



VAIBHAV GLOBAL LIMITED

"31st Annual General Meeting"

30th July, 2020

09 A.M. IST to 10:19 A.M. IST

CORPORATE PARTICIPANTS:

**Mr. Harsh Bahadur
Chairman**

**Mr. Sunil Agrawal
Managing Director**

**Mr. Nirmal Kumar Bardiya
Director**

**Mrs. Sheela Agrawal
Director**

**Mr. Pulak Chandan Prasad
Director**

**Mr. Sunil Goyal
Independent Director**

**Mr. Santiago Roces
Independent Director**

**Mr. James Patrick Clarke
Independent Director**

**Ms. Monica Justice
Independent Director**

**Mr. Vineet Ganeriwala
Group CFO**

**Mr. Sushil Sharma
Company Secretary**

Other key executives and senior management and

Shareholders

Welcome Address – Sushil Sharma

Good Morning Dear Shareholders,

We hope you all are staying safe and healthy during this challenging time of Global outbreak of COVID-19. I welcome all of you on behalf of your company to 31st Annual General Meeting which is being held through video conference and other audio visual means in compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI through the platform provided by Kfin Technologies. The Corporate office of the company situated at Jaipur shall be deemed as the venue for this AGM and proceedings of the AGM shall be deemed to be made here at.

Before I hand over the proceedings to the Chairman to declare the meeting open, I would like to highlight that Members are encouraged to join the meeting through their laptops and headphones for a better experience and use internet with a good speed to avoid any disturbance during the meeting. Participants connecting through mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use a stable wi-fi or a LAN connection to mitigate any kind of aforesaid glitches.

Members are requested to refer the Instructions provided in the notice for a seamless participation through video conference. In case members face any difficulty, they may reach out on the helpline numbers given in the notice. I, now hand over the proceedings of the meeting to the Chairman.

Thank you.

Harsh Bahadur

Thank you, Sushil and Good Morning to everybody, good evening to those who are joining us from the west. I welcome you all to the 31st Annual General Meeting of your company. In view of the outbreak of the Covid-19 pandemic, social distancing is become a norm to be followed, and therefore, this AGM today has been convened through video conferencing. I am joining the meeting from my residence in Delhi.

Before we start the main proceedings of the meeting, I would request the Board members and the Key Managerial Personnel joining through video conference from various locations to introduce themselves.

Sunil Agrawal

Good morning everyone, I Sunil Agrawal, Managing Director of the Company attending AGM from Austin USA. I am also Chairman of CSR Committee. Thank you.

Harsh Bahadur

I think Mr. Pulak is not joined so, Mrs. Sheela Agrawal take on please.

Sheela Agarwal

Good morning, I am Sheela Agarwal, Director of the Company attending from Jaipur. Thank you.

Harsh Bahadur: Mr. Bardiya

Nirmal Kumar Bardiya: I am Nirmal Bardiya, Director Vaibhav Gems attending from Jaipur.

Sunil Goyal: Good morning all and Chairman, I am Sunil Goyal, I am a Chartered Accountant and Independent Director in Vaibhav Global and attending the Meeting from Jaipur. I also Chair the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee of the Company. I wish you all good luck and take care, Thank you.

Harsh Bahadur: Santiago

Santiago Rocés: Good morning everyone, I am Santiago Rocés, Independent Director attending AGM from Madrid Spain.

Harsh Bahadur: Thank you, James

James Patrick Clarke: Good morning everyone, James Patrick Clarke, Independent Director and I am attending from California, USA.

Harsh Bahadur: Thanks James, Monica.

Monica Justice

Good morning everybody, I am Monica Justice, I am an Independent Director and joining from West Chester, Pennsylvania

Harsh Bahadur: and Vineet, Please.

Vineet Ganeriwala: Good morning everyone, I am Vineet Ganeriwala, Chief financial Officer of the Company Joining from Corporate Office Jaipur. Thank you.

Harsh Bahadur

So, apart from the people who have introduced themselves, we also have other key executives and senior management joining from their respective locations. The representative of our Statutory auditors, B S R & Co. LLP, and our Secretarial Auditor, Mr. B. K Sharma, have also joined this meeting.

Participation of members through video conference is being reckoned for the purpose of quorum under section 103 of the Companies Act. We have the requisite quorum present through video conference to conduct the proceedings of this meeting and therefore I call the meeting to order.

I now request Sushil Sharma, Company Secretary, to provide general instructions to the members regarding participation in this meeting.

Sushil Sharma: Thank you Sir,

1. As mentioned in the notice, the facility for participation at the AGM through video conferencing or other audio/visual means have been made available on first come first serve basis.
2. The Register of Directors and KMP, the Register of Contracts & Arrangements, have been made available for inspection electronically by the members during the AGM.

3. As the AGM is being held through video conference, the facility for appointment of proxies by the members was not applicable and hence the proxy register is not available for inspection.
4. All members are on mute mode by default to avoid any disturbance during the meeting.
5. The company has provided facility to members for posting their queries through e-meeting platform and also provided a facility for 'Speaker Registration' who would like to express their views or ask questions during the AGM.
6. Registered Speaker shareholders can express their views or ask questions. However, provision has also been provided for Non-registered speaker shareholders, attending the meeting, to express their views and raise questions through the icon available on your screen.
7. Once the Question Answer session starts, we will announce the name of speaker shareholders one by one. Speaker shareholder thereby unmuted by the host. Before speaking, the speaker shareholder is requested to ON his video. If shareholder is unable to join through video for any reason, can speak through audio mode.
8. If connectivity problem arises to any speaker, then we may ask to next speaker to join. Once the connectivity improves, the shareholder can speak, after completion of all shareholders turn.
9. We request the speaker to limit his speech for three minutes.
10. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the meeting.

With this, I now hand over the proceedings to the Chairman and request him to address the shareholders.

Harsh Bahadur: Thanks Sushil.

I will start with a few thoughts on the Company's business following which Mr. Sunil Agrawal will share detailed insights into the operating and financial performance during FY20 and the initiatives that are planned for the future.

FY 2019-20 proved to be a record year for your Company with consolidated revenues at Rs. 1,986 crore and profit after tax at Rs. 190 crore. This record performance was derived from robust growth in our retail operations across the US and the UK, with both jewellery and non-jewellery products showing great movement.

We kept true to our core proposition of being a deep value retailer. We strengthened our customer centricity with good data analytics. We grew across sales platforms. Our sales through the web and on marketplaces have developed rapidly. All this was made possible by a strong and growing technology infrastructure.

This record performance translated into an aggregate dividend payout of Rs. 26.74 per equity share. We also successfully completed a Rs. 72 crore share buy-back, and the board has recommended a final dividend of Rs. 7 per equity share to be ratified by members today.

The performance during the year further validated the significant operating leverage of our business model – a revenue growth of 9.5% resulting in an EBITDA expansion of 27%.

Now Vaibhav Global's success has been based on three principles that we apply to our thinking and actions.

The first is what I will call the Flywheel Effect.

The second is inclusion, making sure that the interest of all stakeholders are considered equally, and

The third, is agility

The flywheel effect is the belief that business success is derived not from one large heave of the giant flywheel that powers the business, but from a number of small initiatives, constantly putting one's shoulder to the wheel, often shifting its direction as consumers and the business environment change. We may move only inches each time, but a time comes when the flywheel acquires an independent momentum.

Inclusion to us means that the interest of each stakeholder is treated equally. To our customers we offer jewellery, lifestyle and essential products that enhance their feeling of well-being, this at irresistible prices that are made even more affordable through our Budget Pay provision. To our people we offer career-enhancing livelihoods across countries. We support traditional crafts among our suppliers and assure on-time payments to them. We enhance the welfare of the underprivileged through our One for One programme and other CSR initiatives. To our shareholders, we deliver consistently growing financial performance and superior returns.

The fact that VGL has thrived across decades with most of its longstanding employees, vendors and associates still working with the company, indicates that inclusion is the glue that keeps the ecosystem together.

We believe that no stakeholder is more important than the other; each has a specific role to play in our organisational growth.

Agility is key in a world where consumer preferences and market environments transform very quickly, and as we have seen this year, "black swan" events like the pandemic can change situations in unprecedented ways.

VGL has displayed agility in the past. For a Company that started off as a B2B player, it turned the ship around to generate 97% revenues from retail buyers today. From being primarily a retailer of jewellery, we have widened our portfolio to include a range of lifestyle products that are adding significantly to sales.

As the pandemic hit and countries went into lockdown, our teams responded rapidly to include various essential products in our offering that consumers would otherwise have had to step out from their homes and buy. Thus enhancing both our customer's faith in us, as well as sales.

We are optimistic that our business model will be validated in these testing times. As consumers spend more time indoors, watch television for entertainment, surf more than ever and follow social distancing norms, they will provide an electronic retail company like ours with the opportunity to market a larger number of products and gain their trust.

For the longer term, we look forward with optimism.

Amid all the variables, what remains constant is our deep value proposition to consumers, continued contribution to the community through our flagship One for One programme, an inclusive environment that fosters an inspiring workplace, an agile mindset, sustained efforts at reducing our ecological footprint and our commitment to strong value accretion for our investors.

We will continue to do what we have always done – if perhaps with more focus, urgency and enthusiasm. We will do so with the conviction that multiple actions will turn the flywheel ever faster. Before I close, I would like to extend my gratitude to our workforce for their dedication and commitment. I would like to express our gratitude to our loyal customers for their belief in our superior value proposition. I must also thank our shareholders for their faith in our management and leadership and our financiers, bankers, suppliers and communities for their ongoing support. Lastly but most importantly, I thank the frontline health workers across the globe who have helped deal with the difficult situation the world faces today.

I thank you all for your attention and now hand over to Mr. Sunil Agrawal, our Managing Director.

Sunil Agrawal: Thank you, Harsh. It gives me great pleasure to address all the members present today. I wish you and your loved ones, health and safety.

Sunil Agrawal: Mr. Bhasker (Moderator), is the presentation open

Moderator: one moment sir, we are just uploading presentation

Sunil Agrawal: (slide slow - EXCEPTIONAL RESPONSE) To begin, I would like to say that, the principal take-home from your Company's performance during the year under review is that of inclusion and agility, as indicated by Harsh earlier. I would emphasise the word 'inclusion' especially in the context of the fourth quarter of the previous financial year as the world reeled under the impact of the global pandemic. During this period, the Company demonstrated the ability to enhance value for all stakeholders in exceptionally challenging circumstances.

I would concurrently emphasise the word 'agility' as we refused to be overwhelmed by the unfolding crisis. On the contrary, we responded with a spirit to further improve connection amongst our team members, customers and communities. The combination of inclusion and agility captures the essence of VGL.

Next Slide.

(SLIDE 3 : COVID-19 – CONTINUOUS RESPONSE)

The retail industry has faced several disruptions in the past decade, posing multiple challenges across the sector including trade wars and current pandemic. The current COVID disruption has threatened business continuity for traditional retailers while opening massive opportunities for home-shopping retailers. The post-pandemic retail will be different in many ways. This will comprise changing consumption patterns, transition to teleshopping and digital platforms and the consolidation of various retailers. These developments will alter the competitive landscape noticeably.

For us at VGL, retail operations at Shop LC (US) and TJC (UK) continued throughout this period without interruption, while fully adhering with local regulatory stipulations.

Over the past year, the tenacity and robustness of our supply chain has been put to test several times on account of external exigencies, including the US-China trade war and the global pandemic. It is creditable that the supply chain consistently delivered on time and with great efficiency.

Now, more than ever, our commitment to all our stakeholders remains reinforced. With the well-being of our team in mind, we have taken appropriate precautionary measures.

Stepping up to the situation, we realigned our business to meet customer needs through supply of over 250 essential products. As an expression of gratitude to frontline healthcare workers, we donated ~161,500 masks to ~200 hospitals, care homes, police stations and grocery stores until mid-July. Extending support to the government of India, VGL provided ~3.4 million meals to migrant workers and to people in need through Akshaya Patra in Jaipur till mid-July. Through our flagship CSR initiative, One for One, we have provided over 40 million meals to school children across India, US and UK since its inception five years ago.

(SLIDE 4: THE 4R'S OF CUSTOMER ENGAGEMENT)

I would now like now to talk about our strategic objective that comprises the 4 R's – Reach, Registrations, Retention and Repeat purchases.

We continued to expand Reach through the television format with additional simulcast channels. We also expanded presence in Over-the-Air (OTA) TV markets this is the antenna market, which is called Over-the-Air, in the Over-the-Top (OTT), streaming segment, in marketplaces like amazon, Walmart, eBay, Micro influencers and through social Direct-Response. The result was strong retail revenue growth. We are present on every platform that our customer seeks to engage on, strengthening the base for significant omni-channel customer lifetime value.

Now to talk about customer Registrations. At VGL, we believe that success lies in being able to register unique customers through a compelling combination of product, price and content. Over the years, we enriched our product portfolio, widened bouquet of brands across categories, built infrastructure, logistics and operational support resulting in strong registrations. Our new customer registrations stood at ~1,78,000 for FY19-20. We witnessed spike in customer registrations March onwards owing to addition of essential products to our offerings as well as due to increased digital shopping propensity of consumers during pandemic.

A Retained customer is crucial to sustainability of any business. The longer we retain a customer, the stronger our profitability. Competent call centre support, convenience features like Budget Pay and Easy Returns, value for money offerings, engaging content, omni-channel presence and an expanding product portfolio have facilitated customer retention. As a validation, our customer retention grew consistently and reached 50% in FY 2019-20. Your Company invested in Artificial Intelligence, which enhanced our ability to mine consumer data, evolve our merchandising and strengthen product sell-throughs.

At VGL, we believe that business sustainability is strengthened from customers making Repeat purchases. Through the last few years, we have strengthened our value proposition to incentivise repeat purchases. The average quantity purchased per customer remained stable at 30 pieces in FY19-20.

We believe that the relevance of our 4R's approach shall continue to deepen with time, resulting in sustained revenue and margin growth and enhanced stakeholder value.

(SLIDE 5: VGL'S ENDURING BUSINESS MODEL)

VGL's enduring business model, VGL's multi-year business sustainability has been reinforced by its extensive value chain. Our End to end business model encompasses direct sourcing of rough material from miners, processing them in our plant, designing and manufacturing fashion jewelry under our own house brands. At yet another level, the Company is a growing curator of non-jewelry products like scarves, bags, beauty and home décor items generating a rising proportion of revenues from these lifestyle products. Finally, the Company is an electronic retailer in two of the world's largest markets, marketing effectively around its unique positioning of a deep value retailer.

The aggregation of benefits across each intermediate step has helped the Company report consistently high gross margins at around 60%. We believe that this value chain represents our most potent competitive advantage, translating into prospects of multi-year outperformance.

We believe that our business model has deepened its relevance following the pandemic. With high street retail yielding to online alternatives, companies like yours enjoy a growing audience.
Next Slide.

(SLIDE 6: PROFITABLE GROWTH)

In challenging circumstances amidst the global pandemic, on a YoY basis for FY20, VGL's revenues improved by 9.5% to Rs. 1,986 crore, EBITDA grew by 27% to Rs. 276 crore and profit after tax increased by 23% to Rs. 190 crore. Earnings per share increased from Rs. 47.27 to Rs. 58.65, continuing with the secular expansion trend.

These numbers validate the operating leverage inherent to our business model that makes us increasingly competitive in our target segments. This leverage is derived from our ability to generate higher revenues on a near stable cost structure. We will continue to be cost conscious across all existing businesses while staying extremely relevant to our customers by investing in new platforms where our current and future customers may shop from.

(SLIDE 7: RETAIL BUSINESS EXPANSION)

Our retail revenues, which constitute 97% of our total revenues, grew 15% with strong growth in both retail geographies and across all our sales platforms. Shop LC (US) revenues grew 13% and TJC (UK) revenues grew 19% in FY 2019-20 in constant currency terms. TV-driven sales were up 11% while web-driven sales rose 24%. We have positioned TV and web channels as one integrated omni-channel that drive synergies and expand visibility leading to financial improvements. In addition to the fast growing TV & Web platforms, emerging platforms- viz Marketplaces, OTT, Social Direct Response and Micro influencers are exciting areas of our future growth.

(SLIDE 8: SUSTAINED MARGINS ON EXPANDING PORTFOLIO)

Underlying our strong financial performance is a robust supply chain with our own manufacturing set-up in India and China. We also have direct sourcing from over 12 other countries. We are witnessing increasing sales contribution from fashion accessories, lifestyle, and essential products in our overall product mix. As these products are outsourced from micro-markets directly and without intermediaries, we are able to maintain our target gross margins of 60%, while sustaining lower price points and quicker time-to-market than competition.

Next slide

(SLIDE 9: STRONG Q4 PERFORMANCE)

Now I would like to briefly draw your attention to Q4 FY19-20, a period marked by the initial spread of the global pandemic. In this alarming backdrop, Shop LC (US) registered a growth of 9% and TJC (UK) registered a growth of 17% in constant currency. Towards the end of the quarter, we witnessed increased sales returns as nervousness spread with the pandemic. With agility, we introduced essential products on our sales platforms which found strong traction with customers.

Our convenience features like Budget Pay, Easy Returns and Last Mile Delivery have higher value in these troubled times.

(SLIDE 10: VALIDATION OF THE BUSINESS MODEL)

Improved profitability on a near-stable asset base helped us report higher return ratios for the year – Return on Net-worth was at 26% and Return on Capital Employed was 46%. Likewise, our operating cash flows remained strong at Rs. 211 crore for the year and our capex-light business model helped us report free cash flows of Rs. 176 crore. This enabled us to pay two interim dividends aggregating Rs. 26.74 per equity share. The Board has proposed a final dividend of Rs. 7 per equity share which will be put to vote during this meeting, and we hope to get requisite shareholder support. We also completed a Rs. 72 crore buyback during the year. A healthy balance sheet and robust cash flows give us a strong head-start compared to other industry players, making it possible to capture market share at a time when many traditional retailers are struggling.

Next slide

(SLIDE 11: WAY FORWARD)

The big question that one has been asked is where do we go from here.

At VGL, we believe this is an opportunity to serve our customers better, capitalise on our inherent strengths and leverage our position to achieve more. While we are confident of continued revenue growth at our current TV/ECom businesses, we are making investments in futuristic platforms of OTT, Marketplaces, Micro influencers and Social-Direct Response to follow our future customers. This will ensure continued growth for years to come and enhance value for every stakeholder.

To conclude, I would like to express my sincere gratitude to the frontline workers across the globe who are keeping us safe continuously.

I would also like to thank you- VGL shareholders for your continued support, thanks to VGL board members for their continued guidance to me and other senior executives of the company, thank you to our awesome VGL team who make the magic happen, thanks to our customers and suppliers. Finally thanks to our community partners who give us a meaning to what we do every day.

Thank you ! and Back to you, Harsh.

Harsh Bahadur: Thank you Sunil,

The notice of 31st Annual General Meeting and Directors' Report have already been circulated electronically to all members, with your permission I shall take there as read. The Audit report on standalone & Consolidated financial statements, the secretarial audit report of the Company for the financial year 2019-20 do not contain any qualification, reservation or adverse remark and disclaimer. With your permission I will also take these as read.

The Company had provided remote e-voting facility to members to cast their votes on all resolutions set forth in the Notice. Members who could not cast their votes through remote e-voting and who are participating in this meeting can cast their vote through the e-voting system provided by Kfin Technologies. The procedure for casting the vote is provided in the Notice of the Meeting. As the meeting is convened through Video Conference today, resolutions have already been put to vote through remote e-voting and the requirement to propose and second is not applicable.

Before moving towards Q&A session, I would like to play a small video for all of you on COVID initiatives taken by your company.

[VGL's Initiatives on COVID video plays]

Sushil Sharma: Dear shareholders,

The moderator will announce the name of shareholder one by one, who have registered themselves as Speaker Shareholder, to express their view and ask questions. To avoid the repetitions, the Board will respond after completion of all questions at the end. I am now handing over the proceedings to moderator for question Answer session.

Moderator, over to you please.

Moderator: Thank you Sir, I would now request Mr. Vijay Kedia to kindly unmute his audio and switch on video and speak please, Mr. vijay Kedia.

Mr. Vijay Kedia: Yes, Good Morning, am I audible

Moderator: Yes, kindly continue Sir.

Mr. Vijay Kedia: Namsate Sunil Agrawal Ji, Puru Agrawal Ji, Vineet Ji and other Board of Directors, My name is Vijay Kedia I would like to take this opportunity to express my thanks to all of you, all your team here in India or anywhere in the world for transforming this company to such a level where it is almost impossible to replicate. Money alone cannot create the kind of platform you guys have created, I would also like to say that I was really disappointed when I learnt that Puru Aggarwal Ji is leaving the company mainly at this juncture when VGL is ready to enter the next orbit after facing the so many crisis of survival, anyway as they say the show must go on, on this occasion I would like to recites two lines of a old hindi film song which go like this "Ki hum laye hai tufaan se kashti nikaal ke, is desh ko rakhna mere bacho sambhaal ke" anyways lets move ahead as you know that stock market is very negative and very sceptical about Jewellery company for the obvious reason but today you are maintaining highest standard of accounting and disclosure and you can see that perception in market is also changing and the market is also recognizing you, thanks to sunil ji and puru ji once again and I am sure that Vineet ji will also take this legacy, carry on this legacy like this, in the end I would like to say there are three phases of life and this is for you sunil ji there are three phases of life Survive, Revive and thrive Sunil ji you are a champion now in surviving I am watching your company since last 15 years although first investment I made in this company was 2016 I think, but I am following and I have all your UPs and Downs. Now you've matured the phase of reviving also now what's your plan to thrive, climate is good pitch is favourable and batsman are in the high spirit, its time to scale up and grow faster organically or inorganically we investors are bored of your 15-20% growth year on year, since your platform is set, why shouldn't you grow 30-40% year on year for next 10 years, please share your views and plan. Thank you very much all of you.

Moderator: I would now request next speaker Mr. Robin to kindly unmute the audio switch on the video and speak, Mr. Robin. I would request Mr. Robin to kindly unmute his audio and switch on video and speak. Mr. Robin you are audible kindly continue.

Mr. Robin Vijan: Am I audible to every one!

Moderator: Yes sir, you are audible, kindly continue to speak sir,

Mr. Robin Vijan: Thanks a lot sir,
Thanks for giving me the opportunity for speaking at the meeting. I would like to appreciate the designing, contents of the Annual Report of the Company, which touches all aspects of the Company and very informative ass well. There are pretty good Numbers of FY 2019-20. I appreciate that as well. The Company is also having good cash reserves. So, whether the company is looking for organic or

inorganic growth available in the country, particularly during this globally economic recession. So that's my question.

Moderator: I would now request Mr. Abhinav Sharma to kindly unmute his audio switch on his video and speak. Mr. Abhinav Sharma.

Mr. Abhinav Sharma

Hi everyone, first of all I am very happy to see the financial numbers and the overall performance posted by the Company in FY20 and the question I have in my mind that is there any permanent disruption in the overall supply chain of the company due to this Covid-19 crisis and What will be the impact of Covid 19 on the company, I mean mid to short term down the line and in terms of growth how the company is planning to grow. Will that be done through Process improvements, process re-engineering or diversification of business in terms of geography or business segment or product mix.

Moderator: Thank you to all the speakers. Sir, I would now I hand it over to Mr. Sushil Sharma to read out the question that has come online. This ends the live speaker registration process. Thank you.

Sushil Sharma: Thank you Moderator, Apart from this, we have also received few questions from our shareholders through the portal. I am reading the same one by one. The first question is

Q1. Thanks for giving good dividend for FY 2019-20 and also announced for the interim dividend for FY 2020-21. what is the policy of the Company for giving Dividend for coming years?

Q2. I read in Annual Report that the Company has introduced essential products in US and UK. Can you tell us what are these essential products and how are we looking at this category for the future?

Apart from this, we have received few questions through portal during the meeting.

Q1. How to we look VGL future considering the online trade is picking up...do we envisage that we may leave tv and completely become an online player...if yes, then what efforts are we putting to popularise our app and website. Managements thoughts on acquisition considering the huge free cash flow we generating. (3). We are selling so many traded products now post Covid, do we see any downward change in Gross profit.

Next question

Q2. You have a manufacturing facility in china is there any impact on manufacturing part or kind of export problems you are facing between china and other countries. What type of products you are planning to add in portfolio ?

These are the questions received through the chat. Thank you,

I request chairman and Managing director to respond the queries of the shareholders, over to you Sir.

Sunil Agrawal: Thank you. Vijay bhai thank you so much for the comment. I really appreciate your trust and confidence in the VGL. So very well said survive revive and thrive, but I always look any market with sceptical eye. What do I mean by that, the market is changing rapidly and we constantly think in terms of where customer is going, what type of product he or she buying from, what type of competitor might arise that might impact us, So while we believe that this is the time to thrive but equally careful into our strategy and making the investment accordingly, as said 15% of revenue is going on as of now our goal is to constantly get 15-17% growth but for future we will take every opportunity for our higher growth. Just an example, during the pandemic we grew and are growing faster than that. So as I said, we are constantly looking for opportunities for higher growth, I think

there were some other questions so I might have answered that where asked about 15-20% growth. While we are continuing to grow in double digit because we have 3 dollars per household revenue whereas some of our competitors like QVC they have 60 dollars per household revenue. There is lot of potential for us to grow within that platform. Although there is some cord cutting but our age group is relatively lower. In addition to that talking about marketplaces we have seen pretty robust growth in this segment too, platforms like Amazon or E-bay or Walmart our revenue growth is pretty robust there although it is still small as a ratio of our revenue but it is growing. We are exploring all the areas for future growth. I hope I have answered your questions.

Next question is from Mr. Robin about Organic and inorganic growth. I hope that I have already mentioned about organic sector but I will also address about inorganic growth, we do have cash in the reserve and I am sure if there opportunity we can raise more cash, but right now we do not have any visibility of inorganic growth, if there will be any, we will definitely take it, but we are not aggressively going out and looking for that because we believe that we have tremendous opportunities within our organic space that we have, and having 15-20% growth or even higher in future, but if there is any opportunity will come we will take it.

Next question was from Mr. Abhinav Sharma, your question was about permanent disruption in supply chain so our supply chain is very very agile when India has lockdown of over 1 month at that time china supplied quiet a lot, specially essential lifestyle product and some jewellery as well and Thailand also ramped up and took up the slack what India had, we had enough infrastructure and they supplied, we also sourced from US and UK as well so we did not have any long term disruption in our supply chain for example in India right now we have ~3000 employees so we maintained social distancing for all those people so what we have done is, our all back offices in India our marketing support our merchandising support many of them are working from home and those space we have utilized for our production. So we have modified our requirement and getting good support from our supply chain so I am not seeing any long term impact or in fact our supply chain is so robust that with the change in needs we have been able to modify and address very quickly.

There was another question for what we perceive for coming years dividend and for dividend policy so we have already declared dividend policy in last Board meeting at least 20%-30% of free cash flow, we will distribute every year. And will continue to develop cash reserve for any opportunity that will come in our way and if we don't see opportunity comes in our way, we will distribute it to our shareholders as we've promised here.

Next question was about essential product and what is the future ? the essential products comprise of masks, sanitizers, house products and we have sold quiet a lot of them the Vitamins and the cookies we also sold some of them, we have also sold bit of rice and pasta also but it was for short and didn't work for us, we see some of basic example like some organic immunity boosters they still continue to sell well. Some dresses like the night wear they sold very well and continue to do well and ear rings are selling so well, the tops are selling well because there are so much zoom meetings happening and the earrings and necklaces are selling very well for us, so we have learnt quiet a lot form this pandemic and we are adapting our product based on pandemic and are getting great reaction for modifying product offerings. Next question on acquisitions, I have answered earlier. Next question on the margin on essential goods, some of the like pasta and rice, they had low margin and so we have discontinued. But all other essential products are selling at on an average and giving us 50-60% margin, so we have not any margin dilution in that. we are continue to see the same in current quarter as well.

What are some product change? Talking about Product change we have sold mask with some crystals or gemstones on them and they sold like crazy, immunity boosters are doing good and our supply chain is so agile that as and when we see any product change requirement we don't face any difficulty.

Right now, our big player our tops, ear rings and necklace they continue to do well and offering to the customers

I hope I've answered all questions but if not then please feel free to write to Mr. Sushil Sharma our Company Secretary or our IR i.e. CDR and we will ready to answer. Back to you Sushil.

Sushil Sharma: I think Mr. Harsh Bahadur has been disconnected. Handing over to sunil for closing remarks, please.

Moderator : Sunil Sir Mr. Harsh has disconnected we are not able to get him online. We request you to kindly proceed with the proceedings and have the closing remarks as set out.

Sunil Agrawal: I am standing in for harsh right now because he is not available for some reasons actually, he mentioned earlies there had storm in Delhi and their light connection was unstable. He can not continue then I will have to take over, Hi guy, here I go

Members attending the AGM today who have not casted their vote by remote e-voting may cast their vote now by pressing vote icon available on your screen. The e-voting facility shall remain open for next 15 minutes after conclusion of the Meeting.

Mr. B.K Sharma, practising company secretary has been appointed by the board as the scrutinizer for remote e-voting and e-voting during AGM and to provide the consolidated report.

I authorise Mr. Sushil, Company Secretary to announce the results at the earliest. The results shall be disseminated at the website of the company and shall be communicated to the stock exchanges. The resolutions shall deem to be passed in this AGM subject to receipt of requisite votes.

I once again thank you all for participating in the AGM. I declare the meeting as closed and with your permission, I and other Board members leave the meeting.

Stay Safe and Healthy.

This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility of such errors, although an effort has been made to ensure high level of accuracy