jaipur. Currently, a plan to commence work on a 1.3 MW power project in Bikaner, Rajasthan is under review. Once commissioned, along with the existing solar facility, we will be able to meet around 45% of our total power requirements at our manufacturing facilities in Jaipur, Rajasthan

Rainwater harvesting: The Company's installed structures enabled rainwater harvesting of ~52 lac litres covering ~95,000 sq ft during the year under review.

Tree plantation: VGL planted 1,500 trees throughout the year.

Waste management: With the goal to 'reduce, reuse, recycle', we are engaged in various initiatives.

- The STP (sewage treatment plant) processes 43KL per day, translating to ~15,000KL on a yearly basis
- Generated 850 kg compost from biodegradable waste
- 2,000 kg residual casting powder was provided to brick & tiles manufacturer(s).
- The Ozonator water treatment plant facilitates removal of dirt, inorganic chemical impurities, and odour from water, thereby eliminating/reducing the risk of ground water contamination. Ozone generator can generate 10 grams of oxygen per hour to disinfect water
- Venturi and wet scrubber installations reduce toxicity of fumes that get generated in the jewellery manufacturing process

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. - Nil

Principle 7:

1. Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:

The Company is member of following trade association:

- (a) Gem & Jewellery Export Promotion Council
- (b) Federation of Indian Export organization
- (c) Export Promotion Council for EOUs and SEZs
- (d) Export Promotion council for Handicrafts

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company participates in the discussions, meetings and seminar organised by the various associations and actively put forth its viewpoint on various policy matters and inclusive development policies.

Principle 8:

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

VGL supports the principles of inclusive growth and equitable development through not just its corporate social responsibility initiatives but through its core business as well. We strive to enhance the lives of communities that surround our operations. VGL is engaged in various social initiatives in the area of education, mid-day meals & healthcare services, rural development, slum development etc. The Corporate Social Responsibility (CSR) Policy specified CSR activities/ projects/ programmes, which broadly defined as under:

- Eradicating hunger, poverty and malnutrition
- Promoting health care including preventive health care facilities to the society through recognised trust or societies and hospitals
- Promoting education through schools and other organization
- Employment enhancing vocational skills
- Promoting gender equality and empowering women
- Ensuring environmental sustainability, in particular, plantation by school children
- Rural development projects, in particular, support the community infrastructure for improving sanitation, drainage systems etc.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

VGL enhances sustainable CSR impacts with a focus on education, healthcare and poverty alleviation through various organizations/ implementing agencies including Akshaya Patra, Manav Seva Sangh Prem Niketan Ashram/ Bal Mandir/Hospital in India. In addition, the Company has planted 1500 trees during the year.

3. Have you done any impact assessment of your initiative?
Yes, the Company periodically reviews the impact of its initiatives.

4. What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken.

During FY 2019-20, the Company has spent ₹129.76 lacs under CSR activities. For details of projects undertaken, please refer Annexure 2 of the Board Report.

The Company supported the community in this unprecedented crisis of COVID-19, by serving 40,000 meals per day to under-privileged sections of society. In addition, masks and other protective gear were donated for frontline healthcare workers across its global presence.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

VGL's One for One programme is the Company's global flagship CSR initiative which aligns the social responsibility of its customers with VGL's. This programme is locally registered through charity partners like Akshaya Patra in India, No Kid Hungry in the US and Magic Breakfast in UK.

Company get feedback from its customers, beneficiaries, and communities periodically, who really appreciate One for One programme of the Company. The Board/ Committee also reviews the said feedback and appreciate the programme of the Company.

Principle 9:

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The major customers of the Company are its wholly owned foreign subsidiaries. During the year, Company has received grievances majority in the form of rejection of goods from customers which is ~3.15% of its total orders. The Company is striving to reduce the same continuously. There is no case which is pending from the customers as on end of financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

The Company display product information on the product label as per the requirement of the law of the Country. However, on specific products, the Company also display information for the convenience of the customers and ensure more reliability of the products like safety measures, authenticity report /test report of the products. The Company is also doing anti tarnish test as per the requirement of the customers.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof. - None

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company carries out customer survey periodically which helps the Company to understand customers' needs and to continuously monitor and improve the customer experience, products and process development.