



# VAIBHAV GLOBAL LIMITED

Ref: VGL/CS/2024/59

Date: 10<sup>th</sup> July, 2024

**National Stock Exchange of  
India Limited (NSE)**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra, Mumbai – 400 051  
**Symbol: VAIBHAVGBL**

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**Scrip Code: 532156**

**Subject: Annual Report for the FY 2023-24 and Notice convening the 35<sup>th</sup> Annual General Meeting**

Dear Sir/Madam,

Pursuant to SEBI (LODR) Regulations, 2015, please find enclosed herewith Annual Report for the financial year 2023-24 containing the Notice of the 35<sup>th</sup> Annual General Meeting (AGM) of the Company, the same is available on the website of the Company i.e. [www.vaibhavglobal.com](http://www.vaibhavglobal.com).

The Schedule of 35<sup>th</sup> AGM of the company is as under:

Event	Date	Time (IST)
Cut-off date to determine eligible members for voting on AGM Resolution(s)	Thursday, 25 <sup>th</sup> July, 2024	NA
Commencement of E-Voting	Sunday, 28 <sup>th</sup> July 2024	10:00 A.M.
End of E-voting	Wednesday, 31 <sup>st</sup> July, 2024	5:00 P.M.
Annual General Meeting	Thursday, 01 <sup>st</sup> August, 2024	4:00 P.M.

This is for your information and record.

Thanking you,

Yours Truly,

**For Vaibhav Global Limited**

**Sushil Sharma**  
**Company Secretary**  
**Membership No. - 6535**

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**Regd. Office:** K-6B, Fateh Tiba, Adarsh Nagar, Jaipur – 302004, Rajasthan, India • Phone: 91-141-2601020, Fax: 91-141-2605077  
CIN: L36911RJ1989PLC004945 • Email: [investor\\_relations@vaibhavglobal.com](mailto:investor_relations@vaibhavglobal.com) • Website: [www.vaibhavglobal.com](http://www.vaibhavglobal.com)

# Shaping a Stronger Future



Vaibhav Global Limited

DELIVERING JOY



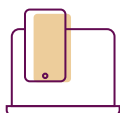
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To view this report online / to know more about us, please visit:  
[www.vaibhavglobal.com](http://www.vaibhavglobal.com)

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### 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 FY24.

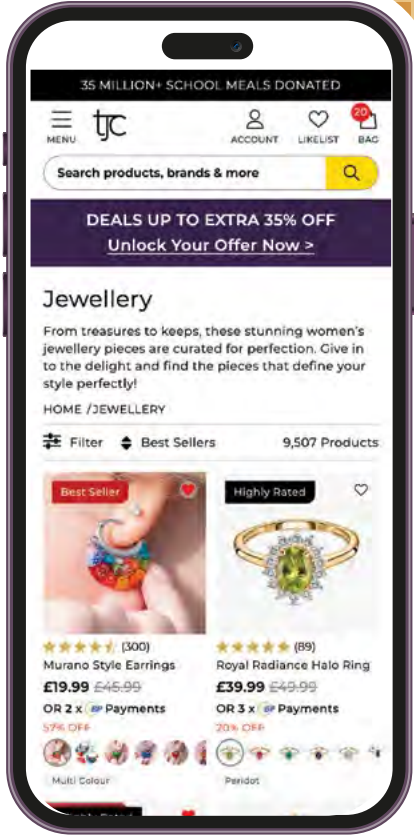
Strategy

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VGL at a Glance

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Manufactured Capital

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# About The Report

## **OUR APPROACH TO REPORTING**

This marks Vaibhav Global Limited's 3<sup>rd</sup> Integrated and 35<sup>th</sup> Annual Report, showcasing our overall operational and sustainability performance, outlook and industry insights. The report also highlights our commitment to embedding sustainable business practices within our strategy.

## **SCOPE OF THE REPORT**

The information included in this report covers the Group's operational updates for FY 2023-24.

## **BOUNDARY OF REPORTING AND REPORTING PERIOD**

The Report covers financial and non-financial information and other updates of Vaibhav Global Limited from April 1, 2023, to March 31, 2024. Financial statements have been audited by BSR & Co. LLP. Unless otherwise specified, the report scope and boundary for our disclosures pertain to the operations of Vaibhav Global Limited.



## REPORTING PRINCIPLE

Vaibhav Global Limited (VGL) presents its Business Responsibility and Sustainability Report (BRSR) in compliance with the requirements outlined in the '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 showcases key measures undertaken by the Company, guided by the principles of the triple bottom line - environmental, social, and governance. This Report reflects our progress in communicating various ESG objectives and sustainability initiatives to our stakeholders. The Report outlines VGL's approach towards:

Developing positive environmental and social outcomes through our business operations, conducted responsibly, ethically and inclusively

Disclosing our sustainability performance on identified material topics

Capturing detailed insights into our practices as a responsible business, a people-centric entity, an environmental steward and a corporate citizen

Our data and process disclosures adhere to SEBI's mandate through our Business Sustainability and Responsibility Report. Additionally, we have issued our 3<sup>rd</sup> Annual ESG Report, providing comprehensive insights into our ESG initiatives, priorities, impact and future outlook.

## OUR SIX CAPITALS



### FINANCIAL CAPITAL

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### SOCIAL & RELATIONSHIP CAPITAL

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### MANUFACTURED CAPITAL

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### HUMAN CAPITAL

Page 47 →



### INTELLECTUAL CAPITAL

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### NATURAL CAPITAL

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### FEEDBACK AND SUGGESTIONS

We welcome your feedback and suggestions on this Report.

For any feedback, suggestions or clarification, please reach out to us at: [investor\\_relations@vaibhavglobal.com](mailto:investor_relations@vaibhavglobal.com)





# Shaping a Stronger Future

AT VGL, OUR UNWAVERING COMMITMENT TO AGILITY, AND FOCUS ON CAPITALISING OPPORTUNITIES HAS ALWAYS BEEN AT THE FOREFRONT OF OUR STRATEGY.

FY 2023-24 presented challenges of moderating consumer demand in an inflationary environment. Viewing this as an opportunity, we leveraged our strengths and delivered a robust operational and financial performance. We recalibrated our business strategies, staying true to our commitment to customer satisfaction and delivering joy.

Throughout the year, we focussed on expanding our customer base, capitalising on our diverse portfolio, and leveraging our omnichannel presence. Despite challenges, we gained market share and continued to fortify our growth levers, aiming to create a stronger and more sustainable future. Sustained cost optimisation efforts led to an improvement in profitability margins and operational efficacy.

Strategic acquisitions also played a pivotal role in our growth strategy. Shop TJC UK acquired the assets of Ideal World, a major teleshopping brand in the UK, yielding synergistic benefits and expansion of our market share in the UK market. Additionally, we acquired 100% equity in Mindful Souls, a Dutch e-commerce company with a strong sales presence in the US, UK, EU, Canada, and Australia.

These strategic moves and our robust business model enable us to navigate challenges and drive our growth ambitions forward, positioning us advantageously for the future.

## OUR STORY IN NUMBERS

**0.6 Million**  
Total unique customers

**130 Million**  
Households across US, UK  
and Germany

**0.3 Million**  
New registrations &  
acquisitions in FY 2023-24

**65%**  
Customers acquired  
digitally in FY 2023-24

**39%**  
Customer retention rate

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

**250+**  
Dealings in gemstones  
(including rare gemstones)

**USD 35**  
Average Selling Price

**30**  
No. of own brands

**30**  
No. of sourcing countries

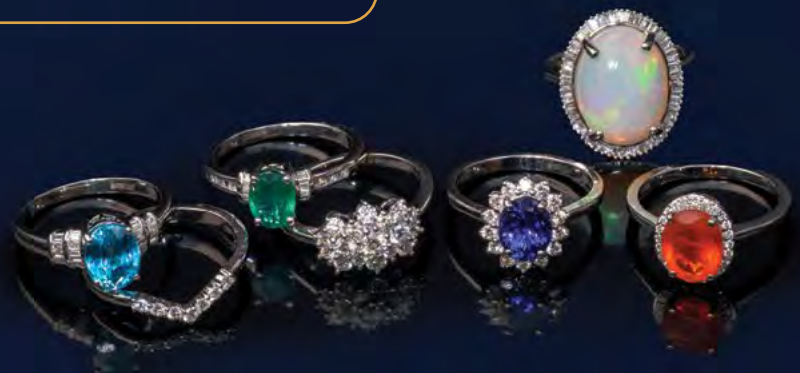
**7**  
Manufacturing units

**25,000+**  
Total SKUs

**87 Million**  
No. of meals provided to school  
children under the Mid-day meal  
programme 'Your Purchase  
Feeds...' (since inception)

**4.1 mn kWh**  
Solar power generated  
in FY 2023-24

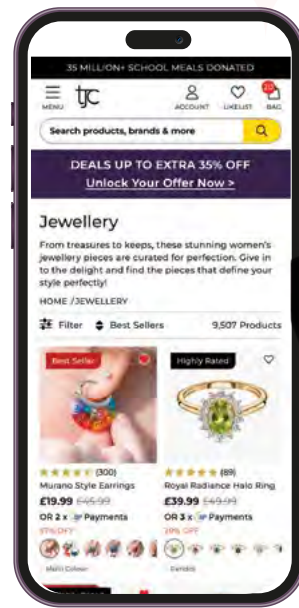
**15.6 mn kWh**  
Solar power generated (since  
inception)





VGL At a Glance

# Leading Vertically Integrated Digital Retailer



**ABOUT VGL**

Vaibhav Global Limited (VGL), headquartered in Jaipur, India, is a multinational, omni-channel integrated 'value-conscious' e-tailer operating in developed markets of the United States (US), United Kingdom (UK) and Germany (and other EU nations), Canada, Australia and New Zealand. The Company offers diverse products under two broader verticals: Fashion Jewellery, Gemstones and Accessories; and Lifestyle Products (including products like Home Décor, Beauty Care, Apparels and Accessories). Operating an end-to-end B2C model, we directly reach 130 million households via our proprietary TV home shopping channels and various digital platforms, including our proprietary website, shopping applications, marketplaces and OTT platforms.



**VISION**

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

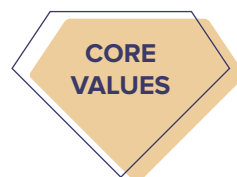


**MISSION**

To deliver 1 million meals per day to children in need by 'FY40' through our flagship programme: **'Your Purchase Feeds...'**

Team Work

Honesty



Commitment

Positive Attitude

Passion

## LEGACY WITH A MISSION

We commenced our journey in the 80's as a B2B player, serving clients through intermediaries such as Walmart, Sears, and Macy's. In 2005, VGL transitioned to a B2C business model. With a strategic emphasis on broadening the customer funnel, we set up physical retail outlets in key international tourist destinations such as Alaska, Mexico and the Caribbean Islands. By 2007, a total of 19 stores were opened. Simultaneously, we expanded our consumer reach through proprietary TV shopping channels in the US, UK, and Germany. These measures were part of our larger plan to become a prominent player in the teleshopping industry.

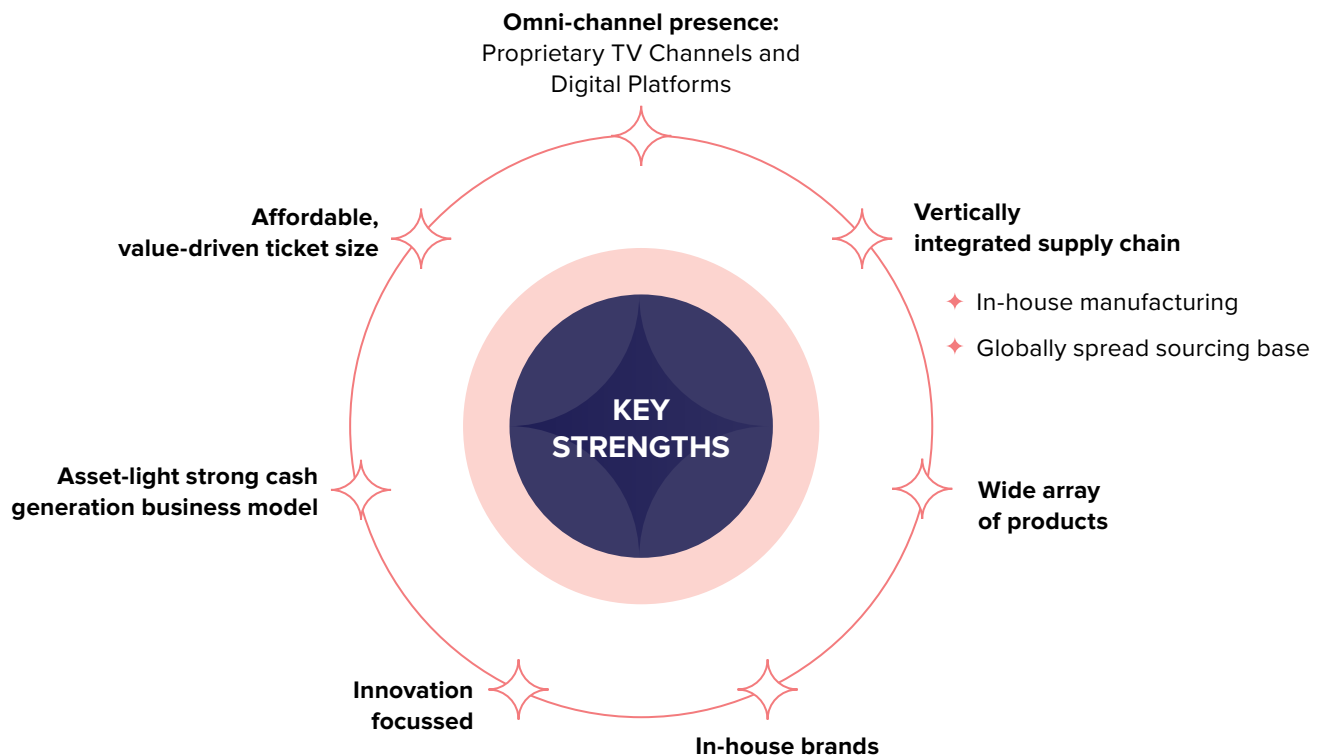
However, the global financial crisis of 2008 prompted us to shift our retailing strategy. To address reduced consumer spending, VGL started liquidating inventory at low prices. Adopting the liquidation model proved to be advantageous.

To further streamline operations, VGL exited the German market and shut down its physical retail stores. This marked a strategic shift from a high-end fine jewellery model to a 'Deep-Discounted' model, signifying another phase of evolution for the VGL Group. With this move, VGL carved a niche for itself, that remains prominent till date.

From 2009 onwards, we expanded our distribution by adopting an 'omni-channel' strategy, leveraging web-based electronic media. Rebranded as Vaibhav Global Limited, we have pursued growth, diversifying our product range by expanding into lifestyle products and strengthening our product portfolio. Additionally, we have strengthened our TV network reach through Over-The-Air (OTA) platforms and bolstered our digital sales network via mobile apps, Over-the-Top (OTT) platforms, marketplaces, and social media. Furthermore, strategic acquisitions and partnerships reflect our commitment to innovation and expansion, driving sustainable growth and delivering value to our stakeholders.

## REIMAGINING CUSTOMER ENGAGEMENT

Demonstrating resilience amidst various economic cycles, we continue to enrich customer experience and outreach through unique means. Backed by our strong value proposition and an omni-channel presence, we have fostered a strong customer connect and captured a larger wallet share. Our TV shopping channels connecting with 130 million households across the US, UK and Germany provide 24/7 service on major cable, satellite, DTH platforms, and OTA platforms. We also have a digital sales presence through our proprietary websites, namely, [www.shoplc.com](http://www.shoplc.com) and [www.mindfulsouls.com](http://www.mindfulsouls.com) in the US, [www.tjc.co.uk](http://www.tjc.co.uk) and [www.idealworld.tv](http://www.idealworld.tv) in the UK, and [www.shoplc.de](http://www.shoplc.de) in Germany, applications, OTT platforms and marketplaces. This omni-channel strategy enhances customer engagement and provides significant growth opportunities with overlapping sales potential.



**OMNI-CHANNEL CUSTOMER INTERACTIONS**



**Proprietary TV Shopping Channels**  
Shop LC, US  
Shop LC, Germany  
Shop TJC &  
Ideal World, UK



**Proprietary Digital Platforms**  
www.shoplc.com  
www.tjc.co.uk  
www.shoplc.de  
www.idealworld.tv  
www.mindfulsouls.com



**Mobile Applications**  
Google Play Store  
App Store



**Social Media**  
YouTube  
Facebook  
Instagram



**Third-Party Marketplaces**  
Amazon  
Walmart  
eBay



**Over-The-Top Platforms (OTT)**  
ROKU TV  
Direct TV Stream  
Google TV

**4R Strategy**

Key Pillars of Growth and Expansion

**Reach**

**130 Million** households

**Registration & Acquisition**

**3 Lakhs**

**Retention**

Overall **39%**

**20+** Purchases **86%**

**Repeat**

**24** pieces per customer annually

**VERTICALLY INTEGRATED SUPPLY CHAIN**

Leveraging Global Jewellery Manufacturing Hub: Jaipur (India)



**Global manufacturing hub of Fashion Jewellery & Gemstones**

Availability of skilled manpower

**1,69,000 sq. ft.**

Fully-integrated Manufacturing Set-up in **Jaipur**

Production Capacity:  
**5 million pcs p.a.**

**Making in India for 'Western Markets'**

## Our Progress in FY 2023-24

### KEY ACHIEVEMENTS

The Group's full-year revenue surpassed ₹ 3,000 crore for the first time, reaching ₹ 3,041 crore in FY 2023-24 compared to ₹ 2,691 crore in FY 2022-23, marking a 13% Y-o-Y growth.

Profit before Tax (PBT) for FY 2023-24 stood at ₹ 190 crore, indicating a 35% Y-o-Y growth

A robust balance sheet with free cash flow of ₹ 230 crore with net cash position of ₹ 167 crore

**Strategic Acquisitions** in line with our market leading growth strategy:

- **Shop TJC UK** executed an asset purchase agreement to acquire the assets of **Ideal World**, a major teleshopping brand in the UK with a brand legacy of over 21 years, including its IP and broadcasting rights, studio equipment and other intangible assets for £ 1.125 Million
- Acquired 100% equity of **Mindful Souls**, a Dutch-based e-commerce company having a predominant sales presence in the US apart from the UK, EU, Canada and Australia for € 12.0 Million

Having all building blocks in place in Germany, our proprietary teleshopping channel – Shop LC (Germany) is airing across 42 Million households. In FY 2023-24, we arm-partnered with Vodafone (on both HD and SD networks), further expanding our visibility. Currently, we reach out to 95% of total households in Germany.

For enduring customer engagement, we integrated the principles of 'Unreasonable Hospitality' into our operations. Drawing inspiration from Will Guidara's acclaimed book, the concept focusses on exceeding customer's expectations by providing an extraordinary and memorable shopping experience. By prioritising exceptional service and memorable experiences, the Company aims to create a strong connection with its customers. This strategy is designed not only to attract new customers but also to significantly enhance customer loyalty in the long run resulting in an improved Net Promoter Score (NPS) in recent quarters.

Underscoring our commitment to delivering enduring value to our shareholders, the Board has recommended a final dividend of ₹ 1.5 per equity share (subject to shareholder approval) resulting in cumulative dividends of ₹ 6 per equity share; 78% total dividend payout against FY 2023-24 earnings, including 3 interim dividends

Received the **Net Zero Energy Building** certification by IGBC in India in recognition of our commitment to sustainable operations

The Group's subsidiaries in India, the US, the UK and China were conferred with 'Great Place To Work®' certifications consecutively for many years in a row.

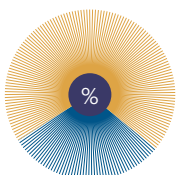
### CREDIT RATING

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

### REVENUE BREAK-UP

#### By Products

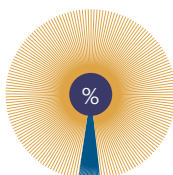
Fashion Jewellery 70%



Lifestyle 30%

#### By Channel Type

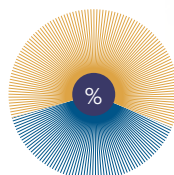
B2C 96%



B2B 4%

#### By Medium

Television 61%



Digital 39%



Our Journey

# Milestones In Our Journey

Each milestone in our purposeful journey reflects our dedication to customer satisfaction, operational excellence, market share gains and innovation to drive sustainable growth and enduring value for our stakeholders.



Ventured into Gemstones business



Revamped strategy towards 'value-conscious offerings'

Got listed on stock exchanges

2008

2009

1997

2006-07

1996

1980



Commenced Jewellery manufacturing as a B2B player



Started proprietary TV home shopping channels in UK, US and Germany

Adopted 'omni-channel' strategy through 'web-based retail'



Augmented sales network via Proprietary Apps, Marketplace, OTT, and Social Media



Acquired 'Ideal World' and 'Mindful Souls'

2023

2024

2021

Penetrated ~90% of addressable German market

2013

2016



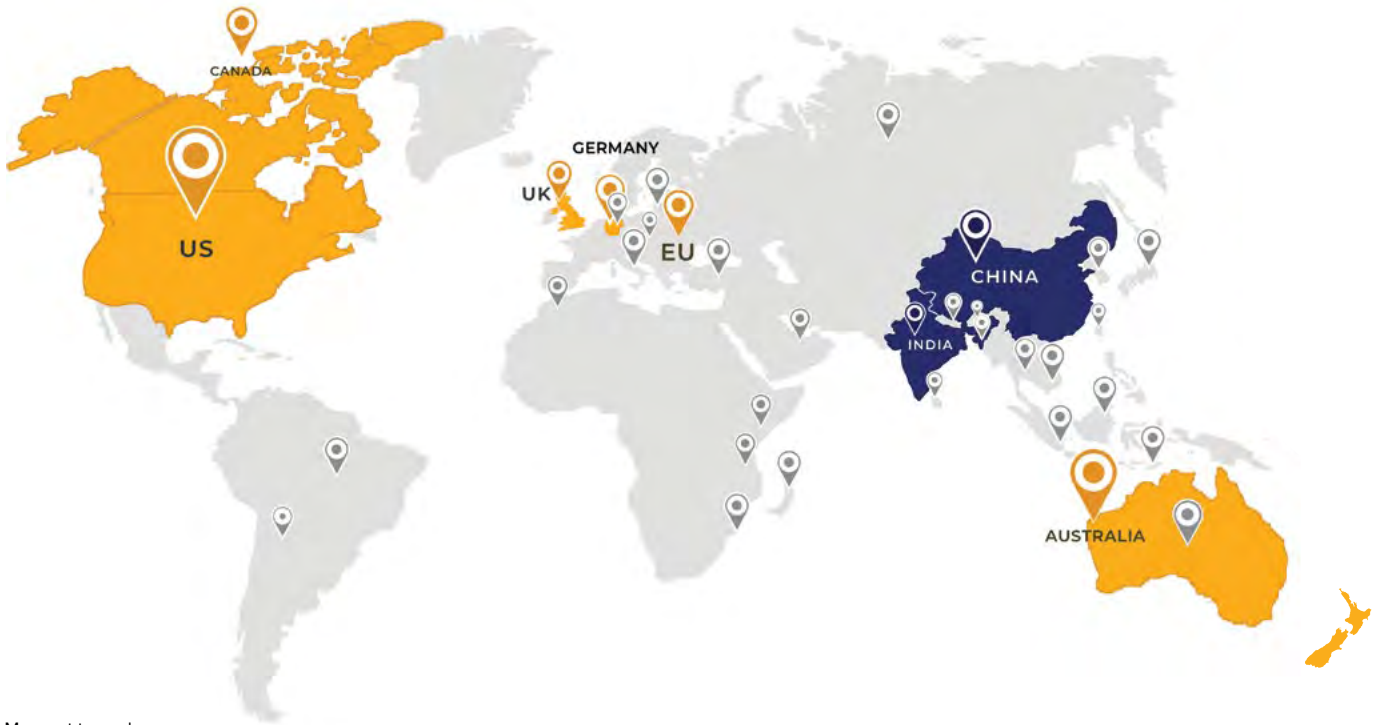
Ventured into 'Lifestyle Products' category, thus changed name to 'Vaibhav Global Limited'



Re-entered German market

Global Footprint

# Reinforcing Our Global Presence

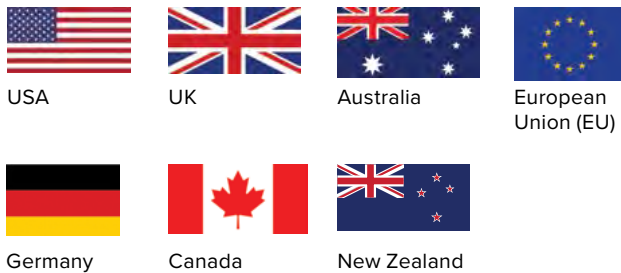


Map not to scale.

**Manufacturing Countries**



**Retail markets and geographies we operate in**



- Retail markets
- Manufacturing countries
- Sourcing

**Sourcing Countries**

- |             |                |
|-------------|----------------|
| India       | UK             |
| China       | Mozambique     |
| Thailand    | Germany        |
| Indonesia   | Italy          |
| Tanzania    | Turkey         |
| Russia      | Poland         |
| Morocco     | Singapore      |
| Myanmar     | UAE            |
| Madagascar  | Japan          |
| Bolivia     | Bangladesh     |
| Kenya       | Philippines    |
| South Korea | Czech Republic |
| Vietnam     | Taiwan         |
| Brazil      | Australia      |
| Sri Lanka   | US             |

## Omni-channel Presence

# An Omni-channel Presence for Increased Visibility and Awareness

As a vertically integrated 'value retailer', we uphold an omni-channel presence across diverse platforms, providing our customers with an engaging shopping experience while fostering strong brand recall and outreach.

### PROPRIETARY TV PLATFORMS

Cable, Satellite, Telco Networks and Over-The-Air (OTA) Broadcast

Shop LC, US (61 Million households)

TJC and Ideal World, UK (27 Million households)

Shop LC, Germany (42 Million households)

### DIGITAL PLATFORMS

Proprietary Web Platform

www.shoplc.com

www.tjc.co.uk

www.shoplc.de

www.idealworld.tv

www.mindfulsouls.com

Mobile App on App Store and Google Play

Shop LC

TJC

Shop LC De

### 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

eBay

Walmart

Overstock

Zulily

Wish

Amazon

eBay

Fruugo

Etsy

Wayfair

Amazon

### SOCIAL MEDIA RETAILING

Instagram

Facebook

Pinterest

YouTube

Snapchat

TikTok

Facebook

YouTube

Instagram

Pinterest

Instagram

Facebook

Pinterest



Note:





# Chairman's Message



OUR UNIQUE BUSINESS MODEL SETS US APART IN THE INDUSTRY. WE ARE PRESENT IN 130 MILLION TV HOUSEHOLDS ACROSS THE US, UK, AND GERMANY. OUR CUSTOMERS SHOW REMARKABLE LOYALTY, WITH AN AVERAGE REPEAT PURCHASE RATE OF 24 PIECES PER ANNUM AND A RETENTION RATE OF 39%.



**Dear Shareholders,**

### **FY 2023-24: A YEAR OF RESURGENCE**

The past year marked a significant turnaround for our company, as we regained growth momentum after a short period of challenges. Our key markets in the US, UK, and Germany are showing signs of economic stability, allowing us to capitalise on new opportunities and sustain our market-leading growth.

### **BROADENING OUR CUSTOMER BASE**

Our efforts to broaden our customer base were significantly strengthened by two strategic acquisitions we did during FY24. The acquisition of Ideal World, a well-established teleshopping brand in the UK, has enhanced our market share and opened new growth avenues. Additionally, Mindful Souls, an e-commerce company with sales presence in the US, UK, Canada, EU, and Australia, has positively contributed to our growth. We expect the digital expertise of Mindful Souls to strengthen our existing digital businesses.

We have also strengthened our digital infrastructure by enhancing our Salesforce Commerce Cloud, Marketing Cloud, and Service Cloud to improve the shopping experience and ensure security and reliability. We optimised our digital marketing campaigns and employed various tools such as SEO, SEM, Social Media Marketing, E-mail Marketing, and Affiliate Marketing. These data-driven campaigns have helped us engage more effectively with customers and driving conversions.

We are also leveraging AI to enhance customer acquisition and retention. AI-driven TV planning enables

scheduling of high-performing products. AI-based demand forecasting and inventory planning match real-time demand with supply, optimizing inventory level and increasing revenue predictability. Additionally, AI-generated content for ad creatives, product pages, and our website helps accelerate revenue. These initiatives are expected to capitalize on future opportunities while improving customer retention and repeat purchases.

### **OUR UNIQUE BUSINESS MODEL**

Our unique business model sets us apart in the industry. We are present in 130 million TV households across the US, UK, and Germany. Our customers show remarkable loyalty, with an average repeat purchase rate of 24 pieces per annum and a retention rate of 39%. Our vertically integrated model includes manufacturing facilities for fashion jewellery, supported by a global sourcing base across 30 countries for lifestyle products and gemstones. This integration allows us to maintain high-quality standards and cost efficiency. Our omni-channel presence, spanning TV and digital platforms, ensures we reach a wide and diverse customer base.

### **BEING A RESPONSIBLE CORPORATE CITIZEN - THE ESG WAY**

Our commitment to environmental, social, and governance (ESG) principles is integral to our operations. We operate two solar power plants in India, generating 4.1 million kWh of solar energy annually. Our afforestation efforts have resulted in the creation of two Miyawaki forests over two acres, comprising approximately 28,000 trees.

In water conservation, we harvest 6,100 KL of rainwater annually and recycle 4.8 KL of water daily. We convert 100% of our biodegradable

waste into compost and recycle plastic and electronic waste through government-approved recyclers. Our fleet of electric vehicles now includes 184 two-wheelers and three electric cars, reducing carbon emissions and eliminating 12 buses from our fleet. Our SEZ unit has been certified as a 'Net Zero Energy Building' (NZEB) by the Indian Green Building Council (IGBC), a significant milestone placing us among only 16 projects in India to achieve this status.

VGL Group subsidiaries continue to be recognised as 'Great Place to Work®', underscoring our dedication to fostering a positive work environment, maintaining robust governance, and prioritising employee well-being and satisfaction.

### **WAY FORWARD**

Looking ahead, our value-offering unique business model presents an opportunity to capture future growth. We will continue to enhance customer engagement through our omni-channel presence and extensive product portfolio of more than 25,000 SKUs. Our strong cash flows, dividend payouts, and commitment to the highest levels of corporate governance will ensure sustained shareholder returns. The future holds compelling opportunities for revenue growth and operating leverage, and we are well-positioned to capitalise on these prospects.

Thank you for your continued support.  
Warm Regards,

**Harsh Bahadur**  
Chairman

# Managing Director's Message



WE WILL CONTINUE INVESTING IN TECHNOLOGY AND ENHANCING OUR OMNI-CHANNEL PRESENCE ALONG WITH OUR WIDER PRODUCT PORTFOLIO. WE ARE WELL-POSITIONED TO CAPTURE FUTURE GROWTH, IMPROVE MARGINS, AND MAINTAIN OPERATING LEVERAGE.



Dear Shareholders,

## REGAINING THE GROWTH TRAJECTORY

We are pleased to report that our company regained its growth trajectory, showing improved profitability and strong cash flows. Our revenue grew by 13% year-over-year, with a healthy 5-year CAGR of 11%. We continue to gain market share, demonstrating the strength of our business model, a diverse portfolio of 25,000 products and deep customer engagement. Significant investments in digital platforms have expanded our sales channels, including Over the Air (OTA) TV platforms, websites, mobile apps, OTT, and third-party marketplaces.

## REGION-WISE PERFORMANCE

**United States:** Our performance improved as inflationary pressures eased, boosting consumer confidence and spending. Our agile supply chain ensured seamless product availability, meeting evolving customer demands. We also adapted our airtime strategies to align with consumer behaviours and optimised our broadcasting schedules accordingly.

**United Kingdom:** Consumers remains cautious due to the ongoing cost of living crisis. Our acquisition of Ideal World has strengthened our market share and provided new growth opportunities. We are pleased that within six months of the acquisition, Ideal World became profitable on a direct cost basis.

**Germany:** We have sustained sales growth momentum and market share gains since entering the market three years ago. Currently, Germany generates monthly revenue of over €1.8 million with gross margins exceeding 60%. Our strategic investments in TV networks and digital platforms have driven significant market penetration and increased revenue streams. Within three years, we have reached 95% of households in Germany. We are confident of achieving breakeven at the operating (EBITDA) level by the second half of FY25.

## STRATEGIC ACQUISITIONS

During the year, we completed two strategic acquisitions funded entirely through internally generated funds.

**1. Ideal World:** Shop TJC Ltd (UK) acquired the IP rights, broadcasting rights, customer list and studio equipment of Ideal World for GBP 1.125 million. Ideal World, a major teleshopping brand in the UK with over 20 years of legacy, operates proprietary TV shopping channels for lifestyle products. The integration with our UK operations was completed within a month, and Ideal World commenced live broadcasting on 29 September 2023. It currently reaches approximately 27 million households in the UK. By leveraging shared resources such as warehouses, studios, and workforce, we anticipate achieving profitability on a full-cost allocation basis in the coming quarters.

**2. Mindful Souls:** Established in 2018 in the Netherlands, Mindful Souls primarily serves the United States, one of the largest e-commerce markets, through its proprietary website and marketplaces. While over 80% of its revenue is derived from the US, it also has a presence in the UK/EU, Canada, and Australia, selling subscription boxes of fashion jewellery, selfcare and selflove products. We have begun utilising VGL's well-established supply chain to further improve the profitability of this business. Additionally, the digital capabilities of Mindful Souls are benefiting our existing digital businesses through cross-learning across the Group.

## SUPPLY CHAIN

Our company has developed a robust and dynamic supply chain system. Unlike our competitors, we possess both our own manufacturing facilities and a global sourcing network. This approach ensures agility, scalability, and adaptability to market demands, allowing us to achieve industry-leading gross margins while mitigating supply chain constraints.

## UNREASONABLE HOSPITALITY

We are integrating the principles of 'Unreasonable Hospitality' into our operations, inspired by Will Guidara's acclaimed book. This concept focusses on exceeding customer expectations to provide memorable shopping experiences. By prioritising exceptional service, we aim to enhance long-term customer loyalty, as reflected in our increased 'Net Promoter Score' across territories.

## FUTURE GROWTH LEVERS

We remain committed to strengthening our performance based on the 4R's – Widening Reach, New Registrations & Acquisitions, Customer Retention, and Repeat Purchases. Our TV networks reached approximately 130 million homes, with 0.3 million new customer acquisitions on TTM basis. Our customer retention rate was 86% for those making 20 or more purchases annually, and customers bought an average of 24 pieces per year.

Our continued investments in OTAs and digital ecosystems, including websites, applications, OTTs and marketplaces, are helping us expand our reach and improve customer experience. We aim to increase digital revenue to 50% by FY27 with CAGR of ~24%. Our in-house brands and innovation efforts aim to boost brand performance and increase branded merchandise revenue to 50% of total B2C revenue by FY28.

## LOOKING AHEAD

We will continue investing in technology and deepen our omni-channel presence on various platforms that we offer our products on. We are well-positioned to capture future growth, gain market share, and maintain operating leverage. We are committed to balancing growth, investment, and regular dividend payouts to create sustainable value for our stakeholders.

Warm Regards,

**Sunil Agrawal**  
Managing Director

# CFO's Message



WE ARE CONFIDENT OF OUR UNIQUE BUSINESS MODEL, OUR CAPABILITIES, AND NIMBLE APPROACH. WE REMAIN FOCUSED ON GROWTH AND PROFITABILITY, WITH PRUDENT CAPITAL MANAGEMENT.



**Dear Shareholders,**

### **YEAR GONE BY: REGAINED AND SUSTAINED GROWTH MOMENTUM**

Over the past fiscal year, our company has transitioned to a path of growth with improved financial and operational performance. We are pleased to report significant improvements in our financial metrics following a period of sluggish growth and macroeconomic challenges. Market dynamics have improved, with positive macro indicators and consumer demand. Our strategic investments across major TV networks and digital platforms and a stronger supply chain helped us in enhanced market penetration, increased revenue, and market share gains across regions.

### **FY24: PERFORMANCE OVERVIEW**

For FY24, we achieved consolidated revenue of ₹ 3,041 crore, representing a year-over-year growth of 13% and a healthy 5-year CAGR of 11%. Excluding acquisitions, year-over-year growth would be 8%. Retail through proprietary television channels saw notable growth, with revenue increasing to ₹ 1,769 crore, reflecting an 8.3% year-over-year growth and a 5-year CAGR of 9%. Digital retail exhibited even stronger performance, generating revenue of ₹ 1,145 crore, translating to a 17.2% year-over-year growth and a 5-year CAGR of 18%.

Our revenue mix shows that fashion jewellery contributed 70% to our total B2C revenue, while lifestyle products accounted for 30%. It is encouraging to observe the increasing revenue share of lifestyle products, which has risen from 12% in FY18 to 30% currently. This demonstrates our ability to expand wallet share by entering new categories over time. Looking ahead, we aim to elevate the contribution of lifestyle products to 50% of our B2C revenue in the medium term.

Regionally, Shop LC in the United States grew by 1% in U.S. dollar terms, while TJC in the United Kingdom saw growth of 2%. Germany demonstrated particularly strong performance with a growth rate of 54% in U.S. dollar terms. On a combined basis, our existing businesses grew by 5% in U.S. dollar terms. Including acquisitions and on a constant currency basis, the overall year-over-year growth was 10%.

The acquisition of Ideal World Ltd. and Mindful Souls in 2023 positively impacted our performance. Ideal World's integration was completed within a month, and it commenced live broadcasting on 29 September 2023, currently reaching 27 million households in the UK. Leveraging shared resources such as warehouses, studios, and workforce, we anticipate achieving profitability on a full-cost allocation basis soon. Mindful Souls continues to perform profitably with a customer base of around 72K. We have started utilising VGL's supply chain to further improve profitability, with the digital capabilities of Mindful Souls benefiting our other digital businesses through cross-learning.

Our gross margin remains robust at 62% for the full year, supported by our in-house manufacturing & global supply chain. This vertically integrated supply chain mechanism enables us to offer products at competitive prices with shorter turnaround times. The EBITDA margin improved to 9.7% from 8.4% in FY23, reflecting a 130-basis point improvement. Excluding Germany, the EBITDA margin for the full year was 12.3% versus 10.5% in FY23, showing a growth of 180 basis points. This improvement is due to better realisation and cost savings in SG&A expenses.

Profit before tax and exceptional items for the year was ₹190 crore,

representing 6.2% of revenue, compared to ₹ 141 crore in FY23. Adjusted for German losses and exceptional items, profit before tax would have been ₹ 261 crore, equivalent to 9.1% of revenue and 35% higher year-over-year, indicating operating leverage. Improved operational and financial performance have positively impacted our return ratios, with ROCE and ROE at 19% and 10%, respectively.

Operating and free cash flows for the full year were ₹ 270 crore and ₹ 230 crore, respectively, highlighting the strength of our asset-light business model. The Board has declared total dividends of ₹ 6.00 per equity share for the fiscal year, resulting in a total dividend payout of 78% against earnings of FY24.

### **OUTLOOK**

Looking forward, we remain focussed on growth and profitability, with prudent capital management. While unforeseen challenges may arise, we are confident in our ability to navigate them effectively due to our low-cost vertically integrated business model and nimble approach. We extend our gratitude to all stakeholders – employees, vendors, customers, and shareholders – for their unwavering support.

In conclusion, we are confident that our growth trajectory and healthy margins will be sustained, positioning us well to capitalise on opportunities in the medium to long term.

Sincerely,

**Nitin Panwad**

Group Chief Financial Officer

## Performance Overview

# Consistently Delivering Value Across Major Markets

Dedicated to enhancing our performance in key markets based on the 4R strategic focus, we prioritise effectively engaging with our customers and expanding our outreach, and generating value for all stakeholders.

### UNITED STATES

#### FY 2023-24 Performance Highlights

USD 221 Million  
Revenue

63%  
Sales Contribution

212k  
Unique Customers

96%  
CSAT

During FY 2023-24, economic stabilisation in the US and subsequent decline in inflation boosted consumer confidence, resulting in increased consumer spending and overall demand. At VGL, we were quick to adapt to the evolving economic environment leading to steady performance improvement. We focussed on optimising our supply chain to ensure products were easily available to effectively meet customer requirements. Our airtime strategies were revamped to align with evolving customer behaviours, helping optimise broadcasting schedules to maximise impact during peak demand periods.





## UNITED KINGDOM

### FY 2023-24 Performance Highlights

GBP **78** Million  
Revenue

**28%**  
Sales Contribution

**239k**  
(Incl. Ideal World)  
Unique Customers

**96%**  
CSAT

In the UK, inflation eased from historically high levels during FY 2023-24, leading to marginal improvement in consumer confidence, though concerns about the cost of living crisis continue to taper down the consumer spending. Our strategic acquisition of Ideal World at an attractive valuation during the fiscal year has strengthened our market position. It has provided new growth opportunities and boosted our competitiveness in the UK market. With Ideal World becoming profitable based on direct costs within six months of acquisition, we anticipate it will reach full-cost allocation profitability within the next two to three quarters.

## GERMANY

### FY 2023-24 Performance Highlights

Euro **21** Million  
Revenue

**7%**  
Sales Contribution

**57k**  
Unique Customers

**97%**  
CSAT

During FY 2023-24, we sustained our growth in sales and increased market share in Germany – a market we entered just 3 years ago. This expansion has enlarged the Group's total addressable market by approximately 20%. Currently, our operations in Germany generate monthly revenue exceeding € 1.8 Million with gross margins surpassing 60%. Our strategic investments in major TV networks and digital platforms have significantly boosted returns while enhancing market penetration and revenue streams. With an omni-channel presence (digital channels account for 28%), we have extended our reach to 42 million households, achieving ~95% penetration rate. With such favourable tailwinds, we are confident of achieving operating breakeven by the second half of FY25.



## Business Model

# Our Value Creation Model

Our holistic value creation model empowers us to deliver innovative, quality products, enhanced customer experiences, and value creation for all stakeholders while driving sustainable growth.

### COMPREHENSIVE B2C BUSINESS MODEL

#### INPUTS



##### Financial Capital

- Total Equity ₹ 1,258 crore
- Cash and Liquid Investments (Net of Debt) ₹ 167 crore
- Capital Expenditure (PPE) ₹ 39 crore



##### Manufactured Capital

- Manufacturing Units 7 Nos.
- Annual Capacity 5 Million pieces



##### Intellectual Capital

- 28,500+ No. of New Product ideas generated
- 4,800+ No. of Ideators
- 2,100+ No. of Process ideas received



##### Human Capital

- 4,147 Total Employees
- 64,100 Training Hours
- 16 No. of Training Hours Per Employee
- Gender Diversity: Male 78%  
Female 22%



##### Social & Relationship Capital

- 130 Million Households
- ₹ 7.1 crore CSR Spend



##### Natural Capital

- 3.23 MW Capacity of Solar Plants
- Tree Plantation
- Waste Management
- Rainwater Harvesting and Water Recycling
- 187 Electric Vehicles

#### OUR VALUE CREATION PROCESS

##### 4Rs OF CUSTOMER ENGAGEMENT

- **Reach:** 130 Million Households in US, UK and Germany
- **Registration & Acquisitions:** 3 Lakhs

##### RELATIONSHIPS

- Customers
- Vendors

##### VERTICALLY INTEGRATED SUPPLY CHAIN

- Inhouse Manufacturing
- Wider Procurement Base across the globe

##### CORE VALUES

- Team Work
- Honesty
- Commitment

##### SUPPORT FUNCTIONS

- Human Resource Management
- Information Technology
- Finance and Accounts
- Legal and Secretarial

##### GOVERNANCE

- Purpose
- Vision
- Mission
- Board of Directors and Committees

##### KEY ASPECTS

- Strategy and Capital Allocation
- Stakeholder Engagement

#### VISION AND VALUES

#### 4R STRATEGIC FOCUS

Widening Reach

- **Repeat:** 24 Pieces per Customer/p.a.
- **Retention:** 39%

- Employees
- Regulatory Authorities

- Low-cost Manufacturing
- Warehouse Automation and Efficient Outbound logistics

- Passion
- Positive Attitude

- Internal Audit
- Administration
- Innovation
- IR & Corporate Communication

- Robust Internal Control Mechanism
- Code of Conduct
- Whistle Blower Policy

- Risks and Opportunities

## OUTPUTS

### Financial Capital

- Turnover ₹ 3,041 crore
- EBITDA ₹ 295 crore
- PAT ₹ 127 crore
- Dividend Payout Ratio 78%
- Free Cash Flow ₹ 230 crore

### Manufactured Capital

- 2 Product Pools
- 25,000 + No. of SKUs

### Intellectual Capital

- 500 No. of New Innovative Products launched in markets
- 100+ No. of Innovative Process Ideas implemented

### Human Capital

- 166% Training hours achieved vs 100% planned

### Social & Relationship Capital

- 12 Mn meals served
- 24 Repeat purchases
- 86% Retention Rate of Customers who have bought more than 20 times
- 96%+ Customer Satisfaction Score (CSAT) across US, UK & Germany

### Natural Capital

- 15.6 Mn kWh units of Solar Energy generated till date
- Rainwater harvested: 6,100 KL per annum
- 1,800 kg Plastic Waste recycled till date
- Water recycled: 106 KL till date
- 2,800 kg E-Waste recycled till date
- Reduction in number of buses till date: 12 buses

## OUTCOMES

### Financial Capital

- 19% Return on Capital Employed
- ₹ 270 crore Operating Cash Flow
- ₹ 6,018 crore Market Capitalisation (as on 31 March 2024)

### Revenues

- B2C 96% of Total Revenue
- B2C ₹ 2,914 crore
  - TV Revenues 61%
  - Digital Revenues 39%

### B2C Revenues

- Jewellery Products 30%
- Lifestyle Products 70%
- Budget Pay 39%
- Non-Budget Pay 61%

### Manufactured Capital

- No. of SKUs Approx. 25,000

### Intellectual Capital

- ~70% Revenue contribution from 'new items introduced' on TTM basis
- 100 Innovative Process Ideas implemented

### Human Capital

- **Great Place to Work®** certified

### Social & Relationship Capital

- Repeat Purchases 24
- CSAT Score 96%+

### Natural Capital

- 35,000 Saplings planted till date

### Linkage with UN SDGs



New Registrations & Acquisitions

Customer Retention

Repeat Purchases

Strategy

# Mapping Our Strategic Priorities

Our strategic pillars of growth, the 4Rs – Widening Reach, New Registrations & Acquisitions, Customer Retention, and Repeat Purchases – drive our performance and propel growth. By focussing on expanding our customer base with a value-conscious product portfolio, we strive to deliver a unique shopping experience to customers across TV and digital platforms.

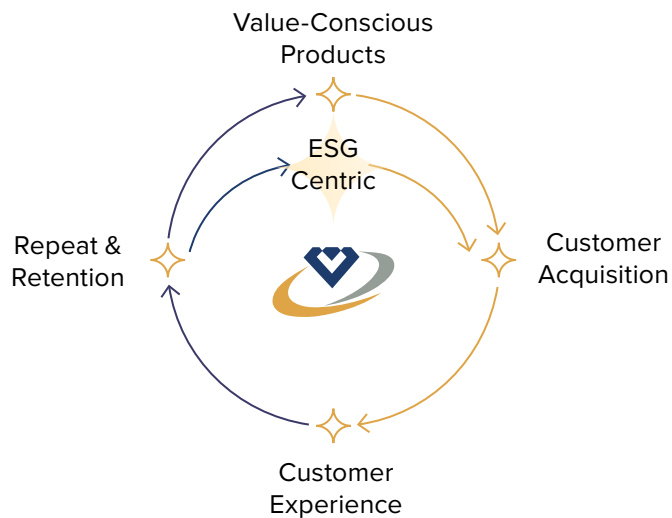
**FLYWHEEL CONCEPT**

The flywheel concept exemplifies our journey from being ‘Good to Great’ corporate, through our focussed efforts aligned with our 4R strategic objectives. As a leading digital retailer known for value-conscious product offerings, we are leveraging our strengths to create a robust flywheel effect, driving growth and customer loyalty. By prioritising affordability and quality, we attract value-minded customers through television and digital platforms. This strategy facilitates efficient customer acquisition and encourages repeat purchases, solidifying our customer base.

In addition to our value-driven approach, we also focus on exceptional customer experience, ensuring seamless interactions across all touchpoints, fostering strong customer

relationships and repeat business. The Group’s commitment to ESG principles, by donating 1 meal for every piece sold on its channel further enhances our brand reputation and appeals to socially-conscious consumers.

By integrating ESG initiatives, VGL Group strengthens customer trust and loyalty, creating a powerful flywheel that propels continuous growth and success.



## 4RS STRATEGIC FOCUS

OBJECTIVE 1

### Reach

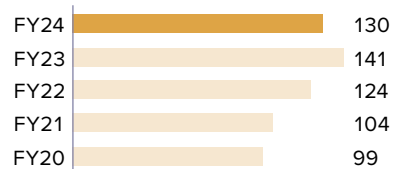
- Expanding household reach
- Bridging of gap through shared ideas
- Widening SKUs across channels
- Cross-selling through omni-channel presence

**IMPACT**  
**130 million**  
 Households

**GROWTH DRIVERS**

TV	Digital
Cable	Website
Satellite	Mobile Apps
OTA	Marketplaces
	OTT
	Social Media

**Reach across global households (million households)**



OBJECTIVE 2

# Registrations & Acquisitions\*

- Customer acquisition across TV and Digital platforms
- Engrossing content
- Easy payment mechanism, including 'Budget Pay'

**GROWTH DRIVERS**

- Assorted value-conscious product portfolio
- Unique Shopping Experience
- Robust value proposition
- Unreasonable Hospitality
- Personalised communications
- Contests & Rewards



**IMPACT**

**0.6 million** Unique customer base

**0.3 million** Registrations & Acquisitions

\*Refers to customers who have registered and bought products for the first time on TTM basis

OBJECTIVE 3

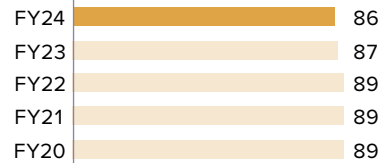
# Retention

- Customer-centric approach for retaining customers
- Satisfactorily meeting evolving customer needs and requirements
- Value for money products (~25k SKU's)
- Constantly introducing innovative products

**GROWTH DRIVERS**

- Robust long-term customer relationships
- Convenience
- Digital means - cross-selling potential

**Retention rate for 20+ purchases (86%)**



**IMPACT**

**86%** Retention Rate (20+ Purchases on TTM basis)

OBJECTIVE 4

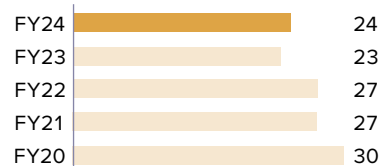
# Repeat

- Ensuring repeat customers through omni-channel and new products
- Other initiatives like - brand building, bundling, cross-selling and budget pay

**GROWTH DRIVERS**

- Constant focus on diversifying product portfolio
- Budget Pay
- Cross-selling across channels

**Repeat purchases (no. of pieces)**



**IMPACT**

**24** pieces p.a. per customer (TTM)

## Stakeholder Engagement

# Engaging Proactively with Stakeholders

We focus on proactive stakeholder engagement to cultivate lasting relationships with our stakeholders. Every interaction is a testament to our commitment to transparency and collaboration, fostering trust, understanding and mutual growth.

### OUR STAKEHOLDER ENGAGEMENT



#### CUSTOMERS

##### ENGAGEMENT TOPICS

- Customer satisfaction surveys
- e-interaction with customers
- Company website
- Brochures, Mailers
- Social media
- Trade fairs
- Advertisement campaigns
- Feedback forms
- Customer care service for addressing/resolving queries

##### COMMUNICATION CHANNELS

- Quality
- Timely delivery
- Grievances redressal
- Feedback
- Easy return policies

##### RELEVANCE TO VGL

Our biggest advocates



#### EMPLOYEES

##### ENGAGEMENT TOPICS

- Surveys
- Townhalls
- Department meetings
- Awards and recognition
- Learning and development
- Training and workshops

##### COMMUNICATION CHANNELS

- Career growth
- Employee benefits
- Performance management system
- Internal job postings
- Transparent evaluation
- Engagement initiatives

##### RELEVANCE TO VGL

Relying on their collective knowledge and experience to optimise core operations, innovation and productivity



#### VENDORS AND BUSINESS PARTNERS

##### ENGAGEMENT TOPICS

- Supplier surveys
- Enquiries via telephone and E-mail
- Periodic partner meets
- Transparent onboarding process

##### COMMUNICATION CHANNELS

- Timely payments
- Repeat orders
- SOP compliance

##### RELEVANCE TO VGL

Ensuring on-time delivery of quality materials



#### GOVERNMENT AUTHORITIES

##### ENGAGEMENT TOPICS

- Cooperating with all queries
- Participating in industry associations
- Regularly contributing to the exchequer through tax payments
- Zero tolerance for non-compliance

##### COMMUNICATION CHANNELS

- Compliance with applicable regulations
- Transparent communication

##### RELEVANCE TO VGL

Adherence to applicable laws



## SHAREHOLDERS

### ENGAGEMENT TOPICS

- Quarterly earnings conference calls
- Investor conferences
- Investor & Analysts Day
- Roadshows with investors
- AGM
- Company website
- Press releases
- Social media releases
- Other statutory disclosures

### COMMUNICATION CHANNELS

- Company's financial performance
- Improved return ratios
- Fair business practices
- Effective risk controls and adequate disclosures
- Transparency and accountability

### RELEVANCE TO VGL

Providing financial capital for the business



## COMMUNITIES

### ENGAGEMENT TOPICS

- Engagement through CSR initiatives
- Community development
- Engaging with local authorities to contribute to social cause

### COMMUNICATION CHANNELS

- Meaningful CSR activities
- Contributing towards the upliftment of needy
- Responsible business practices that include providing clean water
- Rainwater harvesting
- Mid-day meals in schools
- Motivating education among children
- Developing community infrastructure

### RELEVANCE TO VGL

Creating a net positive impact on society



## Stakeholder Engagement

### OUR ESG PHILOSOPHY

As a responsible entity, we acknowledge the impact of our business on society and the environment. Sustainability forms the core focus of our operations, deeply ingrained in our policies and practices. We remain committed to conserving the natural environment and supporting society through responsible business conduct. Our proactive ESG approach has enabled us to make positive contributions to the well-being of nature and the communities we serve.







### 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



### UN SUSTAINABLE DEVELOPMENT GOALS (SDGs) IMPACTED

UNSDG	UNSDGs impacted	Relevant Strategic Pillar	Stakeholders positively via Environment Initiatives
	Industry, Innovation and Infrastructure	People	Shareholders Employees Government
	Good Health and Well-being	Product Planet	Customers Employees Shareholders
	Responsible Consumption and Production	Product Planet	Suppliers Government
	Peace, Justice and Strong Institutions	People	Shareholders Customers Employees Government Suppliers

## Risks and Opportunities

# Ensuring Effective Risk Management

Risk management is an integral aspect of our business, integrated into critical functions, activities and processes. We have designed a comprehensive risk management framework aligned with the globally recognised framework issued by the Committee of Sponsoring Organisations (COSO).

Our approach prioritises materiality and risk tolerance in decision-making and is centred around protecting stakeholder interests. The framework focuses on mitigating business risks to achieve business objectives, offering reasonable though not absolute assurance against material misstatement or loss.

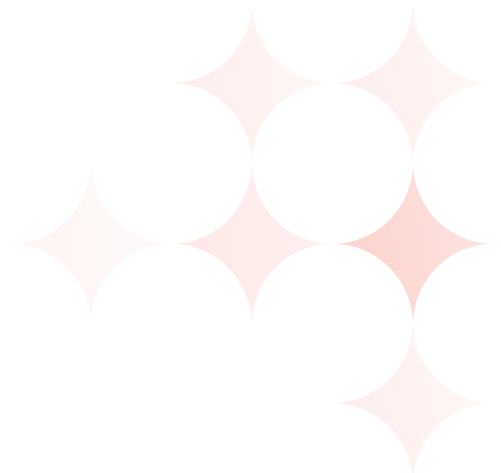
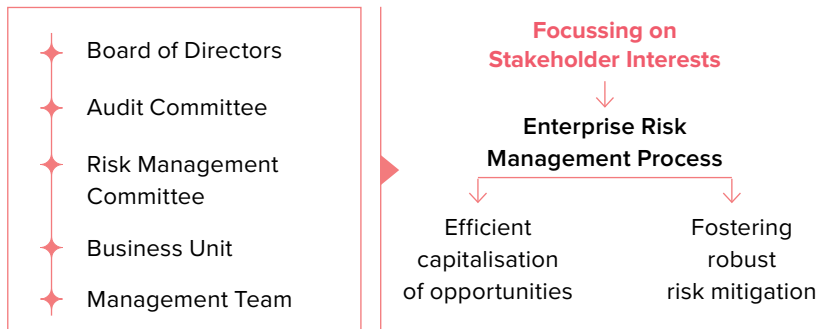
We recognise that risk identification and management is the responsibility of every manager and business leader. To ensure effective risk management across all levels of the organisation, we have established key risk governance and oversight committees in the Group.

### COSO FRAMEWORK

- ◆ Control environment
- ◆ Risk assessment
- ◆ Control activities
- ◆ Monitoring
- ◆ Information and communication



### RISK MANAGEMENT STRUCTURE





## Summary of Key Risks, Mitigation, Responses and Opportunities

### INFORMATION TECHNOLOGY AND CYBER SECURITY

#### IMPACT

Operating in an evolving tech-enabled global environment, we are increasingly dependent on computer and network technology like many other organisations. These systems may face security breaches, potentially leading to theft, disclosure, or corruption of crucial information.

#### MITIGATING ACTIONS AND RESPONSES

- Group-wide focus on creating frameworks, policies and procedures
- Deploying the latest tools and technologies
- Adherence to IT-related SOPs
- Licensed software
- Regular internal and external audits

#### LINKAGE TO CAPITALS



#### STRATEGIC PRIORITIES

- Reach
- Retention

### REGULATORY COMPLIANCE

#### IMPACT

The Company operates on a global scale. Frequent regulatory changes in key geographies of operations could impact our business, leading to increased operating costs and restrictions such as taxation rates, export duties, or alterations in legislation.

#### MITIGATING ACTIONS AND RESPONSES

- Consistent monitoring of regulatory changes
- Competent in-house legal team
- Enforcement of SOPs
- “Zero tolerance” policy for non-compliance
- Reporting of compliance status to Senior Management, the Audit Committee and the Board of Directors
- Insurance Policy is in place to address legal liabilities
- Getting consultations from external agencies

#### LINKAGE TO CAPITALS



#### STRATEGIC PRIORITIES

- Reach
- Registration & Acquisition

### FLUCTUATION IN CURRENCY EXCHANGE RATES

#### IMPACT

Our assets, earnings and cash flow are influenced by a variety of currencies due to our multi-geographic operations. Fluctuations in the exchange rates of those currencies may have an impact on the financial performance.

#### MITIGATING ACTIONS AND RESPONSES

- VGL Group’s robust diversified portfolio serves as hedge against currency fluctuations.
- Strong forex management controls are in place through back-to-back arrangements
- The management assesses all forex and commodity-related risks and advises appropriate actions to business divisions
- Natural hedge: Balancing export receivables against raw material imports

#### LINKAGE TO CAPITALS



#### STRATEGIC PRIORITIES

- Reach

## GEOGRAPHIC & CHANNEL CONCENTRATION RISK

### IMPACT

The Company derives major revenue from the US and UK markets. This overreliance could impact the business.

### MITIGATING ACTIONS AND RESPONSES

- Focus on expansion into new global markets
- Strategic focus on accelerating household coverage aimed at growing market share
- Ongoing efforts at expanding the product portfolio by daily introducing new SKUs

### LINKAGE TO CAPITALS



### STRATEGIC PRIORITIES

- Registration & Acquisition
- Retention
- Repeat

## MATERIAL MANAGEMENT

### IMPACT

Fluctuations in product prices and demand owing to global economic conditions, natural disasters, weather events, pandemic and political instability could adversely affect the Company's earnings, cash flow and reserves.

### MITIGATING ACTIONS AND RESPONSES

- Adopt low-cost production methods
- Slowly decreasing reliance on imports
- Identification of alternative sources for the supply of critical parts and raw materials
- Direct sourcing of gemstones from international markets
- Effective implementation of well-defined procurement policies

### LINKAGE TO CAPITALS



### STRATEGIC PRIORITIES

- Reach



**INVENTORY MANAGEMENT INCLUDING PRODUCT OBSOLESCENCE**

**IMPACT**

The Company operates in the highly evolving jewellery and lifestyle products space. As such, there is an ongoing need to accurately predict trends to efficiently meet customer expectations and stay competitive.

**MITIGATING ACTIONS AND RESPONSES**

- A diversified product portfolio tailored to meet evolving customer demands and expectations
- Consumer-centric innovations in new product development to ensure swift market entry
- Web-based auction mechanism, starting at just USD 1, for efficiently clearing old products
- Discounted pricing during clearance and end-of-season sales to attract more customers
- Maintaining a product innovation process to be at the forefront of emerging trends

**LINKAGE TO CAPITALS**



**STRATEGIC PRIORITIES**

- Reach
- Retention
- Repeat

**ATTRACTING & RETAINING THE BEST TALENT**

**IMPACT**

Across human resources, there is always an inherent risk related to skilled and specialised manpower. Such risks could relate to individuals leaving the company, joining competitors, or disclosing confidential information to competitors.

**MITIGATING ACTIONS AND RESPONSES**

- The Company offers ESOP schemes and RSU's for talent attraction and retention
- Provide meaningful and matching roles for personal and professional growth
- Benchmarking employee remuneration against industry standards
- Encouraging employees to voice suggestions and discuss issues with seniors
- "Great Place To Work® certified"
- HIPO (High Potential) programme for employees for career development

**LINKAGE TO CAPITALS**



**STRATEGIC PRIORITIES**

- Reach

**DISRUPTION ACROSS THE SUPPLY CHAIN MANAGEMENT**

**IMPACT**

Supply chain disruptions may occur due to natural disasters, floods, fires, earthquakes and geopolitical situations.

**MITIGATING ACTIONS AND RESPONSES**

- Established business continuity plans and identification of alternate/domestic vendors and manufacturing capacities
- Insuring the Company's properties against natural risks with periodic reviews conducted by professionals
- Provided fire safety training to employees and installation of effective fire safety systems at all locations

**LINKAGE TO CAPITALS**



**STRATEGIC PRIORITIES**

- Reach
- Retention
- Repeat

## CORPORATE & BRAND REPUTATION

### IMPACT

Given the robust business model, new customer acquisition and existing customer retention and satisfaction becomes important. Risks could arise on account of inaccurate information being represented on social media. Also, any poor customer care service could impact customer satisfaction and loyalty.

### MITIGATING ACTIONS AND RESPONSES

- Prompt redressal of customer complaints through an established mechanism
- Monitoring customer loyalty and satisfaction via NPS methodology
- Tracking brand perception and salience
- Setting mechanisms in place to address fake or malicious posts

### LINKAGE TO CAPITALS



### STRATEGIC PRIORITIES

- Reach
- Registration & Acquisition
- Retention
- Repeat

## ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

### IMPACT

Limited resources could lead to extensive health, safety and environmental laws, regulations and standards

### MITIGATING ACTIONS AND RESPONSES

- Maintaining adequate policies and standards
- Issuing safety standards at workplaces
- Ongoing engagement with Akshaya Patra in India for providing over 56,000 mid-day meals every school day to school children

### LINKAGE TO CAPITALS



### STRATEGIC PRIORITIES

- Reach



Financial Capital



Manufactured Capital



Intellectual Capital



Human Capital



Social & Relationship Capital



Natural Capital

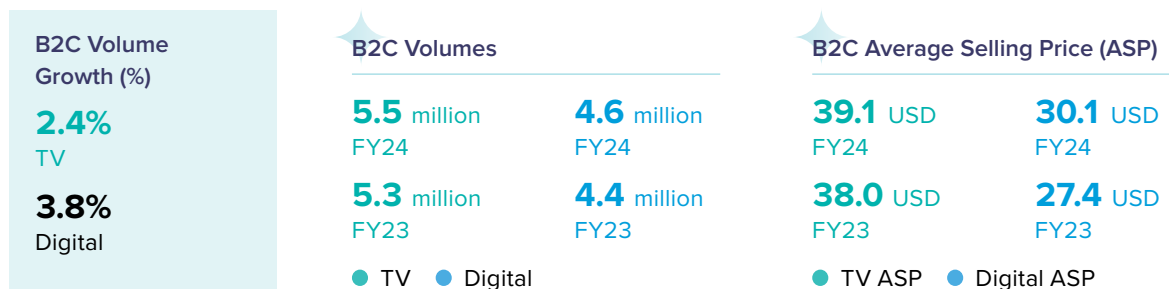
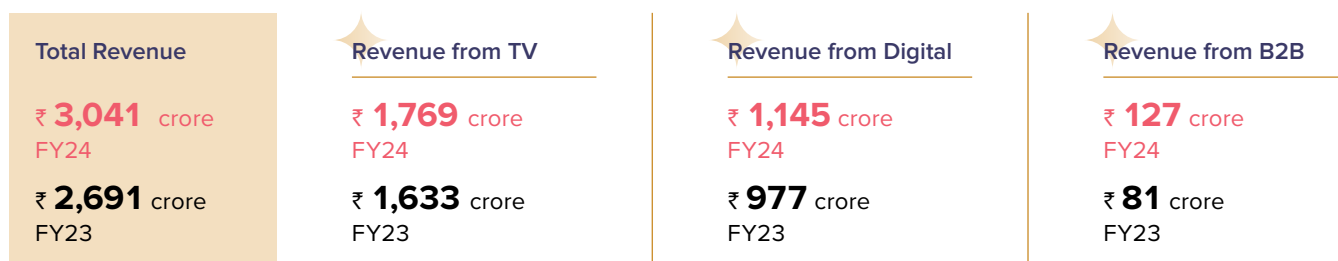




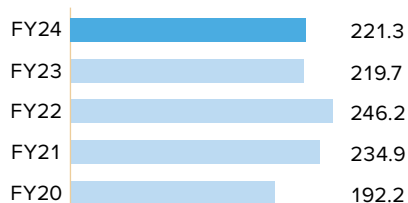
## FINANCIAL CAPITAL

# Prudent Financial Capital Management

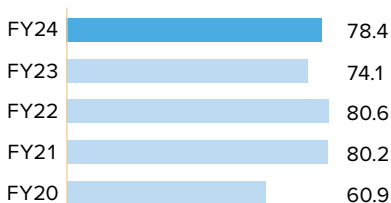
Underscoring our commitment to prudent capital management and strategic growth initiatives, we have achieved strong financial performance despite challenges. Leveraging our resilient, asset-light business model, we focussed on organic expansion as well as acquisitions to drive sustainable growth and optimise profitability across markets, delivering lasting stakeholder value.



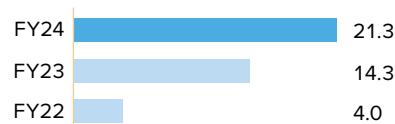
Revenue - Shop LC (US) (USD Mn)



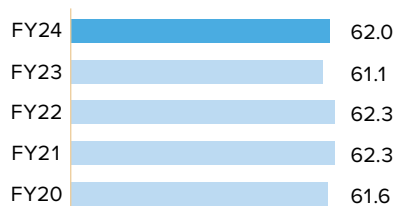
Revenue - Shop TJC (UK) (GBP Mn)



Revenue- Shop LC (Germany) (EUR Mn)



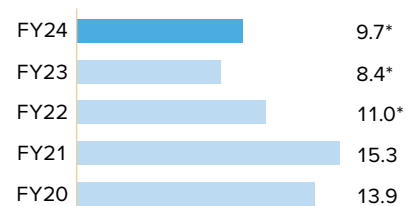
### Gross Profit Margin (%)



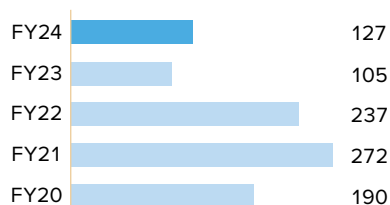
### EBITDA (₹ crore)



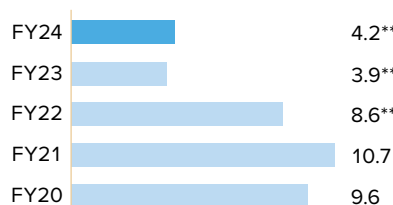
### EBITDA Margin (%)



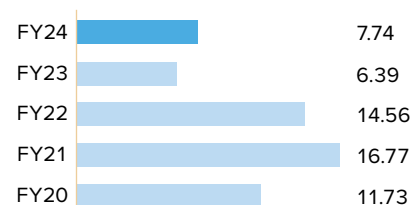
### PAT (₹ crore)



### PAT Margin (%)



### Basic Earnings Per Share (₹)



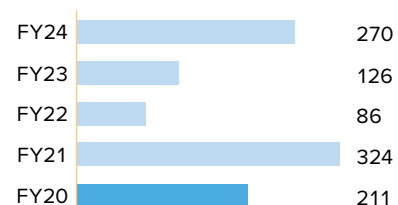
### Return on Equity (%)



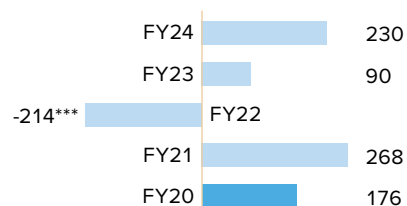
### Return on Capital Employed (%)



### Operating Cash Flows (₹ crore)



### Free Cash Flows (₹ crore)



\* Excluding Germany, EBITDA margin in FY21, FY22 and FY23 was 12.7%, 10.5% and 12.3% respectively

\*\* Excluding Germany, PAT margin in FY21, FY22 and FY23 was 10.5%, 6.1% and 6.9% respectively

\*\*\* 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

## Acquisitions in FY 2023-24

### IDEAL WORLD

We executed an asset purchase agreement for GBP 1.125 Mn to acquire the assets of Ideal World, a major teleshopping brand in UK. These include intellectual property rights, broadcasting rights, studio equipment and other intangible assets. Over the years, Ideal World has created a unique position for itself in the teleshopping industry. This acquisition is expected to yield synergistic benefits while further increasing our market share in the UK market.

### MINDFUL SOULS BV

We acquired 100% equity in Mindful Souls BV (a debt free company) for a purchase consideration of EUR 12.0 Million.

Established in 2018 in the Netherlands, Mindful Souls primarily serves the United States, one of the largest e-commerce markets, through its proprietary website and marketplaces. While over 80% of its revenue is derived from the US, it also has a presence in the UK/EU, Canada, and Australia, selling subscription boxes of fashion jewellery, self-care and self-love products. This acquisition will bolster our existing digital businesses.

### OUR PERFORMANCE HIGHLIGHTS

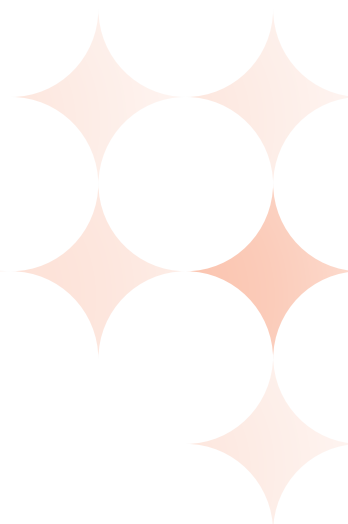
In FY 2023-24, our 4Rs strategic growth focus and prudent financial management yielded positive outcomes. We reached 130 million households via TV networks and gained a 26% Y-o-Y increase in our unique customer base. We achieved a notable revenue growth

of 13% over the previous year. This growth was driven by our steadfast adaptation to changing market conditions coupled with favourable macroeconomic factors.

Leveraging our in-house manufacturing capabilities and robust global supply chain network, we have consistently maintained gross margins within our targeted range of 60% or higher for many years. Our focus on operational efficiency and maximising profitability across diverse markets led to an improved EBITDA margin in the fiscal year. Leveraging our asset-light model and robust balance sheet, we efficiently managed our working capital, maintained healthy cash flows and financed both our acquisitions through internal accruals.

Underscoring our commitment to delivering value to our shareholders, the Board has recommended a final dividend of ₹ 1.5 per equity share, subject to shareholder approval, bringing total FY 2023-24 dividend payout to 78%, including 3 interim dividends.

Backed by our judicious financial management practices, we have maintained strong liquidity reserves with a net cash positive position of ₹ 167 crore, despite regular dividend payouts and undertaking strategic acquisitions. Our healthy Return on Capital Employed (ROCE) and Return on Equity (ROE) reflect our capital allocation strategies and our ability to generate strong returns for our investors.





**MANUFACTURED  
CAPITAL**

# Strengthening Manufacturing Capabilities



At VGL, our state-of-the-art manufacturing units, and an engaged workforce are instrumental at creating enduring stakeholder value. Committed to manufacturing excellence, we continually invest in upgrading technology and production processes, driving operational efficiency, and delivering affordable yet superior quality products.

**1,69,000** sq. ft.

**Fully integrated  
Manufacturing Unit in Jaipur**

**5** million pcs p.a.

**Production Capacity**

## **IN-HOUSE MANUFACTURING – A COMPETITIVE EDGE**

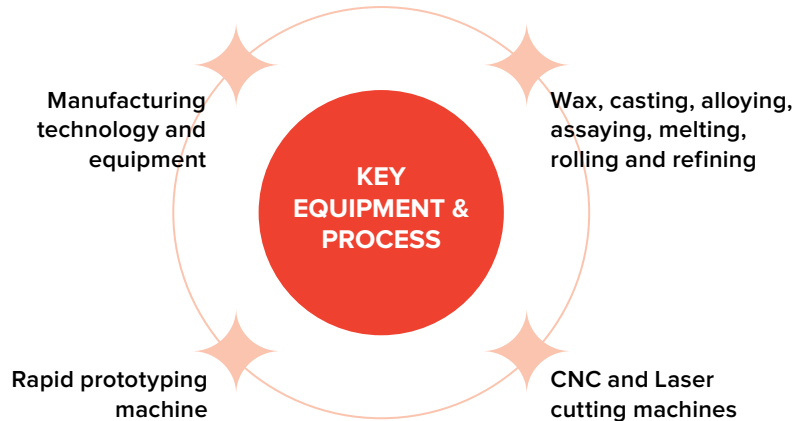
Nearly 90% of our fashion and gemstone manufacturing is undertaken at our manufacturing units in India (Jaipur). In-house manufacturing provides us with a competitive edge across supply chain management with benefits like efficient costing, better price realisations, quality control, and thus driving customer satisfaction.

## **Manufacturing Competencies**

VGL's jewellery manufacturing facilities have capacity of around 5 million pieces annually, which is ably supported by a team of ~3,000 highly skilled manpower. Our production line features a rich array of metals, including Silver, Gold, Platinum, Steel, Brass, Copper and Bronze. Our diverse portfolio enables us to offer a wide range of jewellery styles, including cast, handmade, diamond-



cut, gemstone and beaded designs. With our diamond sourcing centre located in Mumbai and manufacturing operations spread across India and China, we ensure streamlined operations from start to finish. Utilising laser machines for customising jewellery, we offer both engraving and cutting techniques to match our customer's jewellery requirements.



**Driving Manufacturing Excellence**

- Our continuous investments in the latest technologies have boosted our manufacturing strength, enhancing efficiency, productivity and speed to market. This has fortified our competitiveness while advancing our sustainability goals by optimising resource consumption and reducing waste
- Implementing concepts such as Total Productive Maintenance and Daily Work Management tools coupled with Total Employee Involvement (TEI) programmes, enhanced productivity and processes, leading to cost optimisation



**Few Instances of Advanced Manufacturing Technologies**

Automatic Stone/Diamond setting machine for setting stone/diamond into wax pieces, replacing manual setting

Introduced a new coating of Rhodium metal and E-coating to enhance the durability of jewellery

Installed Infrared (IR) Furnace to reduce electricity consumption in the burnout process of investment casting (approx. 30% lesser electricity usage)

Introduced belt type semi-automatic wax injector to create wax patterns in jewellery; it offers several benefits including minimal manual efforts and human errors while producing accurate wax patterns crucial for high quality final products; it also adds versatility in the production process by adjusting settings to accommodate various wax types and mould designs





**INTELLECTUAL  
CAPITAL**

# Fostering Innovation and Excellence



At VGL, innovation is not just important – it’s essential. Our team is focussed on enhancing our operational capabilities and delivering high-quality products to our customers. We constantly find new and better ways to stay ahead of market trends through relentless innovation and excellence.

~5%

Contribution to total  
revenue

## INNOVATION TEAM’S REVENUE CONTRIBUTION TO GLOBAL B2C REVENUE

(over 4 years)

47,000+

New and innovative  
product ideas launched

USD 21 Mn

Revenues in FY 2023-24  
5%

USD 21 Mn

Revenues in FY 2022-23  
~6%

~2,300

Products converted  
and sold over channels

USD 17 Mn

Revenues in FY 2021-22  
5%

USD 4 Mn

Revenues in FY 2020-21  
1%

We firmly believe that innovation is integral to our growth and success. With this principle in mind, we have initiated several programmes such as Idea Lab, Innov8 portal and Process Innovation suggestion scheme to foster innovation across our products and processes.

We actively monitor trends to understand our customers better and adapt our designs to meet their evolving demands. We provide a structured framework to articulate ideas and encourage thinking outside the box. Organising weekly contests and challenges facilitates knowledge-sharing and skill development among our teams. Recognising the significance of ideas, we reward our employees with monetary incentives. Additionally, we extend our innovation culture beyond our employees to include their families. We provide them with a platform to showcase their ideas, fostering recognition and empowerment.

**INNOVATION ORIENTED PROGRAMMES**

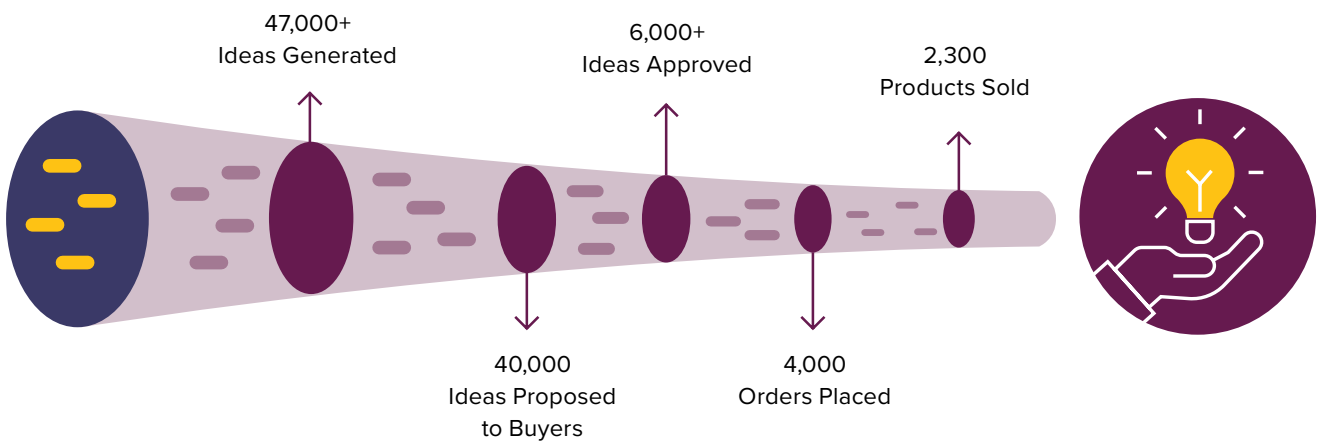
Currently, regarding product innovation, 5% of the Group’s revenue accrues from innovative products. Through several programmes, we aim to evaluate customer demand specifications and deliver innovative products.

**INNOVATIVE PLATFORMS INNOV8**

To unlock our workforce potential, the Innov8 platform encourages active participation from employees and their families to contribute ideas and collaborate on product development. We ensure equal opportunities for all employees across levels, to drive positive changes and enhance processes within the organisation.

Furthermore, we organise various brainstorming sessions and engaging contests such as the all-India hackathon - Hackademic, Children’s Creativity Contest (C3), and Draw A Design Contest. These initiatives promote skill development and foster creativity among our teams. Recognising innovation as a developable skill, we are dedicated to equipping our employees with the tools and resources to nurture their innovative thinking abilities.

With our structured approach to innovation and unwavering commitment to fostering creativity, we are confident in our ability to distinguish ourselves in the marketplace and effectively address the evolving customer needs.



**Global Search Programme**  
A Global product innovation and search programme

**Crowdsourcing of Ideas**  
From employees, customers and external stakeholders

## INFINITY LAB

In addition to our digital platforms, we have introduced the Innovation 'Infinity Lab', a physical space for ideation and innovation. Here, employees can freely ideate, innovate and implement new ideas for both products and

processes. The lab serves as a dedicated area for employees to brainstorm, collaborate and generate new ideas, fostering creativity and innovation. Equipped with the latest technologies, an employee can utilise

the lab, create an idea and convert it into a physical prototype with a 3D printer or any other materials across product categories.

Other key product innovation initiatives are mentioned below:



- Launchpad for outside innovators and product owners.  
**1,500+** ideas received from different countries.  
**12** brands already live on channels in the US and UK.



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



- An idea portal to invite customers for product ideas that they would like from us to sell on our channels. Each month, we receive **50+** ideas from customers in the US and UK.



- A programme to approach outside innovators or designers to foster collaboration and creativity.  
**70+** ideas received from outside innovators.



- Provides the children of our employees with an opportunity to showcase their artistic talents.  
**7,000+** ideas received from the children.



## OTHER COLLABORATIONS

- We have collaborated with the RangeMe platform to launch different campaigns to bring innovative products to market in record time. Post the successful launch of Catapult in 2021, we have onboarded 4 brands on our TV shopping channels
- We launched the second version of Catapult in April 2023, onboarding 12 brands across all channels, contributing USD 2.1 million worth of sales from those brands
- We initiated another collaboration with RangeMe for our UK retail channel TJC. This collaboration yielded great success with the onboarding of 8 new brands

**INTELLECTUAL PROPERTY COLLABORATIONS**

We have collaborated with IP Sagacious to protect the novelty of ideas through various patents and overall. We are delighted to announce patent approval for ‘Hanabi’ cut gemstone during FY 2023-24

**8**  
Patents filed that include design and utility patents in FY 2023-24

**KEY EXAMPLES**

**Soulsmart Ring**

Introducing the smart ring – an ultimate fusion of style and function. One can wear it as jewellery while enjoying essential fitness features akin to a smartwatch – an all-in-one compact device.



**Spinner Ring**

We have achieved an unparalleled smooth movement feature in our ‘spinner ring’ product. This innovation enables the outer ring to rotate freely around the wearer’s finger for a significantly extended duration compared to other rings available in the market. This enhancement adds an engaging and dynamic element to the ring, elevating its appeal and functionality.



**Retractable Comb**

We have launched an easy-to-clean hairbrush comb with retractable bristles, providing a hassle-free grooming solution. Perfect for on-the-go touch-ups or daily grooming routines, it ensures convenience and hygiene without compromising on style. We have filed the patent for this unique product.



**SYSTEMATIC INVENTIVE THINKING CONCEPT**

We have introduced several problem-solving products through a Systematic Inventive Thinking approach, producing great ideas to improve existing products and enhance customer lifestyles.

**Hanabi Cut**

Introduced ‘Hanabi’ - a new fancy gemstone cut inspired by the Japanese term for fireworks, believed to ward off evil spirits. This unique cut has been patented, with an application filed in 2022 and granted this fiscal year.



## DESIGN THINKING CONCEPT

With the Design Thinking Approach, our customers are at the centre of every innovation. We conduct ethnographic interviews directly with customers to understand their pain points before devising a solution. Additionally, we organise Focus Group meetings with customers to discuss products, processes and engagements.

We have also created an 'Idea Lab' platform for customers to directly share ideas with us. It has been heavily promoted on channels and websites regularly. Based on the ideas received, we reintroduce the modified product to boost sales or create solutions to customer problems. We use AI tools to aid in trend monitoring and competitor analysis.



## 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.

### AI for Jewellery Designing

Introduced AI in jewellery design to address challenges faced by designers in generating new designs. The AI tool boosts the creativity of the design team, translating imaginative concepts into tangible products. This technological integration has significantly improved our design process.

### Stone Fall

Introducing a new type of setting 'Spur and Gear', a combination of prong and bezel setting, ensuring more secure placement and addressing stone falling from the jewellery. We introduced this setting in artisan designs, resulting in reducing product returns by 2%.

## OUR SUCCESS STORIES

### New Plating Layer

Introduced a new plating layer to address the issue of anti-tarnish, caused by copper reacting with the skin, often observed when fingers turn green after brief wear. The solution involves adding two layers between the base metal and the final platinum plating layer. The innovation offers cost-effectiveness, abrasion resistance, hypoallergenic properties and improved appearance. Reducing product returns and boosting profitability, it promises long-term success.

Our commitment to both product and process innovation has helped us to efficiently meet the evolving needs of our customers while ensuring the highest levels of quality and operational efficiency. Moving ahead, we remain steadfast in our commitment to continue driving innovation and sustainable progress.



**SOCIAL AND  
 RELATIONSHIP  
 CAPITAL**

# Building Long-term Relationships With Stakeholders



We are dedicated to fostering enduring, transparent, and trust-based relationships with all of our stakeholders. Pursuing mutual progress, we actively engage with our communities, sharing knowledge, enhancing capacity, and investing in their growth and development.

## Social Capital

Donated  
**87 Mn**  
 meals till date in India, US,  
 UK and Germany

Serving  
**~56,000** meals  
 every school day

To serve  
**1 Mn**  
 meals/day by FY 2039-40

### COMMUNITIES

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

Our *"Your Purchase Feeds..."* – a unique mid-day meal programme ensures that every item sold provides a meal for a school-going child. To date, we have supplied 87 Mn meals across India, the US, the UK, and Germany.

#### Organisations we have partnered with

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

## Relationship Capital

### CUSTOMERS

Operating in an omni-channel B2C retail segment, growing recognition of deep-value fashion jewellery provides opportunities to expand into adjacent categories. Our customer engagement efforts aim to boost satisfaction, loyalty and advocacy, resulting in higher retention rates, increased revenue and positive word of mouth referrals. Our various initiatives also help drive operational excellence and cost optimisation.

With a customer-centric approach, we have achieved outstanding CSAT (Customer Satisfaction) scores exceeding 96% across locations. Our competent workforce helps in the efficient management of call centres for Shop LC (US), Shop TJC (UK) and Shop LC (Germany). In the coming years, we aim to broaden India's role and responsibilities



#### Brands with strong customer visibility

- ◆ Shop LC (US)
- ◆ Shop TJC (UK)
- ◆ Ideal World (UK)
- ◆ Shop LC (Germany)

◆ **55%** of US and **95%** of UK Voice calls being catered from India

◆ **87%** and **55%** of personal shopper business of TJC UK and Shop LC US accrues from India

◆ Growing online presence  
Improving customer engagement metrics

#### Digital processes being 100% handled by our Indian call centre

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



◆ **96%+** Customer Satisfaction (CSAT) across US, UK and Germany



## CUSTOMER ENGAGEMENT MEASURES

### Integrating 'Unreasonable Hospitality' Concept

We have embraced a unique concept 'Unreasonable Hospitality'. We have integrated this principle into our operations, drawing inspiration from Will Guidara's acclaimed book. This concept emphasises exceeding customer expectations to create extraordinary and memorable customer shopping experiences. By prioritising exceptional service, we aim to foster strong customer connections, attracting new customers while significantly enhancing long-term loyalty.

### Chatbot

We have successfully launched Chatbot to manage top queries via Digital Chat.

### Customised Communications

Our dedicated team of personal shoppers offers tailored and seamless shopping experiences via personalised emails and calls to customers considering their needs and purchase history, fostering robust customer relationships.

### Rewards

Promotions like Customer Appreciation Day, Dream Gateway Sweepstakes, Car Sweepstakes, and Tesla Giveaway, among others are provided for repeat

business, to incentivise customer loyalty and boost engagement.

### Social Media Engagement

Engaging with customers 24\*7 on social media platforms such as Facebook and Instagram, providing prompt responses to queries and individual recommendations based on their interests over live feeds.

### Customer Events, Webinars and Communities

Organising webinars and live experiences with customers over Zoom calls on topics such as Gemstones. Such sessions effectively engage customers, provide valuable insights and foster community building.

## SUPPLIERS

The Group's extensive sourcing network spans 30 countries, bolstering our manufacturing capabilities. We aim to further enhance our sourcing through localisation in key locations to ensure competitive pricing and margin improvement. Our broad sourcing base has helped us address past global shipping challenges and maintain product quality control.

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



## SHAREHOLDERS

Committed to generating value for our shareholders, we have consistently rewarded them despite operating in a challenging global environment. During FY 2023-24, the Company paid interim dividends of ₹ 4.5 per equity share in the first nine months of the fiscal year. Additionally, a final dividend of ₹ 1.5 per share for the year was recommended, totalling a dividend payout of 78% against total earnings for FY 2023-24.



## HUMAN CAPITAL

# Nurturing A Talented Workforce

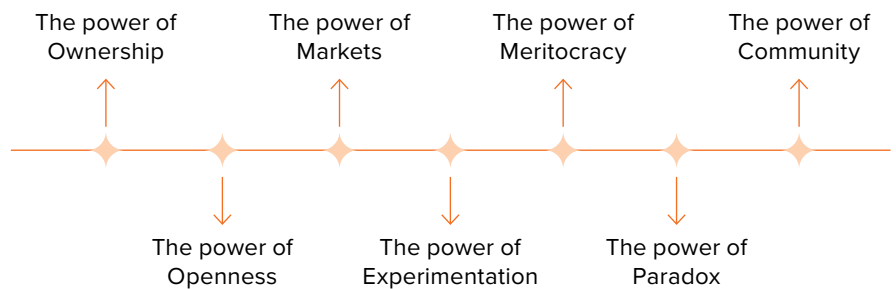


We continually invest in employee well-being and satisfaction, improving their overall experience through ongoing learning and innovation, supporting workplace diversity and advancing digitalisation. Our outstanding work culture ensures employee safety, health, competence and overall welfare while offering ample opportunities for their growth and success.

### HUMANOCRACY

Humanocracy refers to structuring an organisation to optimise human potential. At VGL, we have enthusiastically embraced this concept, transitioning from bureaucratic procedures to prioritising human capabilities, to achieve results through innovation and strategic management. To foster creativity and enhance employee accountability, we established 60 Micro Enterprises (MEs) within VGL Group, each functioning as a micro-organisation dedicated to operational efficiency.

### THE 7 PRINCIPLES OF HUMANOCRACY



**VGL'S KEY PRACTICES UNDER HUMANOCRACY**

- Transparency in Communication
- Ongoing Learning and Development
- Entrusting decision-making
- Multidisciplinary Teams
- Empowering Employees
- Flexible and Adaptable (readiness to evolving processes and structures)
- Performance-based career progression
- Feedback loops – Establish continual feedback mechanisms to evaluate employee satisfaction and collect suggestions for improvement; Act on feedback to demonstrate to employees that their voices are acknowledged and valued
- Rewards and Recognition through innovation programmes related to product and process



**EMPLOYEE RETENTION & ENGAGEMENT**

At VGL, we have implemented several employee retention initiatives to maintain a committed and skilled workforce. Undertaken key initiatives such as Succession Planning, Mentoring and Coaching, Career Pathing, Employee Training and Development and HIPO Identification to ensure an engaged workforce.

**Salary Surveys:** Regularly conducted salary surveys to ensure our compensation packages stay competitive within the industry.

**Employee Stock Ownership Plans (ESOPs):** Offering employees a stake in the company's success to align their goals with organisational objectives.

**Open Feedback Channels:** Established to facilitate transparent communication and prompt addressal of employee concerns and suggestions.

**Comprehensive Policies:** For supporting work-life balance, career advancement and overall employee well-being.

**HIPO (High Potential Employees):** 'HIPO' is an approach used to identify high potential employees through a 9-Box exercise, rewarding them with benefits such as career growth opportunities with promotions and salary enhancements.

**124**  
**No. of HIPOs identified across locations in FY 2023-24**

**Internal Job Postings**

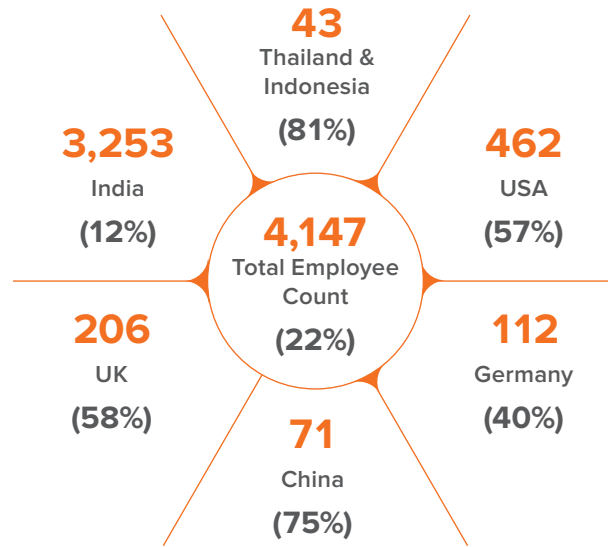
This enables employees to move between departments and roles to thrive in other areas of their preference.

**GENDER DIVERSITY**

We are dedicated to promoting gender diversity across our organisation. Towards this, our initiatives include ensuring unbiased recruitment processes to attract a diverse pool of candidates. Additionally, fostering an inclusive work environment to support the professional development and advancement of all employees, regardless of gender. We also established targeted programmes aimed at reducing gender disparities, particularly across leadership roles.



**OUR DEMOGRAPHIC COMPOSITION**



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

**NURTURING TOMORROW'S LEADERSHIP**

Recognising the importance of leadership in sustaining organisational growth, we focus on:

**Training Programmes** offering comprehensive leadership and management training to prepare employees for future roles.

**Career Pathing** to provide clear and structured career development plans, outlining progression opportunities.

**187**

Career Pathing opportunities provided in FY 2023-24

**Mentorship Programmes** that connect employees with experienced leaders to provide guidance and support in their career journeys.

**ENHANCING WORKPLACE ENGAGEMENT**

Committed to fostering a productive and conducive work environment, we focus on enhancing workplace management and employee engagement through:

**Engagement Activities** involve organising regular events and programmes to foster employee involvement and satisfaction.

**Development Activities** include initiatives aimed at improving skills and competencies across all levels of the workforce.

**TRAINING AND DEVELOPMENT**

We prioritise continuous learning and development across employee levels, right from management to executive levels. Our training initiatives include:

**World of Business Forum Attendance**

Encouraging participation in global forums to gain insights into industry trends and best practices.

**Humanocracy Training**

Offering programmes focussed on maximising human potential and fostering innovation.

**Goal Setting Meetings and Management Committee Meetings (MCMs)**

Holding regular sessions to align individual and organisational goals and communicate progress.

**Policy Training**

Ensuring all employees are knowledgeable about company policies and procedures.

**EXTERNAL AUDITS**

To maintain high standards of corporate governance, we undergo external audits such as SMETA (Sedex Members Ethical Trade Audit). This audit ensures our practices comply with ethical trade standards, promoting transparency and accountability in our operations.

**EMPLOYEES' TRAINING ON SAFETY ISSUES**

**1,131**

Total Employees Covered

**981**

No. of Employees completed the training

**87%**

of Employees completing the training

**38,730**

Targeted hours for completion

**64,100**

Hours of training completed

**57**

Hours of training/Employee



**NATURAL  
CAPITAL**

# Nurturing Sustainability



At VGL, we recognise the intrinsic value of our natural resources and are committed to their responsible management and preservation. Concrete actions and measurable outcomes define our efforts towards environmental sustainability.

## FOCUS ON RENEWABLE ENERGY

Through strategic investments, we have established two solar power plants in India, collectively generating ~4.1 million kWh of solar energy annually. This capacity, equivalent to mitigating ~12,800 tonnes of carbon emissions, fulfils 100% of our energy requirements at 2 of our manufacturing facilities in India.

Complementing our solar power infrastructure, 2 units in US and 1 unit each in the UK, and Germany also operate solely on clean energy sources, contributing to reduced greenhouse gas emissions across our global area of operations.

**100%**  
of Energy Requirements  
fulfilled by the solar plants  
at our 2 Manufacturing units

Collectively generated

**15.6 Mn kWh**

of Solar Energy since  
inception

leading to the collective  
mitigation of

**~12,800 tonnes**

of Carbon Emissions till date

### AFFORESTATION EFFORTS

Over the years, we have undertaken extensive afforestation initiatives, planting 28,000 saplings that have matured into thriving Miyawaki forests. These green spaces serve as valuable carbon sinks and biodiversity hubs, enhancing local ecosystems.

In addition to our internal greening efforts, we have extended our afforestation drive, having planted 7,500 saplings in government schools, industrial areas and our office locations to promote environmental regeneration.

**28,000** saplings

Planted over time evolving into thriving Miyawaki forests

**7,500** saplings

Planted across government schools, industrial areas and VGL office locations

### COMMITTED TO WATER CONSERVATION

Our commitment to water conservation is evident in our rainwater harvesting and recycling practices. Annually, we harvest 6,100 KL of rainwater, enhancing our water security and reducing reliance on external sources. Additionally, our daily recycling of 4.8 KL of water and low LPM faucet installation at manufacturing sites have led to substantial water savings, reinforcing our commitment to sustainable water management.

**6,100** KL

Rainwater harvested annually

**4.8** KL

Water recycled per day

**106** KL

Water recycled till date

**1,100** KL

Installed storage tanks for rainwater harvesting

### CIRCULAR WASTE MANAGEMENT

We adopt a circular approach to waste management, converting 100% of our bio-degradable waste into nutrient-rich compost, minimising landfill contributions and promoting soil health. In line with our zero-waste ethos, all plastic waste is responsibly disposed of through government-approved recycling channels. Additionally, our e-waste recycling initiatives have recycled 2,800 kg of electronic waste through government-approved recyclers, minimising environmental harm.

**100%**

Conversion of our bio-degradable waste

**2,800** Kg

Electronic waste is recycled through government-approved recyclers

**1,800** Kg

Plastic waste is recycled through government-approved recyclers



### AWARDED GREEN BUILDING CERTIFICATIONS

Our dedication to sustainable infrastructure is evidenced by LEED's Gold certifications awarded to two of our buildings in the US for energy efficiency and environmentally conscious design. Furthermore, our flagship manufacturing facility in Jaipur has achieved LEED's Platinum certification, underscoring our commitment to sustainable construction practices and operational excellence.

Notably, our SEZ unit has earned the prestigious "Net Zero Energy Building" (NZEB) certification from the Indian Green Building Council, showcasing our leadership in energy-efficient building design and renewable energy adoption.

### FUTURE COMMITMENTS

Looking ahead, VGL aims to achieve carbon neutrality in Scope 1 and 2 greenhouse gas emissions by 2031. This commitment demonstrates our unwavering dedication to environmental responsibility and sustainable business practices. Through such initiatives, we strive to safeguard our natural capital, minimise environmental impact, and foster a resilient and sustainable future for all stakeholders.

## Governance

# Building Blocks For Sustainable Growth

We believe that sustainable growth for any entity relies on a strong corporate governance mechanism. Emphasising ethics and governance, we have formulated a robust governance framework through our policies, processes, and practices.

Our Board is committed to strengthening our foundation by improving our structures, processes and controls to uphold transparency and ethical conduct.

The positions of Chairperson of the Board and Managing Director are distinct. Our diverse Board structure includes independent directors and 2 women directors. All Board appointments are based on merit, considering skills, experience,

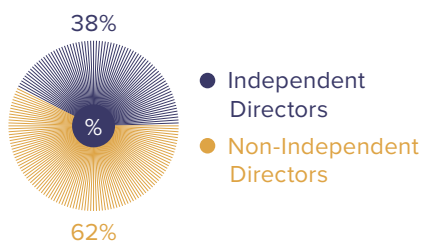
independence, knowledge, and integrity essential for effective governance. The Board conducts annual performance evaluations, assessing its performance and evaluating individual Directors (including Independent Directors) and Board Committees. This ensures accountability, effectiveness and continuous improvement in governance practices within VGL Group.

The Board includes various functional Committees with experienced and skilled members. To gain deeper insights into the business and engage with the leadership team, the Board members undertake regular Board Meetings, and strategic meetings and also participate in Bi-annual Management Committee Meetings. Additionally, the Board regularly reviews compliance reports for all applicable laws and ensures corporate policies are easily accessible to relevant stakeholders.

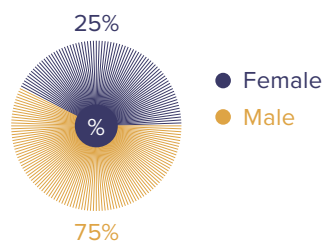
### ROBUST GOVERNANCE FRAMEWORK

- Experienced and independent Board
- Reputed Auditors
- Marquee investor base
- Core focus on transparency and full disclosures
- Robust and healthy balance sheet
- Strict compliance management with efficient mechanisms for check and balance
- Individual communication of quarterly results with shareholders
- Consistent dividend pay-outs

#### BOARD COMPOSITION



#### BOARD DIVERSITY



#### AVERAGE TENURE OF BOARD MEMBERS

**11 years**

#### EXPERIENCE OF BOARD

**>25 years:**

**100%**

#### AGE PROFILE OF BOARD

**56 years and above:**

**100%**

#### BOARD COMMITTEES

- ✦ Audit Committee
- ✦ Stakeholder Relationship Committee
- ✦ Nomination and Remuneration Committee
- ✦ CSR Committee
- ✦ Risk Management Committee

### AUDIT COMMITTEE

The Committee evaluates the financial reporting process and disclosure aspects of financial information. It provides recommendations regarding the appointment, remuneration and terms for appointing auditors for the Company. Additionally, scrutinising inter-corporate loans and investments and reviewing and approving all transactions/agreements involving related parties.

### STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee examines the status of shareholder correspondences, enquiries and grievances. It also conducts a review of service standards of RTA and measures/initiatives implemented to reduce the amount of unclaimed dividends.

### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee establishes criteria for evaluating the qualifications, independence and remuneration of the Board. It also determines criteria for evaluating the performance of the Board and directors and makes recommendations for the remuneration of senior management.

### CSR COMMITTEE

The CSR Committee develops and oversees the CSR policy, fixes the expenditure to be allocated to CSR activities, and supervises the execution of Business Responsibility Policies.

### RISK MANAGEMENT COMMITTEE

Our Risk Management Committee identifies business risks apart from developing and implementing strategies to minimise and mitigate such risks.

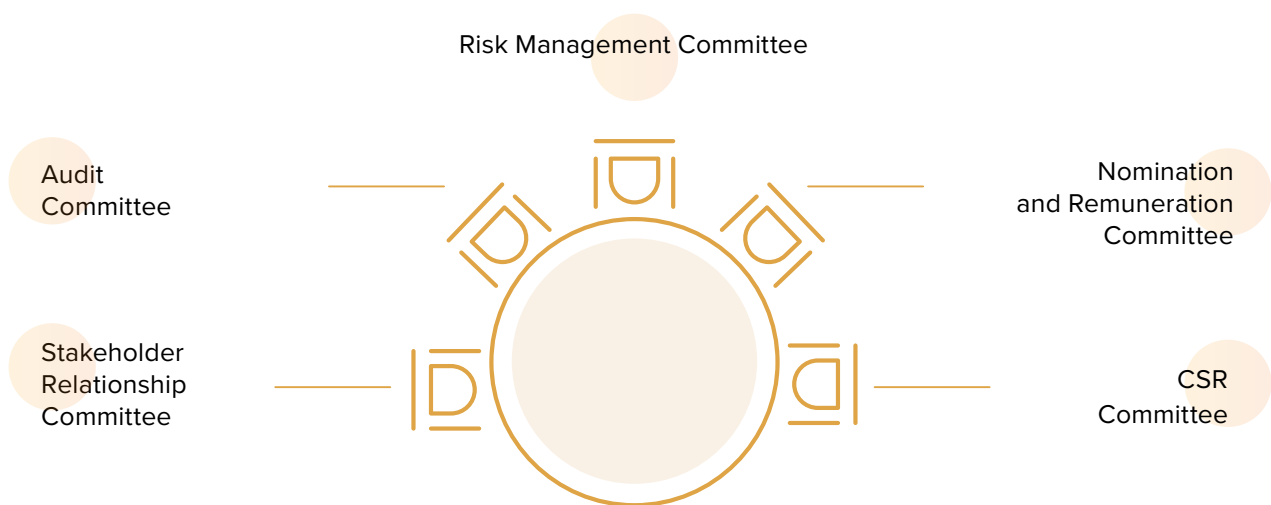
### GRIEVANCE REDRESSAL FRAMEWORK

Through our Grievance Redressal Policy for employees, HR Escalation Matrix, and robust Grievance Redressal Body, we strive to uphold our values without compromise. We also ensure that our business partners adhere to the Supplier Code of Conduct, including the Anti-Bribery Policy. Additionally, we have established a well-framed Whistleblower Policy to safeguard organisational integrity.

### GRIEVANCE REDRESSAL FUNDAMENTALS

- Well-drafted policies and grievance mechanism
- Dialogue engagement and protecting anonymity
- Resolution within a specific timeline
- Focus on providing effective resolution

## BOARD COMMITTEES





# Board of Directors



**Mr. Harsh Bahadur**  
Chairman, Non-Executive  
Non-Independent Director

 Appointment:  
26 September 2022



Expertise:  
Business Strategy and Leadership



**Mr. Sunil Agrawal**  
Managing Director,  
Executive Director

 Appointment:  
8 May 1989



Expertise: Strategy, Leadership,  
Finance, and Innovation



**Mrs. Sheela Agarwal**  
Non-Executive,  
Non-Independent Director

 Appointment:  
10 November 2008



Expertise:  
Business Management and  
Community Liaison



**Mr. Pulak Chandan Prasad**  
Non-Executive,  
Non-Independent Director

 Appointment:  
29 October 2013



Expertise: Strategy, Investments,  
Finance and Leadership



**Mr. Jason Charles Goldberg**  
Non-Executive,  
Independent Director

 Appointment:  
17 October 2023



Expertise:  
Strategy, E-commerce and Retail,  
Business Development, and  
Market Analysis



**Mr. Sunil Goyal**  
Non-Executive,  
Independent Director

 Appointment:  
8 March 2017



Expertise: Finance and Accounting,  
Taxation, Labour Laws and  
Risk Management



**Ms. Stephanie Renee Spong**  
Non-Executive,  
Independent Director

 Appointment:  
6 September 2021



Expertise:  
Strategy, Operations and Finance



**Mr. Sanjeev Agrawal**  
Non-Executive,  
Non-Independent Director

 Appointment:  
29 October 2020



Expertise: Business Management,  
Leadership, Finance and  
Product Insight

# Professional Management Team



**Mr. Nitin Panwad**

Group CFO



**Mr. Vineet Ganeriwala**

President, Shop LC (US)



**Mr. Ankur Sogani**

Vice President, Commercial,  
Shop LC (US)



**Mr. Deepak Sharma**

Vice President, Owned Brands,  
Shop LC (US)



**Ms. Dee Kumar**

Managing Director,  
Shop TJC (UK)



**Mr. Deepak Mishra**

Managing Director,  
Shop LC (Germany)



**Mr. Raj Singh**

Vice President, Supply Chain,  
VGL Group



**Mr. Pushendra Singh**

Vice President, HR,  
VGL Group



**Mr. Mohammed Farooq**

Chief Technology Officer,  
VGL Group



**Mr. Ashish Dawra**

Vice President, Global IT

# Awards & Accolades



**INDIA RISK MANAGEMENT AWARD**  
from ICICI Lombard & CNBC-TV18



**IGJ AWARD 2024**  
Highest Exporter of cut and polished coloured  
gemstones during FY 2022-23



**'BEST PLACE TO WORK' BY ROUND ROCK  
CHAMBER OF COMMERCE, USA**



**'NET ZERO ENERGY BUILDING'  
CERTIFICATION**



**'ANANDA 2022' award by  
'THE AKSHAYA PATRA FOUNDATION, USA'**



**INDIA, US, UK & CHINA  
'GPTW®' CERTIFIED**

# Corporate Information

## Board of Directors

**Harsh Bahadur**  
(Chairman)

**Sunil Agrawal**  
(Managing Director)

**Sheela Agarwal**

**Sanjeev Agrawal**

**Pulak Chandan Prasad**

**Jason Charles Goldberg**

**Sunil Goyal**

**Stephanie Renee Spong**

## Group Chief Financial Officer

**Nitin Panwad**

## Company Secretary

**Sushil Sharma**

## Statutory Auditor

M/s B S R & Co. LLP

## Internal Auditor

M/s Deloitte Touche Tohmatsu India LLP

## Secretarial Auditor

M/s Vinod Kothari & Company

## Registered Office

K-6B, Fateh Tiba, Adarsh Nagar,  
Jaipur - 302004  
Tel: +91-141-2601020

## 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,

Gachibowli Financial

District, Nanakramguda,

Serlingampally, Hyderabad - 500 032

Toll Free No. 1800 309 4001

Email: einward.ris@kfintech.com

## Stock Exchanges

(where the Company's  
Securities are listed)

BSE Limited

National Stock Exchange  
of India Limited

## Corporate Identity Number

L36911RJ1989PLC004945

## Website

[www.vaibhavglobal.com](http://www.vaibhavglobal.com)

## Investors Helpdesk

[investor\\_relations@vaibhavglobal.com](mailto:investor_relations@vaibhavglobal.com)

[dividend@vaibhavglobal.com](mailto:dividend@vaibhavglobal.com)

# MANAGEMENT DISCUSSION AND ANALYSIS

## ECONOMIC OUTLOOK OF ADDRESSABLE MARKETS

In this section, we provide an analysis of the economic and market conditions over the past fiscal year across our primary addressable markets. The market dynamics vary significantly across the markets – US, UK, and Germany – each presenting distinct economic scenario.

**United States:** US experienced a gradual economic recovery in FY24, driven primarily by reducing inflation rates (3.5% in March-24 vs 5.0% in March-23). Consequently, this led to an increase in the consumer confidence index and improvement in overall consumer demand. Among our markets, consumer behaviour is currently most stable in the US.

**United Kingdom:** The early part of FY24 in the UK was marked by high inflation, rising interest rates, and an increasing cost of living, which put pressure on household consumption. This challenging environment affected the disposable income and savings, consumer sentiments and purchasing power. However, inflation began to reduce significantly in the second half of the fiscal year, with the Consumer Price Index (CPI) slowing down to 3.2% in March 2024 from 10.1% in March 2023. Despite the easing inflation, UK retail sales remained stagnant owing to cautious consumer behaviour.

**Germany:** We are pleased to report sustained sales growth and market share gains in Germany-market we entered 3 years ago. Strategic investments across major TV networks and digital platforms resulted in market penetration, increased revenue, and market share gains. We believe that the German market offers compelling opportunities in the medium to long term, supported by a sizeable consumer base with economic outlook trending towards stability.

Source: <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/march2024#consumer-price-inflation-rates>

<https://retail.economicstimes.indiatimes.com/news/industry/uk-retail-sales-stagnate-despite-easing-inflation/109434566>

<https://www.jpmorgan.com/insights/outlook/economic-outlook/cpi-report-march-2024>

## INDUSTRY OVERVIEW

### A. Digital Retail

The global e-commerce market has experienced significant growth in recent years. In 2023, the market size reached USD 21.1 trillion and is projected to grow to USD 183.8 trillion by 2032, with a CAGR of 27%. This growth is driven by factors such as increased internet penetration, changing consumer preferences, the adoption of digital payments, widespread mobile technology usage, and rapid urbanisation. Additional market trends, including personalised shopping, the

integration of AI, VR, and AR, and the rise of social and video commerce, further enhance the potential of digital retail.

At VGL, we have made substantial investments to strengthen our digital infrastructure. By having necessary building blocks in place, we can quickly adapt to the evolving demands of our customers. We have invested in improving customer interfaces, CRM systems, e-commerce platforms, and advanced technologies such as AI and predictive modelling. To broaden our customer reach, we use various digital platforms alongside our 24/7 proprietary teleshopping channels, like, proprietary websites, mobile applications, OTT platforms, and third-party marketplaces.

We have upgraded our technology infrastructure to support these initiatives. This year, we upgraded the Salesforce Commerce Cloud, Marketing Cloud, and Service Cloud to enhance customer shopping experience while increasing the security and reliability of our platforms. We also utilised Northbeam to optimise our digital marketing campaigns. Additionally, we employ various digital marketing tools, including SEO, SEM, social media marketing, email marketing, influencer marketing, and affiliate marketing. These campaigns, supported by data-driven insights, enable us to engage more effectively with our customers, driving conversions and fostering long-term relationships. The acquisitions of Mindful Souls and Ideal World are also expected to strengthen our Group's digital and TV capabilities, with opportunities for cross-learning within the Group.

Source: <https://www.imarcgroup.com/e-commerce-market>

### B. Teleshopping

The global teleshopping market, valued at USD 45.05 billion in 2023, is projected to reach USD 50.29 billion by 2030. The growth is primarily driven by increasing number of television sets and the rising adoption of smart TVs. Consumers are increasingly attracted to the convenience and accessibility offered by teleshopping. It provides a seamless shopping experience from the comfort of their homes. Technological advancements have further propelled the growth prospects. High-definition broadcasting, interactive TV features and convenient shopping solutions have significantly improved customer engagement and satisfaction. In addition, VGL Group is leveraging data analytics and customer insights to tailor the product offerings and marketing strategies, and aligning with the evolving preferences and needs of customers.

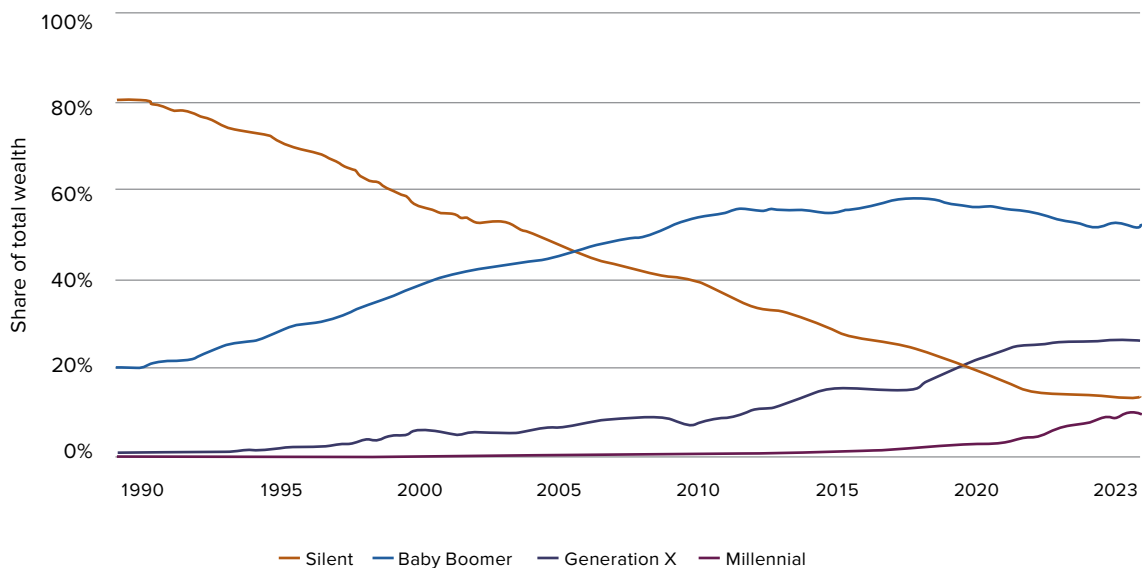
### TAM (Total Addressable Market) of USD 20 billion in high potential E-tailing markets



#### Growth Drivers

**Favourable Demographics:** Teleshopping is particularly well-suited for Baby Boomers and Gen-X shoppers, who are often empty nesters. Publicly available data indicates that Baby Boomers in the US control over 70% of disposable income. Additionally, the trend of cord-cutting has had minimal impact on this strata of population, ensuring their continued engagement with traditional television-based shopping channels.

#### Evolution and Impact of Baby Boomer Generation in United States



#### Wealth distribution in the United States from 1990 to the fourth quarter of 2023, by generation

In the context of understanding consumer behaviour and market dynamics, the data highlights the significant role of Baby Boomers in shaping the retail landscape and economic trends. Baby Boomers, with their substantial disposable income and spending habits across various categories, represent a formidable economic force that retailers cannot overlook. Further, the research shows that Baby Boomers are also catching up with the latest technologies, and today 23% of Baby Boomers in US prefer digital wallets over traditional methods of transferring money.

**Technological Advancements:** High-definition and ultra-high-definition broadcasts have improved the viewing experience, making teleshopping more attractive to consumers. Additionally, increased adoption of smart TVs with built-in internet connectivity allows for interactive shopping experiences directly from the television.

**Convenience:** Convenience is becoming increasingly important in the realm of shopping, driven by rising disposable incomes and the ever-expanding reach of digital means of commerce. This trend is expected to further drive growth in TV shopping in the foreseeable future.

**Diverse payment methods:** A variety of payment methods, with advanced security measures have induced consumers to switch to digital retail. The availability of multiple payment options, from online banking to EMI options, wallets, and both debit and credit cards, are also driving the expansion of teleshopping industry.

**Over-The-Air (OTA) Teleshopping option:** Television-based shopping is witnessing gradual shift in the United States, with Over-The-Air (OTA) TV networks becoming more popular compared to Pay TV services. This shift is driven

by technological advancements that make it easier for consumers to access free, high-quality TV content through digital antennas. This option appeals to cost-conscious viewers seeking alternatives to subscription-based services. As a result, OTA TV networks are experiencing significant growth in viewership and market penetration.

In the US, the proportion of Baby Boomers (aged 65 and above) who watch traditional TV has decreased to 81%, down from 86% in 2015. This decline is being offset by the adoption of OTA services, which currently reach approximately 23 million households. Projections indicate that the number of OTA households could grow to 50 million by 2025.

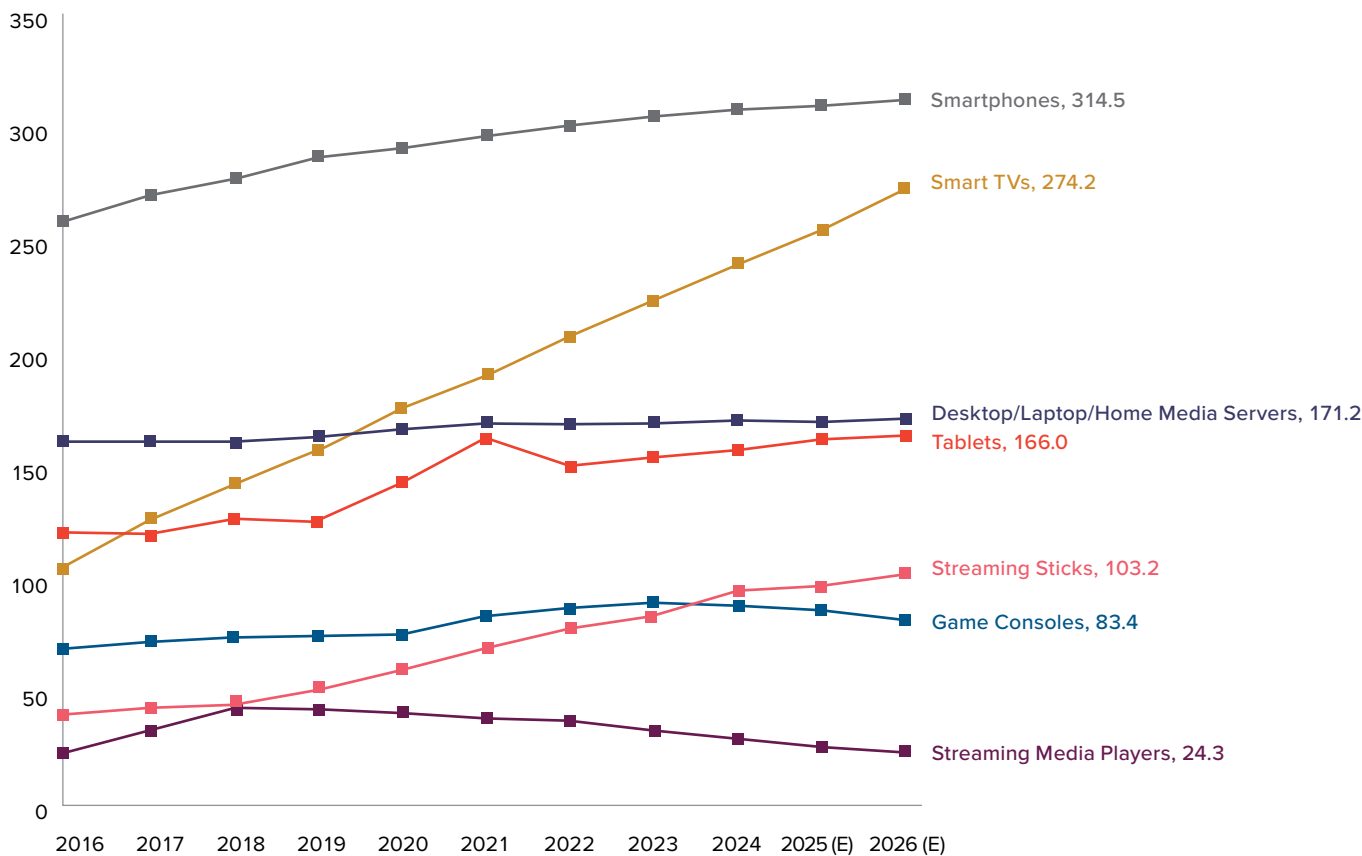
In response to this shift, we have expanded our reach into OTA households while continuing to serve our loyal Pay-TV customers. Over the past decade, our presence in OTA households in the US has grown significantly, from 1 million in 2013 to 18 million in 2024. As the trend towards OTA TV continues, the potential for full-power OTAs

remains substantial. Currently, Shop LC (US) is accessible to approximately 5 million full-power OTA households out of a total of ~23 million households in the US. This presents significant growth opportunities, as full-power OTAs offer extensive customer visibility and higher customer lifetime value.

**Over-The-Top (OTT) platforms:** The shift from traditional TV to online content is fuelling the growth of OTT platforms. Streaming services have transformed home entertainment by providing easy access to a wide range of content. The US robust infrastructure supports high demand for OTT solutions. Internet-connected video devices in the US are expected to surpass traditional media streaming devices soon, presenting a growth opportunity for the digital retail industry, including us.

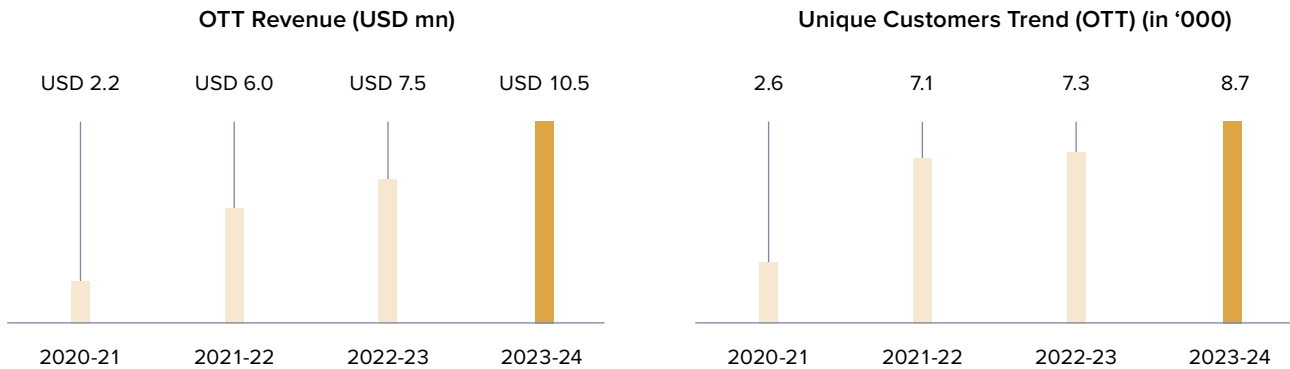
At VGL, we are strategically investing in OTT platforms. This investment has yielded positive results, with continuous growth in both revenue and customer acquisition.

**US internet connected device installed base, 2016 to 2026**



Source: Industry estimates

### VGL's Performance on OTT Platforms in the United States



Source: <https://www.verifiedmarketresearch.com/product/teleshopping-market/>

<https://www.statista.com/statistics/1376622/wealth-distribution-for-the-us-generation/#>

<https://www.globenewswire.com/en/news-release/2023/02/22/2612912/0/en/TV-Shopping-Market-Will-Reach-USD-37417-77-million-by-2028-Research-by-Business-Opportunities-Top-Companies-report-covers-Market-specific-challenges-consumption-by-Re.htm>

<https://www.imarcgroup.com/over-the-top-market#>

<https://gitnux.org/baby-boomer-financial-statistics/#>

#### C. Social Commerce

The global social commerce market, valued at USD 995.1 billion in 2023, is projected to grow at a CAGR of 24% between 2024 and 2032, reaching USD 6,824.3 billion by 2032. This growth is driven by increasing consumer engagement on social media, the widespread availability of high-speed internet, the impact of social media influencers, seamless access to social networking sites, a growing preference for online shopping, and heightened impulse purchasing, especially among Gen Z and Millennials. With approximately 5.04 billion social media users globally in 2023, the social commerce market is expanding faster than other mediums.

##### US Social Commerce Market Insights

In the US, the social commerce market reached a valuation of USD 68.92 billion. With about 107.6 million

social commerce buyers, around 50% of Gen Z and Millennials make purchases through social media platforms. On an average, an American spends USD 641 annually via social commerce channels, with projections indicating this figure will rise to USD 938 by 2025.

##### Strategic Approach to Social Commerce

We're embracing a holistic approach that spans both digital and social commerce marketing, utilizing various platforms such as Facebook, Instagram, Pinterest, among others. Employing tools like influencer-based marketing, performance marketing, targeted campaigns, etc. are part of our multi-faceted approach wherein digital cum social commerce marketing are leveraged comprehensively.

#### Social Commerce: Huge Growth Potential (in the US)

US Social Commerce Market	2022	2023	2024	2025
Social Commerce Sales (in USD billion)	53.10	68.92	86.70	107.17
% of Total E-commerce Sales	5.1%	5.9%	6.6%	7.2%
% of Social Commerce Growth	34.4%	29.8%	25.8%	23.6%

(Source: Ecommerce Tips)

Source: <https://www.imarcgroup.com/social-commerce-market>

<https://datareportal.com/social-media-users>

<https://ecommercetips.org/social-commerce/>



**D. Proprietary Web Platforms**

VGL Group is extensively enhancing its digital platforms. One strategy involves using proprietary web platforms for customer acquisition and retention. We regularly update our websites with the latest features to provide a superior shopping experience. We expect these investments to create growth synergies and complement our proprietary TV channels and other digital platforms.

**E. Marketplaces**

As part of its omni-channel strategy, VGL is strategically investing in marketplaces. We engage with customers on major platforms such as Amazon, Walmart, and eBay. The company has implemented a comprehensive e-commerce marketing framework focussed on customer acquisition. Key initiatives include targeted advertising campaigns, viral gamification campaigns, and high-quality backlink campaigns. Central to our strategy is optimisation, where we continuously refine product listings, pricing, and keyword targeting to enhance discoverability and competitiveness. Using data-driven insights, we aim to maintain effective placement and capitalise on consumer search behaviour.

**BUSINESS OVERVIEW**

Established in 1980, Vaibhav Global Limited (VGL) has grown into a successful, vertically integrated electronic retailer of fashion jewellery and lifestyle products in the US, UK, and Germany. The company is known for offering unique customer value through quality products marketed via 24/7 proprietary teleshopping channels and various digital platforms, including websites, mobile applications, marketplaces, and OTT platforms.

**Key Strengths**

**Omni-Channel Presence**

Our omni-channel strategy enhances customer engagement and provides significant growth opportunities with overlapping sales potential. Our retail platforms give us direct access to approximately 130 million households, effectively served through our proprietary TV channels, Over-The-Air (OTA) TV networks, and digital platforms. Omni-channel presence provides customers with a unique shopping experience, while enabling us to fetch significantly higher spending per customer and customer lifetime value.



**An Assortment of Two Product Pools**

Our B2C revenue primarily accrues from fashion jewellery and gemstones, which account for about 70% of our sales. The remaining revenue accrues from lifestyle products like home décor, beauty care, hair care, apparels and accessories. We continuously enhance our product portfolio by introducing approximately 14,000-15,000 new jewellery designs each year. The share of lifestyle products in our revenue is also steadily increasing to boost customer engagement. Currently, we offer around 5,000 unique SKUs in the lifestyle category. Our USP is built on delivering superior customer value through cost-effective manufacturing and good quality products.

**Vertically Integrated Supply Chain**

VGL has developed a strong supply chain over the years. We are unique in our peer group for having our own manufacturing setup along with an in-house globally spread sourcing base. As a vertically integrated retailer, we have in-house manufacturing for fashion jewellery, and we collaborate with third parties for lifestyle products. This model provides agility, scalability, and flexibility. We source products from over 30 countries, including India, China, the Asia-Pacific region, Africa, Europe, and Latin America. This vertically integrated supply chain has enabled us to capture larger profit pool (60%+ gross margins) that translates into strong operating margin and healthier return ratios.

**In-House Brands and Innovation**

We are committed to enhancing our brand portfolio through our manufacturing capabilities and digital expertise. We have 30 in-house brands, and our strategic focus is on improving their performance metrics. Currently, branded merchandise contributes about 28% of our total B2C revenue. Our goal is to increase this to 50% by FY28. This growth will be driven by careful brand selection and a comprehensive brand matrix. We also aim to boost customer repeat rates and retention by using brand archetypes to connect with customers and build lasting loyalty. We are excited about pursuing inorganic growth opportunities, including initiatives like Rachel Galley and Mindful Souls.

**FY24 IN BRIEF**

This year's annual report showcases a significant improvement in our financial performance after a period of macroeconomic challenges. Over the past fiscal year, our company has transitioned onto a growth path, demonstrating a robust financial and operational performance. We are pleased to report substantial increase in revenue, profitability, and cashflows. This success is due to our swift and effective adaptation to changing market conditions and favourable macroeconomic factors.

The acquisition of Ideal World and Mindful Souls in 2023 positively impacted our performance. Ideal World's integration with our UK operations was completed within a month, commencing live broadcasting on 29 September 2023, and now reaching approximately 27 million households in the UK with around 50K unique customers. Leveraging shared

resources such as warehouses, studios, and workforce, we expect to achieve profitability on a full-cost allocation basis shortly. Mindful Souls continues to perform profitably, with a customer base of approximately 72K. We have started utilising VGL's well-established supply chain to enhance this business profitability. The digital capabilities of Mindful Souls are also benefiting our other digital businesses through cross-learning across the Group.

In the US, retail sales are gradually recovering, driven by favourable consumer sentiment. In the UK, while inflationary pressures have eased and mortgage rates have stabilised, consumers remain cautious, resulting in only a marginal recovery in overall demand. We are refining our offerings to better align with consumer demands. In Germany, our growth trajectory persisted in FY24, achieving monthly revenues of €1.8 million, reflecting a 48% year-over-year growth. We anticipate reaching break-even levels at the operating level by the second half of FY25.

We remain committed to strengthening our performance based on the 4R's: Widening Reach, New Registrations & Acquisitions, Customer Retention, and Repeat Purchases. By the end of FY24, our TV networks reached approximately 130 million TV homes through cable, satellite, telco networks, and over-the-air antenna platforms. Our products are also available on digital channels, including proprietary websites, smartphone apps, OTT platforms, and marketplaces. New customer registrations and acquisitions in the trailing 12-month period were 0.3 million. Our customer retention rate stood at 86% for 20+ purchases on a trailing 12-month basis, consistent with FY23. Customers bought an average of 24 pieces on a trailing 12-month basis.

#### Unique customer base

**0.6 million**

#### New registrations and acquisitions

**0.3 million**

#### New customer acquired digitally

**65%**

#### Retail Operations

##### a. United States

In our US operations, we observed a notable enhancement in performance. The stabilisation and subsequent decline in inflation have strengthened consumer confidence, leading to increased consumer spending and overall demand. Our company's agility in navigating the evolving economic landscape has been crucial. We swiftly optimised our supply chain to ensure seamless product availability, meeting customer demands effectively. Additionally, we refined our

airtime strategies to align with changing consumer behaviours, optimising broadcasting schedules to capitalise on peak demand periods. These strategic initiatives have significantly contributed to our improved financial performance.

##### b. United Kingdom

In the UK, although inflation has eased from historically high levels and consumer confidence has seen a slight uptick, consumer caution persists due to the ongoing cost of living crisis. Our strategic acquisition of Ideal World at an attractive valuation has fortified our market share, opened new growth avenues, and enhanced our competitive edge in the UK market. Within six months of acquisition, Ideal World has achieved profitability on a direct cost basis. We project it will achieve full-cost allocation profitability within the next two to three quarters.

##### c. Germany

We are pleased to report sustained sales growth momentum and market share gains in Germany, a market we entered three years ago. This venture has expanded the Group's total addressable market by approximately 20%. Currently, Germany generates monthly revenue exceeding €1.8 million with gross margins surpassing 60%. Strategic investments in major TV networks and digital platforms have yielded significant returns, enhancing market penetration and revenue streams. Our omni-channel presence, with digital medium accounting for 28%, has extended our reach to 42 million households, achieving a penetration rate of approximately 95%. Given this momentum, we are confident in reaching breakeven at the operating level by the second half of FY25.



### Revenue Mix by Geography

US	UK	Europe
<b>63%</b> FY24	<b>28%</b> FY24	<b>9%</b> FY24
<b>68%</b> FY23	<b>27%</b> FY23	<b>5%</b> FY23

### Revenue Mix by Format

TV	Digital
<b>61%</b> FY24	<b>39%</b> FY24
<b>63%</b> FY23	<b>37%</b> FY23

#### Supply Chain

VGL has established a robust and dynamic supply chain system, distinguishing itself within the industry. Unlike our competitors, we have both in-house manufacturing facilities and a global sourcing network. As a vertically integrated retailer, we manufacture fashion jewellery and gemstones internally while partnering with external suppliers for lifestyle products. This strategic approach ensures agility, scalability, and adaptability to market demands. This vertical integration not only enables us to achieve higher gross profit margins exceeding 60% but also provides flexibility and resilience against supply chain constraints.

#### Enhancing Customer Trust

Our commitment to understanding and meeting evolving customer needs is reflected in our continuous interaction and feedback mechanisms. We employ a 4R strategy focussed on expanding Reach, Registrations & Acquisitions, Retention, and Repeat Purchases. Additionally, we manage call centres for Shop LC (US), Shop TJC (UK), and Shop LC (Germany) from India, achieving excellent Customer Satisfaction (CSAT) scores of 96% across all locations. Our Budget Pay services, launched in FY16, facilitate a seamless shopping experience through EMI options and a hassle-free return policy. This service now accounts for approximately 39% of our retail sales.

## OPERATIONAL & FINANCIAL OVERVIEW

### Key Highlights

#### Live 24/7 TV Shopping Network

At the end of FY24, our TV networks reached approximately 130 million TV homes through cable, satellite, telco networks, and over-the-air antenna platforms. TV sales contributed

approximately 61% of total retail sales, with an annual sales volume of 5.5 million pieces and an average selling price of USD 39.1.

#### Digital Sales

Digital sales, encompassing mobile platforms, live TV streaming on proprietary digital platforms, third-party marketplaces, and social media platforms, accounted for 39% of total retail sales. Revenue from digital sales increased by 17% year-over-year (YoY). We aim to achieve a 50% sales mix for digital platforms by FY27. Sales volume was 4.6 million pieces in FY24, compared to 4.4 million pieces in FY23, with an average selling price per piece of USD 30.1, up from USD 27.4 the previous year.

#### B2B Sales

B2B revenue was ₹ 127 crore in FY24, compared to ₹ 81 crore in FY23, recording a growth of 57%. However, B2B remains a non-core and opportunistic category for us.

### Financial Performance

#### Total Revenue

The Group's revenue surpassed ₹ 3,000 crore for the first time, reaching ₹ 3,041 crore compared to ₹ 2,691 crore in FY23. The economies across our addressable markets continue to show resilience and signs of recovery. In local currency terms, Shop LC, USA, and Shop TJC, UK grew by 1% and 6% respectively. Germany maintained its growth momentum with a 48% increase compared to FY23.

#### EBITDA

EBITDA margin in FY24 was 9.7% of revenue, amounting to ₹ 295 crore, a 30% YoY growth. Improved gross margins and operational leverage contributed to the expansion of EBITDA margins. Our sustained efforts in maintaining gross margins above 60% and operational efficiencies have led to a notable improvement in EBITDA margins. We anticipate further improvement in EBITDA margins from FY25 onwards due to focussed approach on better realisation and operating leverage.

#### Profit Before Tax

Profit before tax for the year was ₹ 190 crore (6.2% of revenue) as against ₹ 141 crore (5.3% of revenue) in FY23. A strong growth of 35% in profit before taxes suggests the impact of operating leverage and cost rebase initiatives undertaken during the year. Adjusted for losses in Germany, PBT in FY24 was ₹ 261 crore against ₹ 193 crore in FY23, implying a growth of 35% YoY.

#### Operating Cash Flows, Free Cash Flows and Dividends

An asset-light business with a strong cash flow generation is what defines our unique business model. In FY24, we generated free cash flows of ₹ 230 crore and operating cash flows of ₹ 270 crore. The company maintains a positive net cash position of ₹ 167 crore as of 31 March 2024, underscoring the robustness of its unique business model.

## Key Financial Ratios

### Standalone

Ratio	FY24	FY23	Explanation to significant changes, wherever applicable
Debtors Turnover (Times)	3.90	3.07	Improvement in receivables
Inventory Turnover (Times)	3.65	3.71	
Interest Coverage (Times)	9.76	30.39	Impact of lower profitability and higher interest cost
Current Ratio (Times)	2.14	2.15	
Debt-Equity Ratio (Times)	0.16	0.18	
Operating Profit Margin (%)	16.7	20.5	
Net Profit Margin (%)	10.3	22.9	Lower profitability
Return on Net Worth (%)	9.0	16.8	Lower profitability

### Consolidated

Ratio	FY24	FY23	Explanation to significant changes, wherever applicable
Debtors Turnover (Times)	10.99	11.40	
Inventory Turnover (Times)	4.91	4.26	
Interest Coverage (Times)	19.79	29.62	Improvement in profitability
Current Ratio (Times)	2.33	2.36	
Debt-Equity Ratio (Times)	0.08	0.10	
Operating Profit Margin (%)	9.62	8.36	
Net Profit Margin (%)	4.17	3.91	
Return on Net Worth (%)	10.31	9.03	

## SWOT ANALYSIS

### Strengths

- ◆ **Omni-Channel Presence:** We have established a comprehensive omni-channel presence across the retail markets of the US, UK, and Germany, including proprietary TV home shopping channels, proprietary websites, social media platforms, and third-party marketplaces.
- ◆ **Vertically Integrated Supply Chain:** Our vertically integrated supply chain offers multiple sourcing options, ensuring flexibility and efficiency.
- ◆ **Customer Value Proposition:** We provide extensive value to customers by offering the lowest average selling price (ASP) in the market.
- ◆ **In-House Manufacturing:** Our in-house manufacturing provide the necessary flexibility to respond quickly to market demands.
- ◆ **Sustainability Focus:** We maintain a strong focus on sustainability, aligning with consumer expectations and emerging industry standards.
- ◆ **Budget Pay:** Our Budget Pay service accounts for 39% of our global B2C revenue, offering customers convenient payment options.
- ◆ **Robust IT Infrastructure:** We have a robust IT infrastructure that integrates AI, IoT, and automation to enhance operational efficiency.
- ◆ **Strong Management and Governance:** Our operations are led by a professional management team, an independent Board, and reputable statutory and internal auditors, ensuring strong corporate governance.
- ◆ **Scalability and Expansion:** Our business model allows for seamless scalability and expansion into new geographies.
- ◆ **Strategic Product Mix:** Our product mix includes curated collections (e.g., Sukriti, Bali Legacy, Bali Goddess, and Milaan), homegrown brands (e.g., Iliana, Rhapsody, J Francis, Karis, Elanza, Strada, Genoa, and Eon 1962), and exclusive designer brands (e.g., Giuseppe Perez, Rachel Galley, Lucy Q).
- ◆ **Effective HR Management:** We focus on effective human resource management and learning and development initiatives, resulting in strong retention rates and the acquisition of top talent.
- ◆ **Customer-Centric Approach:** Our business is customer-centric, offering a diverse product range, a strong value proposition, and engaging content.

**Weakness**

- ◆ **Dependency on Technology:** The reliance on technology and digital infrastructure means that any technical glitches, cyber-attacks, or system downtimes can significantly disrupt operations and affect customer satisfaction.
- ◆ **High Return Rates:** Teleshopping and digital shopping often experience higher return rates compared to traditional retail. This can lead to increased logistics and restocking costs.
- ◆ **Regulatory Challenges:** Operating across multiple regions involves navigating various regulatory environments, which can be complex and costly. Changes in regulations related to e-commerce, consumer protection, and data privacy can impact business operations and require significant adjustments.

**Opportunities**

- ◆ **Increasing customer LTV:** We are present on multiple platforms. LTV goes up exponentially when we convert single channel customer to multi channel. Increasing personalized communication to accelerate the same.
- ◆ **Advanced Technologies:** Using technologies like AI, machine learning, and augmented reality can improve the shopping experience with personalised recommendations and virtual try-ons, enhancing customer satisfaction.
- ◆ **Mobile Commerce:** Increasing mobile device usage offers a chance to boost sales through mobile-friendly websites and apps, as well as mobile payment options.
- ◆ **Product Diversification:** Expanding the range of products offered, including exclusive and high-margin items.

**Threats**

- ◆ **Cybersecurity Risks:** Increasing cyber-attacks and data breaches pose significant threats. Ensuring robust cybersecurity measures is essential to protect sensitive information and maintain customer trust.
- ◆ **Regulatory Changes:** Changes in digital commerce regulations, data privacy laws, and consumer protection policies can impose additional compliance costs and operational challenges. Keeping up with and adapting to these regulations is critical.
- ◆ **Intense Competition:** The digital shopping market is highly competitive, with many players offering similar products and services. This can lead to price wars, reduced profit margins, and increased customer acquisition costs.
- ◆ **Supply Chain Disruptions:** Global supply chain issues, such as those caused by geopolitical tensions, natural disasters, or pandemics, can lead to inventory shortages and delays.

**MANAGEMENT OUTLOOK**

The digital retail and teleshopping market are gradually rebounding globally, driven by the rising popularity of digital platforms and e-commerce. Leveraging our robust product portfolio and omni-channel presence, we aim to capture more opportunities. With moderating inflation and improving economic outlook, we are optimistic about expanding our customer base across markets. Our recent acquisitions of Mindful Souls and Ideal World are expected to significantly enhance the Group’s customer base, revenue, and profitability. Both acquisitions are performing in line with our expectations.

We continue to invest in Over-The-Air (OTA) and digital ecosystems, including Over-The-Top (OTT) platforms, to expand our reach and enhance customer experience. Shop LC (US), Shop TJC (UK), and Shop LC (Germany) are actively utilising digital marketing campaigns and have been receiving positive customer responses. Our goal is to increase the contribution of digital revenue to 50% by FY27. Additionally, we plan to expand our lifestyle product offerings and increase their contribution to the revenue mix to 50% in the medium term.

One of our key long-term strategic objectives is to expand and strengthen our in-house brand portfolio, which offers higher margins compared to third-party brands. We aim to increase the revenue share from branded products from 28% to 50% by FY28. This will be achieved through the introduction of new brands, implementation of a brand matrix (like price laddering) and enhancing repeat purchases and retention through brand archetypes. Furthermore, recognising the growing importance of ESG, we have integrated ESG principles into our operations and strategies. We are

progressing towards our goal of becoming a net carbon zero entity by FY31 in terms of Scope 1 and 2 greenhouse gas (GHG) emissions.

Looking ahead, we will continue to invest in technology and enhance our digital platforms and marketing strategies. We are well-positioned to capture future growth, improve margins, and maintain operating leverage. Our commitment to balancing growth, investment, and quarterly dividends aims to create sustainable value for our stakeholders.

## Way Forward

### Expand Lifestyle Category

Current Revenue Mix of Lifestyle **30%**

Medium Term Target **50%**

### Accelerating Digital

Current Revenue Mix of Digital **39%**

FY27 Target **50%**

### Focus on Own-Brands

Current Revenue Mix of Own-Brands **28%**

FY28 Target **50%**

### Carbon Neutral by 2031

(Scope 1 & 2 of GHG emissions)

## HUMAN RESOURCE MANAGEMENT

Our employees are critical to us and play a key role in achieving sustainable growth. We focus on nurturing their growth and welfare through various initiatives and continuous investment in their professional development. Our comprehensive HR policy promotes equality and inclusivity, fostering a safe, transparent, and supportive work environment. We prioritise employee well-being and actively respond to their feedback.

We ensure compliance with safe work practices and prioritise employee health. In FY24, we implemented numerous engagement initiatives, including town halls, management training, and other programmes. We also conducted training for leaders, managers, and shop floor employees. To foster a culture of transparent feedback, we use 'VDot', an in-house developed application cum platform for employees to provide both appreciation and constructive feedback to anyone in the organisation. Monthly 1-2-1 meetings between employees and managers, facilitated by 'Hono', help track performance discussions and action plans. We conduct annual goal-setting meetings to ensure clear and coherent goal establishment throughout the organisation.

We are committed to cultivating a high-performance culture characterised by a growth mindset. Embracing the principles of 'Humanocracy' by Gary Hamel and Michele Zanini, we integrate these principles across the organisation. Our efforts have resulted in harmonious industrial relations and recognition as a **Great Place to Work®** certified company for our locations in India, the US, the UK, and China. As of 31 March 2024, we had 4,147 employees at the Group level.

*For more details on Human Resources, please refer to our ESG report for FY24 and Human Capital section in the Integrated Annual Report.*

## RISK MANAGEMENT

The Company has established a robust Integrated 'Risk Management Framework' to effectively identify, manage, report, and mitigate key business and operational risks. This enterprise-wide framework emphasizes risk assessment, management, and monitoring at all levels.

Aligned with the standards issued by the Committee of Sponsoring Organizations (COSO), our risk management framework is designed to manage, rather than eliminate,

the risk of failure to achieve business objectives, providing reasonable assurance against material misstatements or losses. Our Enterprise Risk Management (ERM) process enhances risk mitigation strategies while efficiently capitalising on opportunities.

Vaibhav Global Limited (VGL Group) was awarded the 'India Risk Management Award' under 'Manufacturing Sector' by 'ICICI Lombard' and 'CNBC-TV 18', recognising our high standards of risk management practices. Additionally, we received the 'Best Security Operations Center (SoC) Implementation' award by 'Quantic India' in their 3<sup>rd</sup> Annual Cyber Security Excellence Awards 2024.

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

### **INTERNAL CONTROLS**

Our organisational framework, with distinct authority levels and internal protocols, upholds rigorous corporate governance standards. We have a robust internal control framework appropriate for the size and complexity of our operations. This system ensures the timely preparation of financial reports, maintains the accuracy and reliability of accounting records, detects and prevents fraud, and complies with regulatory requirements.

Regular internal audits and management reviews are conducted to ensure the effectiveness of our internal controls. We maintain a comprehensive set of documented policies, guidelines, and procedures, supported by technologically advanced platforms to strengthen our Internal Financial

Control (IFC) framework. We have also introduced an application-based compliance management system to monitor compliance, aligning with our zero-tolerance policy and enhancing reporting efficiency.

Our internal audit system spans across functions and locations. Identified issues are promptly addressed by process owners based on guidance from the internal control function. The Audit Committee is regularly briefed on significant audit observations and corrective actions. PricewaterhouseCoopers Services LLP (PwC) has been appointed as our internal auditor, which reports its findings to the Audit Committee. The Internal Audit function closely monitors the effectiveness of the internal control system, ensuring its continued competence and resilience. The Audit Committee reviews the risk-based internal audit plan implemented 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. Key factors influencing the Company's operations include but are not limited to, economic conditions impacting demand, supply and price conditions, fluctuations in raw material prices, changes in government regulations and tax policies, economic trends and other incidental factors.

**VAIBHAV GLOBAL LIMITED**

CIN: L36911RJ1989PLC004945

**Registered Office:** K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004**Tele No.:** 91-141-2601020 • **Email:** investor\_relations@vaibhavglobal.com**Website:** www.vaibhavglobal.com

## Notice

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting (AGM) of the Members of VAIBHAV GLOBAL LIMITED will be held on Thursday, 1 August 2024 at 4.00 P.M. (IST) through Video Conferencing ('VC') facility or Other Audio Visual Means ('OAVM') to transact the following business:

**ORDINARY BUSINESS:****1. Adoption of Standalone Financial Statements**

*To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:*

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31 March, 2024 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted."

**2. Adoption of Consolidated Financial Statements**

*To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:*

**"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2024 and the Report of the Auditors thereon, as circulated to the Members, be considered and adopted."

**3. Declaration of dividend**

*To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:*

**"RESOLVED THAT** the final dividend of ₹ 1.50 per equity share (@75%) for the year ended 31 March 2024 be and is hereby declared and 1<sup>st</sup> interim dividend of ₹ 1.50 per equity share (@75%), 2<sup>nd</sup> interim dividend of ₹ 1.50 per equity share (@75%) and 3<sup>rd</sup> interim dividend of ₹ 1.50 per equity share (@75%), already paid during the year 2023-24, be and is hereby confirmed."

**4. Re-appointment of Mr. Sanjeev Agrawal (DIN: 00092746) as a Director, liable to retire by rotation**

*To consider, and if thought fit, to pass 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. Sanjeev Agrawal (DIN: 00092746) as a director, who is liable to retire by rotation, and offered himself for re-appointment."

**Registered Office:**

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

Place: Jaipur

Date: 23 May 2024

**By Order of the Board of Directors  
For Vaibhav Global Limited**

Sd/-

**Sushil Sharma**

Company Secretary

(Membership No. FCS - 6535)



**NOTES:**

1. The information required pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations'), read with secretarial standards 2 issued by ICSI, regarding the Directors seeking appointment/re-appointment in the Annual General Meeting are annexed hereto and forms part of the Notice.
2. The 35<sup>th</sup> Annual General Meeting (AGM) is convened through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), which permit the companies to hold AGM through VC/OAVM, which does not require physical presence of members at a common venue. The deemed venue for the 35<sup>th</sup> 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. 22 below. Kindly refer to the same for detailed instructions for participating in e-AGM through Video Conferencing.
5. In compliance with the aforesaid Circulars, the Notice of 35<sup>th</sup> AGM along with the Annual Report for the financial year 2023-24 is sent only through electronic mode to those Members whose E-mail addresses are registered with the Company / Depositories / RTA as on 5 July 2024. The AGM notice and Annual Report of the Company are made available on the Company's website at [www.vaibhavglobal.com](http://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](http://www.bseindia.com) and National Stock Exchange of India Limited - [www.nseindia.com](http://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 the 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 **29 June 2024 ('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

\* (i) As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under Section 206AB of the Finance Act, 2021.

(ii) As per Section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he shall be liable to all consequences under the IT Act and tax shall be deducted at the higher rates as prescribed under the IT Act.

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 2024-25 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**, taxes are required to be withheld in accordance with the provisions of section 195 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 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 they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders 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 2024-25 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.
- vi. Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20%\*\* (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the documents prescribed above.

\*\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section. However, in case of a non-resident shareholder or a non-resident FPI / FII, the higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

The documents referred to in point nos. (iii) to (v) can be downloaded from the link given at the Company's website viz. [www.vaibhavglobal.com](http://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. A 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.

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](mailto:einward.ris@kfintech.com) on or before 25 July 2024. You can also email the same to [dividend@vaibhavglobal.com](mailto:dividend@vaibhavglobal.com). No communication on the tax determination / deduction shall be entertained after 25 July 2024.

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 be downloaded from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or can get from Company by email to [dividend@vaibhavglobal.com](mailto: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. Update PAN, KYC, Bank details and Nomination:**

Members are requested to update your PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities in Form ISR- 1 and other forms prescribed by SEBI.

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](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. Effective April 1, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final dividend, subject to approval at the ensuing AGM, shall be paid to physical holders only after the above details are updated in their folios.

For the purpose of updation of KYC details against your folio, you are requested to send the details to our RTA, M/s. KFin Technologies Limited (Unit: Vaibhav Global Limited), Selenium Tower-B", Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana.

a. Through hard copies which should be self-attested and dated. OR

b. Through electronic mode, provided that they are sent through E-mail id of the holder registered with RTA and all documents should be electronically/digitally signed by the Shareholder and in case of joint holders, by first joint holder. OR

c. Through web- portal of our RTA KFin Technologies Limited - <https://ris.kfintech.com>

Investors can download the following forms & SEBI Circulars, which are also uploaded on the website of the Company and on the website of Kfin Technologies Limited; <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

a) Form ISR-1 duly filled in along with self attested supporting documents for updation of KYC details.

b) Form ISR-2 duly filled in for banker attestation of signature along with Original cancelled cheque with your name(s) printed thereon or self-attested copy of bank passbook/statement.

c) Form SH-13 for updation of Nomination for the aforesaid folio OR ISR-3 for "Opt-out of the Nomination.

15. 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 electronically for inspection by the members at the AGM.

All documents referred to in the accompanying Notice 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 35<sup>th</sup> AGM. Members seeking to inspect such documents can send an E-mail to [investor\\_relations@vaibhavglobal.com](mailto:investor_relations@vaibhavglobal.com).

16. The members / investors may send their complaints/ queries, if any to the Company's RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or to the Company at [investor\\_relations@vaibhavglobal.com](mailto:investor_relations@vaibhavglobal.com).

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

18. 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.

19. 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.

20. 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.
21. 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](http://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.
22. **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) Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 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 35<sup>th</sup> AGM.
- (2) However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on "e-Voting facility provided by Listed Companies", 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 Sunday, 28 July 2024 at 10.00 A.M. (IST) and ends on Wednesday, 31 July 2024 at 5.00 P.M. (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., Thursday, 25 July, 2024**, may cast their vote electronically in the manner and process set out hereinabove. 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](mailto: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.**

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL	<p><b>A. User already registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>1. Open <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>2. Click on the "Beneficial Owner" icon under 'IDeAS' section.</li> <li>3. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>4. Click on Bank Name or e-Voting service provider and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period.</li> </ol> <p><b>B. User not registered for IDeAS e-Services:</b></p> <ol style="list-style-type: none"> <li>1. To register, open <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</li> <li>2. Select "Register Online for IDeAS "Portal or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Proceed with completing the required fields</li> </ol> <p><b>C. By visiting the e-Voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>1. Open <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Click on the icon "Login" which is available under 'Shareholder/Member' section</li> <li>3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>4. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</li> <li>5. Click on Bank name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>A. Existing user who has opted for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>1. Click at <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>2. Click on New System Myeasi.</li> <li>3. Login with user ID and Password</li> <li>4. After successful login of Easi / Easiest, Option will be made available to reach e-voting page</li> <li>5. Click on e-voting service provider name to cast your vote</li> </ol> <p><b>B. User not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>1. Option to register is available at <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a></li> <li>2. Proceed with completing the required fields.</li> </ol> <p><b>C. By visiting the e-Voting website of CDSL:</b></p> <ol style="list-style-type: none"> <li>1. Visit at <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>2. Provide Demat Account Number and PAN No.</li> <li>3. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account.</li> <li>4. After successful authentication, user will be provided links for the respective e-voting service provider where the e-voting is in progress.</li> </ol>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>2. 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.</li> <li>3. 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.</li> </ol>

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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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.**

- (A) 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:
- Launch internet browser by typing the URL: <https://evoting.kfintech.com>
  - Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), 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.
  - After entering these details appropriately, click on "LOGIN".
  - 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.
  - You need to login again with the new credentials.
  - On successful login, the system will prompt you to select the "EVEN" i.e., "Vaibhav Global Limited - AGM" and click on "Submit"

- 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.
- Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- 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.
- You may then cast your vote by selecting an appropriate option and click on "Submit".
- 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).
- 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](mailto:bksharma162@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_Even No."

- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced.

**Details on Step 3 are mentioned below:**

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

- 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 through VC/OAVM shall open at least 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 31 July 2024 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 cast 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 be opened from **Sunday, 28 July, 2024 at 10.00 AM till Wednesday, 31 July, 2024 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 be opened from **Sunday, 28 July, 2024 at 10.00 AM till Wednesday, 31 July, 2024 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](mailto:evoting@kfintech.com) or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.
- IV. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
  - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
    1. Example for NSDL:
    2. MYEPWD <SPACE> IN12345612345678
    3. Example for CDSL:
    4. MYEPWD <SPACE> 1402345612345678
    5. Example for Physical:
    6. MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).

## V. Procedure for Registration of email and Mobile: (securities in physical mode)

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

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; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

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>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the Demat Account is being held.

## VI. Application(s) by our RTA - KFINTECH

Members are requested to note that as an ongoing endeavor to enhance shareholders experience and leverage new technology, Kfintech has developed following applications for shareholders:

### a) Investor Support Centre:

Members are hereby notified that our RTA, KFin Technologies Limited, based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72)

dated June 08, 2023, have created an online application which can be accessed at <https://ris.kfintech.com/default.aspx#> > Investor Services > Investor Support.

Members are required to register / signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and eVoting Details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>

### b) Senior Citizens investor cell:

As part of our RTA's initiative to enhance the investor experience for Senior Citizens, a dedicated cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints, and queries. The Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com).

Senior Citizens (above 60 years of age) have to provide the following details:

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

The cell closely monitors the complaints coming from Senior Citizens through this channel and assists them at every stage of processing till closure of the grievance.

### c) Online PV:

In today's ever-changing dynamic digital landscape, security, foolproof systems and efficiency in identity verification are paramount. We understand the need to protect the interests of shareholders and also comply with KYC standards. Ensuring security and KYC compliance is paramount of importance in today's remote world. Digital identity verification, using biometrics and digital ID document checks, helps combat fraud, even when individuals aren't physically present. To counteract common spoofing attempts, we engage in capturing liveness detection and facial comparison technology.

Our RTA has introduced an Online Personal Verification (OPV) process, based on liveness detection and document verification.

### d) WhatsApp:

Shareholders can use WhatsApp Number: (91) 910 009 4099 to avail bouquet of services.



**Details of Director seeking appointment/re-appointment at 35th Annual General Meeting**

<b>Name</b>	<b>Mr. Sanjeev Agrawal (DIN: 00092746)</b>
Date of Birth	20/09/1965
Brief Resume, Qualifications, Experience and expertise in specific functional areas	<p>Mr. Sanjeev Agrawal is commerce graduate from University of Rajasthan and 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 an aim to promote Indian Stones in global market. In last 30 years, he diversified Stone Age Group from a Stone trading company to a group having various manufacturing facilities and supplying various types of natural stones to numerous prestigious projects around the world.</p> <p>Mr. Agrawal was instrumental in establishing Strata Stones limited in 2005, a company registered in England, with an aim to have a European presence and the company is now one of the leading suppliers of Natural Stones to landscape industry within U.K.</p> <p>Mr. Agrawal has started another venture "ORVI Design Studio" in 2013, having a strong R&amp;D culture and engaged in creating unique surfaces and articles that are used in high end projects around the world and have won many international awards.</p>
Disclosure of relationships with Directors/KMP	He is son of Mrs. Sheela Agarwal, Director and brother of Mr. Sunil Agrawal, Managing Directors of the Company.
Date of first appointment on the Board	29/10/2020
Terms and Conditions of Appointment including Remuneration proposed to be paid	<p><b>Terms of Appointment</b></p> <p>Re-appointment from the date of 35<sup>th</sup> AGM and liable to retire by rotation</p> <p><b>Proposed Remuneration - Sitting fee</b></p>
Remuneration last drawn (including sitting fees, if any)	₹ 5,40,000 (Sitting fee)
Number of meetings of the Board attended during the financial year (FY 2023-24)	Board Meeting held - 4 Board Meeting attended - 4
Directorships held in other public Companies (excluding foreign & section 8 companies)	NIL
Memberships / Chairmanships of committees across companies	NIL
Listed entities from which resigned from past three years	NIL
No. of shares held in the Company including shareholding as beneficial owner	42,100 Equity Shares
Skills and capabilities required for the role and the manner in which such requirements are met	Business acumen, strategic thinking, leadership skills, financial knowledge, relevant business experience, board services and governance, judgement ability, effective participation and other diversity.

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

Place: Jaipur  
Date: 23 May 2024

**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 35<sup>th</sup> Annual Report on the affairs of the Company, together with the Audited Financial Statements, for the Financial Year ('FY') ended 31 March 2024.

## 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 2024 are as under:

(₹ in lacs)

Particulars	Standalone (FY)		Consolidated (FY)	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations and Other Income	56,593.09	53,652.70	3,06,759.65	2,71,854.15
Less: Operating Cost	47,292.86	42,194.83	2,77,247.77	2,49,128.72
<b>Operating Profit / PBDIT</b>	<b>9,300.23</b>	<b>11,457.87</b>	<b>29,511.88</b>	<b>22,725.43</b>
Less: Finance Cost	741.71	429.92	1,171.44	819.68
Less: Depreciation & Amortization Expenses	802.90	740.74	9,338.82	7,775.29
<b>Profit Before Tax (PBT)</b>	<b>7,755.62</b>	<b>10,287.21</b>	<b>19,001.62</b>	<b>14,130.46</b>
Exceptional Items	2,352.84	-	806.15	-
Profit After Exceptional items	5,402.78	10,287.21	18,195.47	14,130.46
Less: Tax Expenses	377.45	297.03	5,521.96	3,616.69
<b>Profit After Tax (PAT)</b>	<b>5,025.33</b>	<b>9,990.18</b>	<b>12,673.51</b>	<b>10,513.77</b>
Other Comprehensive Income (Net of Tax)	(25.49)	(82.56)	617.27	4,315.79
<b>Total Comprehensive Income</b>	<b>4,999.84</b>	<b>9,907.62</b>	<b>13,290.78</b>	<b>14,829.56</b>

A detailed discussion on financial and operational performance of the Company and its subsidiaries is provided in "Management Discussion and Analysis Report" which forms a part of this Report. There was no change in the nature of business of the Company during the financial year ended 31 March 2024.

## BUSINESS REVIEW

Established in 1980, Vaibhav Global Limited (VGL) has grown into a successful, vertically integrated electronic retailer of fashion jewellery and lifestyle products in the USA, UK, and Germany. The company is known for offering unique customer value through quality products marketed via 24/7 proprietary teleshopping channels and various digital platforms, including websites, mobile applications, marketplaces, and OTT platforms.

Our omni-channel strategy enhances customer engagement and provides significant growth opportunities with overlapping sales potential. Our retail platforms give us direct access to approximately 130 million households, effectively served through our proprietary TV channels, Over-The-Air (OTA) TV networks, and digital platforms. Omni-channel presence provides customers with a unique shopping experience, while enabling us to fetch significantly higher spending per customer and customer lifetime value.

Our B2C revenue primarily accrues from fashion jewellery and gemstones, which account for about 70% of our sales. The remaining revenue comes from lifestyle products like home décor, beauty care, hair care, apparels and accessories. We continuously enhance our product portfolio by introducing approximately 14,000-15,000 new jewellery designs each year. The share of lifestyle products in our revenue is also steadily increasing to boost customer engagement. Currently, we offer around 5,000 unique SKUs in the lifestyle category. Our USP is built on delivering superior customer value through cost-effective manufacturing and good quality products.

VGL has developed a strong supply chain over the years. We are unique in our peer group for having our own manufacturing setup along with an in-house globally spread sourcing base. As a vertically integrated retailer, we have in-house manufacturing for fashion jewellery, and we collaborate with third parties for lifestyle products. This model provides agility, scalability, and flexibility. We source products from over 30 countries, including India, China, the Asia-Pacific region, Africa, Europe, and Latin America. This vertically integrated supply chain has enabled us to capture larger profit pool (60%+ gross margins) that translates into strong operating margin and healthier return ratios.

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 2023-24 for the approval of shareholders at the ensuing 35<sup>th</sup> Annual General Meeting (AGM). The final dividend, if approved at 35<sup>th</sup> AGM, will be paid to those members who will be the members of the Company on the book closure date i.e. Saturday, 29<sup>th</sup> June, 2024.

Apart from above, the Board has also declared the following interim dividends during FY 2023-24:

Particulars	Dividend per Share (₹)	Date of declaration	Dividend %
1 <sup>st</sup> Interim Dividend FY 2023-24	1.50	2 August 2023	75%
2 <sup>nd</sup> Interim Dividend FY 2023-24	1.50	30 October 2023	75%
3 <sup>rd</sup> Interim Dividend FY 2023-24	1.50	30 January 2024	75%

The dividend pay-out for FY 2023-24 would be approximate ₹ 99 crores. 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 has decided to retain the entire amount of profits for FY 2023-24 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 6,34,150 equity shares of ₹ 2/- each to eligible employees under various employees benefit plans through Vaibhav Global Employee Stock Option Welfare Trust, in various tranches, pursuant to the exercise of Stock Options and Stock Units. Consequently, the paid-up share capital of the Company has increased from ₹ 33,00,31,148 (divided into 16,50,15,574 equity shares of ₹ 2/- each) to

₹ 33,12,99,448 (divided into 16,56,49,724 equity shares of ₹ 2/- each). The abovesaid equity shares issued under 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)

- Restricted Stock Unit Plan-2019:** The Company has granted 8,19,945 stock units convertible into equal number of equity shares 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.
- Management Stock Option Plan-2021:** The Company has granted 63,594 stock options convertible into equal number of equity shares 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.
- Employee Stock Option Plan-2021:** The Company has granted 56,475 stock options convertible into equal number of equity shares 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.
- 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 Shares) 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 abovesaid plans are available on the Company's website: [www.vaibhavglobal.com/esop](http://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 Shares) Regulation, 2021 will be made available during the 35<sup>th</sup> Annual General Meeting.

**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.

In addition to above, 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 9,23,43,516 equity shares of ₹ 2/- each, representing 55.75% shareholding of the company, is a holding company of Vaibhav Global Limited.

**B. Subsidiary Companies:**

The Company has following 14 subsidiaries\ 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, 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, Thailand, a 100% subsidiary of the Company, engaged in outsourcing products for the group.
- e) STS Global 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) VaibhavVistar Limited, a 100% subsidiary of the Company, engaged 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 (a 100% subsidiary of VGL Retail Ventures Ltd., Mauritius), 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) Mindful Souls B.V., Netherlands (a 100% subsidiary of Shop TJC Limited, UK), a wholly owned stepdown subsidiary of the Company, engaged in subscription based online sales of fashion jewellery, gemstone, and lifestyle products through internet shopping website (www.mindfulsouls.com).
- d) PT. STS Bali (a 100% subsidiary of STS Global Supply Limited, Hong Kong), a wholly owned step-down subsidiary of the Company, engaged in outsourcing products for the group.
- e) STS (Guangzhou) Trading Limited, China (a 100% subsidiary of STS Global Supply Limited, Hong Kong), a wholly owned stepdown subsidiary of the Company, engaged in the business of export and import trading primarily for the group.

**Change in Subsidiaries/Stepdown Subsidiaries:**

During the year under review, the Shop TJC (UK), a wholly owned step-down subsidiary of the Company has acquired Mindful Souls B.V. (Netherlands) on 26 September 2023, which is engaged in subscription based online sales of fashion jewellery, gemstone, and lifestyle products through internet ecommerce website.

There is no associate company within the meaning of Section 2(6) of the Companies Act, 2013 (hereinafter referred to as 'the Act'). There are no company which have ceased to be subsidiary and/or associate of the company during the financial year 2023-24. 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 its 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 2024 in respect of each subsidiary are also available on the website of the Company, i.e. [www.vaibhavglobal.com](http://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 the 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. James Patrick Clarke, Non-Executive Independent Director of the Company, has completed his second term as an Independent Director of the Company on 6 February 2024. The Board placed on record its appreciation for his invaluable contribution and guidance to the Company/Board during his tenure as a board member.

Further, upon the recommendation of the Nomination, Remuneration and Compensation Committee, the Board had appointed Mr. Jason Charles Goldberg as an Additional Director in the capacity of a Non-Executive Independent Director, effective from 17 October 2023. This appointment was subsequently approved/regularised by shareholders through a postal ballot resolution passed on 7 December 2023.

The shareholders of the Company, at 34<sup>th</sup> Annual General Meeting, has approved (i) the re-appointment of Mr. Pulak Chandan Prasad (DIN: 00003557) as a director, liable to retire by rotation. (ii) Re-appointment of Ms. Stephanie Renee Spong (DIN: 09295604) as an Independent 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.

Pursuant to section 152 of the Act, Mr. Sanjeev Agrawal, Non-Executive Director, who has been longest in the office, is liable to retire by rotation at the ensuing 35<sup>th</sup> Annual General Meeting. He is eligible for re-appointment and has offered himself for the re-appointment as Director of the Company. The Board recommended the same to the shareholders of the Company for their approval.

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 2024. During the year under review, on the recommendation of Nomination, Remuneration and Compensation Committee, the Board has re-appointed Mr. Sunil Agrawal as Managing Director of the Company for a further period of five years w.e.f. 1 February 2024 to 31 January 2029, which was subsequently approved by shareholders through postal ballot resolution passed on 7 December 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 on the same. The Independent Directors in their separate meeting, have evaluated the performance of Non-Independent Directors and the Board as a whole and the 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, qualification in their respective fields. The criteria of evaluation and directors' skill/expertise etc. are described in the 'Corporate Governance Report' which 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. The Nomination and Remuneration 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' which forms a part of this Report.

### **b) Board Meetings**

During the year under review, 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 consecutive 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 2023-24, 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 along with 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, which contains projects and programs, is available on Company's website at <https://www.vaibhavglobal.com/code-policies>.

Your Company has spent a sum of ₹ 206.66 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 'Social and Relationship Capital' section in the Integrated Annual Report.

**AWARDS AND RECOGNITIONS**

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

1. Conferred with '**Best Security Operations Center (SoC) Implementation**' award by Quantic India at 3<sup>rd</sup> Annual Cyber Security Excellence Awards 2024.
2. Conferred with '**India Risk Management Award**' under 'Manufacturing Sector' by ICICI Lombard and CNBC-TV 18. The award recognizes organizations demonstrating high standards of risk management practices.
3. The Company's SEZ unit certified as '**Net Zero Energy Building**' by 'Indian Green Building Council (IGBC)'. This certification acknowledges VGL's commitment and initiatives towards sustainable business practices.
4. Recognised as '**Great Place to Work®**'. This reflects our commitment to creating a positive work environment, robust governance framework along with well-being and satisfaction of our employees.
5. Awarded '**IGJ Award 2024**' by The Gem & Jewellery Export Promotion Council (GJEPC) for being a highest exporter of Silver Jewellery from India.
6. Mr. Sunil Agrawal, Managing Director of the Company has been conferred with '**ANANDA 2022 Award**' by 'The Akshay Patra Foundation, USA' for providing mid-day meals in Government schools in India and helping to transform the lives of children.

**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 2024.

**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 an 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. The policy on the Related Party Transactions and a policy on Material Subsidiaries 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 were 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 Control' 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 33<sup>rd</sup> Annual General Meeting (AGM) had re-appointed

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 33<sup>rd</sup> AGM till the conclusion of 38<sup>th</sup> 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' Report on the financial statements (standalone and consolidated) of the Company for the financial year ended 31 March 2024, 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 re-appointed as Secretarial Auditors of the Company to conduct the secretarial audit of the Company for the financial year 2023-24. The Secretarial Audit Report for the financial year 2023-24 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 2023-24 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, shall be obtained from M/s Vinod Kothari & Company, Company Secretaries and shall be placed on the website of the Company and be submitted to 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 and is available on the website of the Company at [https://www.vaibhavglobal.com/shareholder\\_communication/agm-egm-postalballot](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](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. Environmental, Social and Governance (ESG) factors are important for our long



term and to all our stakeholders given that our activities have an impact on the society and environment. We also believe in communicating our ESG journey in a transparent manner. In addition to statutory requirement for publishing Business Responsibility Report, your Company has also published its Annual ESG Report for financial year 2023-24.

We take pleasure to publish our Business Responsibility and Sustainability ("BRSR") Report 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 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 2024-25 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 2024 and state that:

- a) in the preparation of the annual accounts for the financial year ended 31 March 2024, 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 2024 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:**

Dividend for the Year	Type of Dividend	Dividend Per share (₹)	Date of Declaration	Due date of Transfer to IEPF	Unclaimed Dividend as on 31st March, 2024 (₹)	Face Value of share on which dividend declared (₹)
2018-19	Interim Dividend	5.00	29 October 2018	05 December 2025	47,080.00	10.00
2018-19	Final Dividend	5.00	29 July 2019	31 August 2026	52,825.00	10.00
2019-20	Interim Dividend	7.00	29 January 2020	03 March 2027	57,456.52	10.00
2019-20	Special Interim Dividend	19.74	19 March 2020	25 May 2027	2,29,359.06	10.00
2019-20	Final Dividend	7.00	30 July 2020	05 September 2027	54,036.00	10.00
2020-21	1 <sup>st</sup> Interim Dividend	5.00	30 July 2020	04 September 2027	40,093.00	10.00
2020-21	2 <sup>nd</sup> Interim Dividend	5.00	29 October 2020	03 December 2027	36,244.00	10.00
2020-21	3 <sup>rd</sup> Interim Dividend	7.50	29 January 2021	04 March 2028	59,515.50	10.00
2020-21	Final Dividend	1.50	29 July 2021	01 September 2028	73,366.00	2.00
2021-22	1 <sup>st</sup> Interim Dividend	1.50	29 July 2021	03 September 2028	63,299.00	2.00
2021-22	2 <sup>nd</sup> Interim Dividend	1.50	27 October 2021	30 November 2028	81,334.50	2.00
2021-22	3 <sup>rd</sup> Interim Dividend	1.50	27 January 2022	07 March 2029	75,570.26	2.00

Dividend for the Year	Type of Dividend	Dividend Per share (₹)	Date of Declaration	Due date of Transfer to IEPF	Unclaimed Dividend as on 31st March, 2024 (₹)	Face Value of share on which dividend declared (₹)
2021-22	Final Dividend	1.50	02 August 2022	03 September 2029	1,03,381.18	2.00
2022-23	1 <sup>st</sup> Interim Dividend	1.50	02 August 2022	03 September 2029	1,13,410.69	2.00
2022-23	2 <sup>nd</sup> Interim Dividend	1.50	27 October 2022	28 November 2029	88,620.51	2.00
2022-23	3 <sup>rd</sup> Interim Dividend	1.50	24 January 2023	26 February 2030	1,06,544.53	2.00
2022-23	Final Dividend	1.50	02 August 2023	04 September 2030	1,08,981.42	2.00
2023-24	1 <sup>st</sup> Interim Dividend	1.50	02 August 2023	04 September 2030	87,778.66	2.00
2023-24	2 <sup>nd</sup> Interim Dividend	1.50	30 October 2023	06 December 2030	1,28,939.71	2.00
2023-24	3 <sup>rd</sup> Interim Dividend	1.50	30 January 2024	05 March 2031	1,85,015.84	2.00

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:

- 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;
- There are no material/significant changes occurred between the end of the financial year 2023-24 and the date of this report which may impact the financial position of the Company;
- 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 along with their status as at the end of the financial year is not applicable; and
- 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 42.7 lacs KWh electricity through renewable energy. The Company's total solar capacity is 3.23 MW.
- Electrical Vehicle**  
Towards reduction carbon footprint, the Company had distributed 184 electric scooters for employees' commute. The Company is using 3 electric cars for its routine transportation.
- Green Building**  
Our manufacturing unit at the Special Economic Zone (SEZ) in Jaipur, Rajasthan, is a Net Zero Energy and LEED platinum certified.
- Water Management**  
We have rainwater harvesting structures of 60 lacs liters of water across all units of VGL India. The Company recycles 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 is an underground tank at our manufacturing units with a capacity to hold 600 KL rainwater.
- Bio-diversity**  
We have accelerated efforts to enhance the green coverage at our plants and surroundings. Till date, we have planted 7,000 trees at different locations. 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 alignment 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:** ₹ 24.61 lacs.

## 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) **Investment mixture machine** - Two machines for investment mixture have been installed which are used for the wax tree investment process.
- b) **OTEC Machine** - It is used for wet finishing of very fine work pieces. The gap between the rotating disc and the stationary drum can be reduced to zero. This enables very fine grain abrasive media such as quartz to be used and prevents any work pieces from becoming lodged in the gap.
- c) **Top Cast casting machine** - This is the pressure over vacuum casting machine designed to meet the more severe needs in lost wax casting production. This machine works with a new, revolutionary double chamber concept. This innovative system gives several advantages compared with the traditional single chamber suction system currently available in the market.

- d) **IR Rotary furnace:** The outer casing is made of mild steel sheet, powder coated. Heating elements are made of KANTHAL A-1 wire and backed by high temperature ceramic wool insulation, which avoids loss of energy, and around 30% saving in power consumption.

- (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, quality, product, save energy and reduce cost.

- (iii) **Imported technology:** The Company has imported Vulcan burnout oven, Granulation machine, Flask bomout ovens, Wax injectors and Casting machines, 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 follow:

Sr. No.	Particulars	₹ in lacs
1.	Foreign exchange earnings	55,978.65
2.	Foreign exchange used	19,018.75

## Acknowledgement

Your directors acknowledge with gratitude and wish to place on record their appreciation for the dedication and commitment of the Company's employees at all levels which have 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 we look forward to having 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 healthy, and Happy!

For and on behalf of the Board of Directors

Place: Delhi  
Date: 23 May 2024

**Harsh Bahadur**  
Chairman  
DIN: 00724826

## Annexure - 1

**FORM NO. AOC - 1**  
(Pursuant to First Proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures**

**PART "A": SUBSIDIARIES**

(Amount in ₹)

Sl. No.	Particulars	Subsidiaries					Step Down Subsidiaries								
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
	<b>STS Jewels Inc., USA</b>	<b>STS Global Limited, Thailand</b>	<b>STS Global Supply Limited, Hong Kong</b>	<b>STS Global Limited, Japan</b>	<b>VGL Retail Ventures Limited, Mauritius</b>	<b>Vaibhav Vistar Limited, India</b>	<b>Encase Packaging Pvt. Limited, India</b>	<b>Vaibhav Lifestyle Limited, India</b>	<b>Shop LC GmbH, Germany</b>	<b>Pt. STS Bali Limited</b>	<b>Shop TIC Limited</b>	<b>Shop LC Global Inc., USA</b>	<b>Mindful Soul BV, Netherlands</b>	<b>STS (Guangzhou) Trading Limited, China</b>	
	The date since when subsidiary was acquired	27 <sup>th</sup> January 2006	24 <sup>th</sup> January 2006	24 <sup>th</sup> January 2006	4 <sup>th</sup> August 2005	2 <sup>nd</sup> December 2020	15 <sup>th</sup> March 2022	5 <sup>th</sup> December 2020	9 <sup>th</sup> March 2021 (Date of acquisition)	24 <sup>th</sup> March 2014 (Date of Incorporation)	15 <sup>th</sup> December 2005	30 <sup>th</sup> January 2007	26 <sup>th</sup> September 2023	16 <sup>th</sup> May 2018	
	Reporting Period for the Subsidiary Concerned, if different from the holding Company's reporting period	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	26 <sup>th</sup> September 2023	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	
	Reporting Currency and exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	USD 1 = ₹ 83.37	THB 1 = ₹ 2.285	HKD 1 = ₹ 10.656	JPY 1 = ₹ 0.551	USD 1 = ₹ 83.37	INR 1 = ₹ 1	INR 1 = ₹ 1	EUR 1 = ₹ 90.031	Rupiah 1 = ₹ 0.00526	GBP 1 = ₹ 101.155	USD 1 = ₹ 83.37	EUR 1 = ₹ 90.031	Chinese Yuan 1 = ₹ 11.537	
	Share Capital	41,685,000	79,985,744	93,244,306	41,291,356	3,903,519,543	99,999,940	50,000,000	110,000,000	2,250,782	7,571,759	2,427,380,987	277,622,100	89,131	15,758,396
	Reserves & Surplus	547,574,604	193,521,216	504,439,455	(46,198,296)	13,440,925,395	(17,519,157)	(46,244,432)	(123,671,376)	(1,830,736,204)	181,950,727	14,534,711,706	5,708,709,329	98,590,261	267,461,293
	Total Assets	1,037,462,318	368,112,607	914,396,918	4,328,059	1,144,565,958	115,638,500	94,614,636	171,257,859	1,054,362,860	260,547,162	3,788,118,160	8,728,814,424	306,284,362	382,100,121
	Total Liabilities	448,202,714	94,625,647	341,649,349	9,262,527	3,869,700	33,157,717	90,859,068	184,929,235	2,882,848,282	71,024,676	2,723,902,530	4,019,913,689	207,604,960	98,880,432
	Investments	-	-	24,936,191	27,528	16,203,748,680	-	-	-	-	15,897,877,063	1,277,430,693	-	-	-
	Turnover	1,291,156,592	514,163,197	1,392,269,029	3,608,651	-	80,069,637	193,558,250	1,924,833,686	374,916,805	8,301,741,344	18,540,055,377	755,622,178	1,107,736,790	
	Profit before Taxation	143,985,263	30,515,621	70,325,126	(2,749,722)	499,206,818	(2,489,068)	(29,488,136)	(71,839,451)	(706,285,965)	32,840,428	837,010,680	1,499,906,502	1,09,565,319	68,721,713
	Provision for Taxation	30,236,905	4,918,506	-	198,535	1,223,621	762,736	-	-	-	6,551,727	116,646,007	326,498,222	13,845,882	12,813,804
	Profit after Taxation	113,748,358	25,597,115	70,325,126	(2,948,257)	497,983,196	(3,251,805)	(29,488,136)	(71,839,451)	(706,285,965)	26,288,701	720,364,673	1,173,408,280	95,719,437	55,907,909
	Proportion Dividend	100%	100%	100%	100%	100%	100%	60%	100%	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<sup>st</sup> March 2024.**For and on behalf of the Board of Directors  
Vaibhav Global Limited**

**Harsh Bahadur**  
Chairman  
DIN: 00724826

Place: Delhi  
Date: 23 May 2024

**Sunil Agrawal**  
Managing Director  
DIN: 00061142

Place: Jaipur  
Date: 23 May 2024

**Sheela Agarwal**  
Director  
DIN: 00178548

Place: Jaipur  
Date: 23 May 2024

**Nitin Panwad**  
Group CFO

Place: Jaipur  
Date: 23 May 2024

**Sushil Sharma**  
Company Secretary  
ICSI Membership No: F6535

Place: Jaipur  
Date: 23 May 2024

**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:

- Build a sustainable enterprise that effectively balances financial strengths with social and environmental responsibilities.
- Deliver sustainable top-line and bottom-line growth while maintaining the highest corporate governance standards.
- Reduce its environmental footprint by investing in eco-friendly and reliable technologies and practices.
- Increase efficiency by optimum utilization of resources and technology.
- Promote sustainable farming practices to boost crop productivity in rural India through its soil testing facilities and other advisory services.
- Work towards improving the quality of life by making the communities self-reliant in areas within which it operates.
- 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.
- Ensure welfare, growth and safety of all people associated with the Company.
- Empower its employees and continuously develop their knowledge and skill sets, so that they realize their true potential and drive the Company's growth.
- 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

**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. Executive summary along with web-link(s) of impact assessment of CSR project carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable**

- (a) Average net profit of the company as per sub-section 135: ₹ 8,877.33 lacs**

**(b) Two percent of average net profit of the Company as per section 135(5): ₹ 177.55 lacs**

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

**(d) Amount required to be set off for the financial year, if any: ₹ 29.78 lacs**

**(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 147.77 lacs**
- (a) Amount Spend on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 206.66 lacs**

**(b) Amount Spend in Administrative Overheads: Nil**

**(c) Amount Spend on Impact Assessment, If applicable: NA**

**(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 206.66 lacs**

## (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (₹ in Lacs)	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
206.66	-	-	-	-	-

## (f) 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)	177.55
ii.	Total amount spent for the Financial Year	206.66
iii.	Excess amount spent for the financial year [(ii)-(i)]	29.11
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)]	29.11

## 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any Amount (in ₹)    Date of Transfer	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
1	2022-23				Nil		
2	2021-22				Nil		
3	2020-21				Nil		

## 8. Whether any capital assets have been created or acquired through Corporate social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired

The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

## 9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135: Not applicable. During the year 2023-24, 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: 23 May 2024

**Harsh Bahadur**

Chairman of the Board  
DIN: 00724826

Place: Delhi  
Date: 23 May 2024

**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

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 2023-24.

Place: Delhi  
Date: 23 May 2024

**Harsh Bahadur**  
Chairman  
DIN: 00724826

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 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 March 31, 2024 ('Audit Period') in terms of the Engagement Letter dated November 21, 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, 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 and the rules made thereunder including any re-enactment thereof ("Act");
- b) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- c) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, to the extent applicable: -
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

- ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations");
- iii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- v) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
- vi) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- vii) Any other Act, Regulations, rules, circulars, guidelines, as amended from time to time, issued thereunder by the Securities and Exchange Board of India applicable to the Company, if any.

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 ICSI.

We report that during the Audit Period, the Company has confirmed compliance with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc.

**We further report that:**

Save as otherwise mentioned above, the Board of Directors of the Company is duly constituted with a 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 and other applicable laws.

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 except in cases where the meetings were called on a shorter notice. 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.

During the Audit Period, all the decisions were taken unanimously and there was no instance of dissent found in the minutes of the 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 have separately given our recommendations to the Company towards good corporate governance practices.

**We further report that** during the Audit Period, the Company has undertaken the below mentioned specific event/ action that can have a major bearing on the Company's compliance responsibility in pursuance of the above-referred laws, rules, standards, etc:

- 1. Declaration of final dividend for FY 2022-23**  
Declaration of final dividend for FY 22-23, at INR 1.5 per equity share resulting in total pay-out of INR 24.77 crores.

- 2. Declaration of interim-dividend for FY 2023-24**  
Declaration of three interim dividends for FY 23-24, aggregating to INR 4.5 per equity share resulting in total pay-out of INR 74.42 crores.

- 3. Acquisition of subsidiary**  
During the Audit Period, Shop TJC Limited, UK, a step down-subsiary of the Company, acquired Mindful Souls B.V., Netherlands thereby making the latter, a subsidiary 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: A037398F000416667

Peer Review Certificate No.: 4123/2023

Place: New Delhi  
Date: May 21, 2024

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.

## AUDITOR AND MANAGEMENT RESPONSIBILITY

### Annexure to Secretarial Audit Report

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. Wherever required, we have obtained the Management's 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.

### LIST OF DOCUMENTS

1. Minutes for the meetings of the following held during the Audit Period:
  - a. Board of Directors;
  - b. Audit Committee;
  - c. Risk Management Committee;
  - d. Stakeholders Relationship Committee;
  - e. Nomination and Remuneration Committee;
  - f. Corporate Social Responsibility Committee;
  - g. Allotment Committee;
  - h. Annual General Meeting and 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 Board and Committee meetings;
5. Annual Report for financial year 2022-23;
6. Financial Statements and Auditor's Report for financial year 2022-23
7. Draft financial statements for FY 23-24
8. Directors disclosures under the Act and rules made thereunder;
9. Statutory Registers maintained under the Act;
10. Forms filed with the Registrar;
11. Policies framed under Act, Listing Regulations and PIT Regulations;
12. Memorandum of Association and Articles of Association of the Company.

**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:**

<b>Sr. No.</b>	<b>Name of Person</b>	<b>Designation</b>	<b>Ratio of Remuneration to MRE<sup>#</sup></b>	<b>% Increase / (Decrease) in Remuneration<sup>#</sup></b>
1.	Mrs. Sheela Agarwal	Non-Executive Non-Independent Director	0.75	0
2.	Mr. Harsh Bahadur	Non-Executive Non-Independent Director	7.50	0
3.	Mr. Sanjeev Agrawal	Non-Executive Non-Independent Director	1.35	12.50
4.	Mr. Sunil Goyal	Independent Director	2.10	6.33
5.	Ms. Stephanie Renee Spong	Independent Director	10.32	1.94
6.	Mr. Jason Charles Goldberg <sup>1</sup>	Independent Director	10.44	NA
7.	Mr. James Patrick Clarke <sup>2</sup>	Independent Director	12.02	(8.66)

<sup>#</sup> Based on annualized remuneration including sitting fees and profit related commission paid/payable during the financial year 2023-24. There is no change in the remuneration (sitting fees / profit related commission) during the financial year. However, the increase/decrease in remuneration was due to the number of meetings attended by directors and exchanges rate fluctuation in case of payment to directors in USD.

<sup>1</sup> Mr. Jason Charles Goldberg joined the Board as Independent Director w.e.f. 17 October 2023.

<sup>2</sup> Mr. James Patrick Clarke ceased to be Independent Director w.e.f. 6 February 2024.

- During the financial year, the percentage increase in gross remuneration of Group CFO and Company Secretary was 14% and 4% respectively.
- The median remuneration of employees (MRE) was ₹ 3,99,996 as on 31 March 2024 and ₹ 3,74,508 as on 31 March 2023. There was an increase of 6.80% in MRE during the financial year 2023-24.
- Total permanent employees on the rolls of the Company were 1,255 employees as on 31 March 2024.
- Average salary increase of non-managerial personnel was 6% and that of managerial personnel was NIL during the financial year 2023-24. There are no exceptional circumstances for an increase in managerial remuneration.
- Remuneration paid during the financial year ended 31 March 2024 is as per the Remuneration Policy of the Company.

**(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/aggm-postalballot](https://www.vaibhavglobal.com/shareholder_communication/aggm-postalballot).

# CORPORATE GOVERNANCE REPORT

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

Corporate Governance entails the application of optimal management practices, adherence to legal requirements, and commitment to ethical standards, all aimed at advancing the Company's objectives of enhancing shareholder value and fulfilling social responsibilities. Embracing high standards provides assurance and comfort to all stakeholders, including governmental and regulatory bodies, customers, suppliers, financiers, 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.

In recognition of its dedication, your Company had been adjudged as the 'Best Governed Company' (Listed Segment: Emerging Category) by the Institute of Company Secretaries of India at the 20<sup>th</sup> 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 bears the responsibility for strategically supervising and overseeing the Company's management performance and governance, acting on behalf of shareholders and other stakeholders. Operating with independent judgment, the Board plays a pivotal role in monitoring the Company's affairs, ensuring adherence to corporate governance standards, maintaining transparency, upholding integrity in accounting and financial reporting systems, and implementing effective control mechanisms. Additionally, the Board conducts separate strategic sessions.

**Board Committees:** To effectively discharge the obligations and to comply with the statutory requirements, the Board has constituted various delegated 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 separated the position of Chairman and Managing Director to create a 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:** The Managing Director is responsible for upholding successful company operations by implementing business strategies aligned to the vision and purpose-driven mission of the Company. His priorities include designing and executing long-term strategy based on organic and inorganic initiatives, defining the innovation and business reimagination agenda for the Company, motivating and providing leadership to the workforce and fostering business relationships.

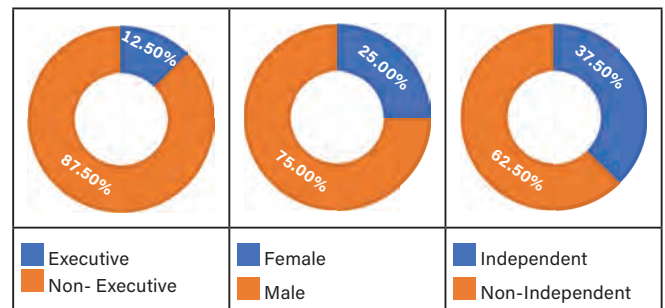
**Core Management Team:** The core management team, to set and deliver the strategic long term growth agenda for the Company by creating and delivering best class practices, processes, and products. The team drives the growth ambition and sustainability initiatives across the organisation.

**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

As of March 31, 2024, the Company's Board is comprised of eight directors, led by a Non-Executive Chairman. The Board includes one Executive Director (the Managing Director), three Non-Executive Independent Directors, and four Non-Executive Non-Independent Directors. With a balanced blend of professionalism, experience, and expertise, the Board is well-equipped to discharge its duties effectively. Detailed profiles of the Directors can be accessed on the Company's website viz. [www.vaibhavglobal.com](http://www.vaibhavglobal.com).



Note: The number of directors and Board Composition is as on 31 March 2024.

**Director's Details**

Category of Director	No. of Directors	Name of Director	DIN	Promoter / Promoters Group	Date of first Appointment	Current Tenure	Shareholding in the Company (No. of shares)
Executive Directors	1	Mr. Sunil Agrawal	00061142	Yes	08/05/1989	Managing Director upto 31/01/2029 <sup>1</sup>	1,40,700
Non-Executive Non-Independent Directors	4	Mrs. Sheela Agarwal	00178548	Yes	10/11/2008	NA <sup>2</sup>	1,13,200
		Mr. Pulak Chandan Prasad	00003557	No	29/10/2013	NA <sup>2</sup>	Nil
		Mr. Sanjeev Agrawal	00092746	Yes	29/10/2020	NA <sup>2</sup>	42,100
		Mr. Harsh Bahadur	00724826	No	26/09/2022	NA <sup>2</sup>	Nil
Independent Directors	3	Mr. Sunil Goyal	00110601	No	08/03/2017	Upto 07/03/2025	Nil
		Ms. Stephanie R. Spong <sup>3</sup>	09295604	No	06/09/2021	Upto 05/09/2028	Nil
		Mr. Jason Charles Goldberg <sup>4</sup>	10350403	No	17/10/2023	Upto 16/10/2025	Nil

<sup>1</sup> Re-appointed as Managing Director for a further term of 5 years commencing from 1 February 2024 to 31 January 2029.

<sup>2</sup> Director liable to retire by rotation.

<sup>3</sup> Re-appointed for a further term of 5 years commencing from 6 September 2023 to 5 September 2028.

<sup>4</sup> Joined the Board as Independent Director w.e.f. 17 October 2023.

There is no inter-se relationship between the Board members, except Mrs. Sheela Agarwal, who is the 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 <sup>1</sup>	Directorship in other listed entities			Committee(s) position (including VGL) <sup>2</sup>	
		Name of the Listed entity	Category of Directorship*	Resigned in last 3 years	Member-ship	Chairman-ship
Mr. Sunil Agrawal	1	Nil	-	Nil	1	Nil
Mrs. Sheela Agarwal	1	Nil	-	Nil	Nil	Nil
Mr. Pulak Chandan Prasad	2	<ul style="list-style-type: none"> <li>▪ Triveni Turbine Ltd.</li> <li>▪ Supreme Industries Ltd</li> </ul>	NE NEI	<ul style="list-style-type: none"> <li>▪ Just Dial Ltd (01.09.2021)</li> <li>▪ Berger Paints India Ltd. (31.03.2024)</li> </ul>	Nil	Nil
Mr. Sanjeev Agrawal	Nil	Nil	-	Nil	1	Nil
Mr. Harsh Bahadur	Nil	Nil	-	<ul style="list-style-type: none"> <li>▪ Indian Terrain Fashions Ltd. (31.03.2024)</li> </ul>	1	Nil
Mr. Sunil Goyal	1	Nil	-	<ul style="list-style-type: none"> <li>▪ Shree Rajasthan Syntex Ltd (11.11.2020)</li> </ul>	Nil	2
Ms. Stephanie R. Spong	Nil	Nil	-	Nil	1	Nil
Mr. Jason Charles Goldberg	Nil	Nil	-	Nil	Nil	Nil

<sup>1</sup> Excludes Directorship in Foreign Companies, Private Limited Companies and Section 8 Companies.

<sup>2</sup> 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 an Independent Director in any other listed company. None of

the Directors holds 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. All directors have made the necessary disclosures regarding their committee positions.

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

#### B) Chairman of the Board

Mr. Harsh Bahadur, Non-Executive Director, acts as a 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 & 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.

Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website.

#### 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 Company's Board comprises individuals who possess diverse qualifications and extensive experience relevant to the Company's business, essential for achieving effective corporate governance and sustained commercial success. All appointments to the Board are based on merit, considering factors such as skills, experience, independence, knowledge, and integrity necessary for the Board's effectiveness.

The Board of Directors has, 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.

**The table summarizes the key skills and attributes which are considered while identifying, selecting and nominating the candidate to serve on the Board of the Company.**

 <b>Business</b>	 <b>Financial</b>	 <b>Board Services and Governance</b>
Experience and understanding of the Industry, business environment, economic conditions, Strategic thinking	Knowledge and understanding of finance management, accountancy, ability to read and understand financial statements	Experience as director on other's Board, maintaining Board and management accountability, observing good governance practices
 <b>Specialized Skills</b>	 <b>Leadership and sound Judgement</b>	 <b>Other diversity</b>
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 ability in regular and complex business environment.	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.

**Directors' attributes are highlighted below:**

Name of the Director	Attributes					
Mr. Sunil Agrawal						
Mr. Harsh Bahadur						
Mrs. Sheela Agarwal						
Mr. Pulak Chandan Prasad						
Mr. Sanjeev Agrawal						
Mr. Sunil Goyal						
Ms. Stephanie R Spong						
Mr. Jason Charles Goldberg						

**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 the 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 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, is regularly provided to the Board as a part of the agenda papers. Directors actively participate in 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. During the year under review, information as mentioned in Part A of Schedule II of the SEBI (LODR) Regulations, has been placed before the Board for its consideration.

**G) Attendance of Directors at Board Meetings and Annual General Meeting (AGM)**

<b>4</b> Board Meetings held	<b>100%</b> Attendance at Board Meetings	<b>100%</b> Attendance at AGM
---------------------------------	---	----------------------------------

The Company held four Board Meetings during FY 2023-24 and the gap between two consecutive 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 34th AGM held on 02 August 2023	Attendance at the Board Meeting held on				No. of Board Meetings		%age of attendance of director
		17 May 2023	02 August 2023	30 October 2023	30 January 2024	Held	Attended	
Mr. Sunil Agrawal	√	√	√	√	√	4	4	100%
Mr. Harsh Bahadur	√	√	√	√	√	4	4	100%
Mrs. Sheela Agarwal	√	√	√	√	√	4	4	100%
Mr. Pulak Chandan Prasad	√	√	√	√	√	4	4	100%
Mr. Sanjeev Agrawal	√	√	√	√	√	4	4	100%
Mr. Sunil Goyal	√	√	√	√	√	4	4	100%
Ms. Stephanie R. Spong	√	√	√	√	√	4	4	100%
Mr. James Patrick Clarke <sup>1</sup>	√	√	√	√	√	4	4	100%
Mr. Jason Charles Goldberg <sup>2</sup>	NA	NA	NA	√	√	2	2	100%
<b>Attendance % at Meeting</b>	100%	100%	100%	100%	100%			

<sup>1</sup> Ceased to be Independent Director of the Company on 6 February 2024 pursuant to completion of tenure on the Board.

<sup>2</sup> Joined the Board as Independent Director w.e.f. 17 October 2023.

In addition to regular Board Meetings, the Board members convened one strategic meeting during the year. This session served to discuss business opportunities, internal and external challenges, growth potentials, as well as short-term and 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 convened their separate meeting on 18 May 2023, attended by all the Independent Directors. They 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 they expressed 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

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations, which concern the Company and need a closer review. The minutes of the meeting of all committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as they think appropriate.

During the year, all recommendations of the Committees of the Board have been accepted by the Board. As on 31 March 2024, the Board has constituted the following Committees:

#### CONSTITUTION OF THE COMMITTEES

##### BOARD STATUTORY COMMITTEES

Composition as on 31 March 2024

Audit Committee	Nomination, Remuneration & Compensation Committee	Stakeholders Relationship Committee	Corporate Social Responsibility (CSR) Committee	Risk Management Committee
1. Mr. Sunil Goyal - Chairman 2. Ms. Stephanie R. Spong - Member 3. Mr. Sanjeev Agrawal - Member	1. Mr. Sunil Goyal - Chairman 2. Ms. Stephanie R. Spong - Member 3. Mr. Harsh Bahadur - Member	1. Mr. Sunil Goyal - Chairman 2. Mr. Harsh Bahadur - Member 3. Mr. Sunil Agrawal - Member	1. Mr. Sunil Agrawal - Chairman 2. Mr. Harsh Bahadur - Member 3. Ms. Stephanie R. Spong - Member	1. Mr. Sunil Goyal - Chairman 2. Mr. Harsh Bahadur - Member 3. Mr. Nitin Panwad - Member

#### A. Statutory Committees

##### i) Audit Committee

<b>4</b>	<b>3</b>	<b>66.67%</b>	<b>100%</b>
<b>Meetings</b>	<b>Members</b>	<b>Independent director</b>	<b>Attendance</b>

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. The Company's Audit Committee comprises 3 (three) Members with majority of Independent Directors. The 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 from time to time. The key terms of reference of the Committee are:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation 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 Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. 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 whistleblower 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 Company in its 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 2023-24 is given hereunder:**

Name of the Director	Category of the Director	Position held in the Committee	Attendance at Audit Committee Meeting held during 2023-24				Total No. of Meetings		%age of Attendance of member
			17 May 2023	02 Aug 2023	30 Oct 2023	30 Jan 2024	Held	Attended	
Mr. Sunil Goyal	Non-Executive Independent Director	Chairman	√	√	√	√	4	4	100%
Mr. Sanjeev Agrawal	Non-Executive Non-Independent Director	Member	√	√	√	√	4	4	100%
Ms. Stephanie R. Spong	Non-Executive Independent Director	Member	√	√	√	√	4	4	100%
<b>Attendance % at the meeting</b>			100%	100%	100%	100%			

The gap between two consecutive Audit Committee meetings did not exceed 120 days. Requisite quorum was present in the above Meetings. The Audit Committee meetings are usually attended by the Managing Director, Group CFO and the respective head of the unit/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 34<sup>th</sup> AGM of the Company held on 02 August 2023.

**ii) Nomination, Remuneration and Compensation Committee**

<b>2</b>	<b>3</b>	<b>66.67%</b>	<b>100%</b>
<b>Meetings</b>	<b>Members</b>	<b>Independent director</b>	<b>Attendance</b>

The Company has constituted 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 SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The present members of the Committee are Mr. Sunil Goyal (Chairperson), Ms. Stephanie R. Spong and Mr. Harsh Bahadur. Terms of references of the Committee is in accordance with the Companies Act, 2013 and SEBI Regulations, which inter-alia includes:

- 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;
- 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:

- use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- To determine the appropriate characteristics, skills and experience for the Board and Director(s);
  - Formulation of criteria for evaluation of performance of independent directors and the board of directors;
  - Devising a policy on diversity of Board of directors;
  - 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;
  - 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;
  - Recommend to the Board, all remuneration, in whatever form, payable to senior management;
  - 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;
  - To perform duties / responsibilities / powers etc. as assigned by the Board from time to time under the 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 2023-24 is given hereunder:

Name of the Director	Category of the Directors	Position held in the Committee	Attendance at NRC Committee Meetings held during 2023-24		Total No. of Meetings		%age of Attendance of member
			15 May 2023	27 October 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%
Ms. Stephanie R. Spong	Non-Executive Independent Director	Member	√	√	2	2	100%
<b>Attendance % at meeting</b>			100%	100%			

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 34<sup>th</sup> AGM of the Company held on 02 August 2023.

#### 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 on the same. 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 provided in the 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 is eligible for remuneration, as 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 fee is payable to the Executive Director, and he is not 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 are not entitled for any share-based employee benefit.

Details of remuneration, sitting fees, etc. paid/payable to Directors for the year ended 31 March 2024 is as under:

Sr. No.	Name of the Director	Salary (₹)	Sitting Fees (₹)	Profit related Commission (₹)	Total Remuneration (₹)	%age of Total remuneration
1.	Mr. Sunil Agrawal*	-	-	-	-	-
2.	Mrs. Sheela Agarwal	-	3,00,000	-	3,00,000	2.04
3.	Mr. Sanjeev Agrawal	-	5,40,000	-	5,40,000	3.67
4.	Mr. Pulak Chandan Prasad	-	-	-	-	-
5.	Mr. Harsh Bahadur	-	6,50,000	23,50,000	30,00,000	20.39
6.	Mr. Sunil Goyal	-	8,40,000	-	8,40,000	5.71
7.	Mr. James Patrick Clarke <sup>1</sup>	-	-	40,17,804	40,17,804	27.30
8.	Ms. Stephanie R. Spong	-	-	41,28,119	41,28,119	28.06

Sr. No.	Name of the Director	Salary (₹)	Sitting Fees (₹)	Profit related Commission (₹)	Total Remuneration (₹)	%age of Total remuneration
9.	Mr. Jason Charles Goldberg <sup>2</sup>	-	-	18,88,226	<b>18,88,226</b>	12.83
	<b>Total</b>	<b>-</b>	<b>23,30,000</b>	<b>1,23,84,149</b>	<b>1,47,14,149</b>	<b>100.00</b>

<sup>1</sup> Ceased as Independent Director of the Company on 6 February 2024 pursuant to completion of his tenure.

<sup>2</sup> Joined the Board as Independent Director w.e.f. 17 October 2023.

\* Mr. Sunil Agrawal is not receiving any remuneration from the Company. He is receiving remuneration from Shop LC Global Inc., USA, a step-down subsidiary of the Company, and the total remuneration of USD 586K (a fixed pay of USD 451K, Bonus of USD 109K and profit related commission of USD 26K) was received by Mr. Sunil Agrawal during the year from Shop Lc Inc.

### Succession Plan:

The Company recognizes the significance of robust succession plans for senior leadership in shaping its future. The Nomination, Remuneration, and Compensation Committee collaborate closely with the Human Resources team to develop a structured leadership succession plan.

### iii) Stakeholders' Relationship Committee

<b>1</b>	<b>3</b>	<b>66.67%</b>	<b>100%</b>
<b>Meetings</b>	<b>Members</b>	<b>Non-Executive director</b>	<b>Attendance</b>

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. The 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 2023-24 is given hereunder:**

Name of the Director	Category of the Directors	Position held in the Committee	Attendance at SRC Meeting held on 17 February 2024	%age of Attendance of member
Mr. Sunil Goyal	Non-Executive Independent Director	Chairman	√	100%
Mr. Harsh Bahadur	Non-Executive Non-Independent Director	Member	√	100%
Mr. Sunil Agrawal	Executive Director	Member	√	100%

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 34<sup>th</sup> AGM held on 02 August 2023.

Details of Complaints from shareholders received and resolved during the year:

Particulars	No. of Complaints
Complaints pending as on 1 April 2023	NIL
Complaints received during the year	2
Complaints resolved during the year	2
Complaints outstanding as on 31 March 2024	NIL

The above-mentioned complaints were pertaining to non-receipt of dividend and non-receipt of Annual Report.

### 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 Grievance Mechanism:** The Company has framed an investor grievance 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](https://www.vaibhavglobal.com/assets/investorhelpdesk/Investors_Grievance_Policy_VGL_v1.pdf)

**iv) Corporate Social Responsibility Committee**

<b>1</b>	<b>3</b>	<b>66.67%</b>	<b>100%</b>
<b>Meetings</b>	<b>Members</b>	<b>Non-Executive director</b>	<b>Attendance</b>

The Company has a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013. The 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 Policy. 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;
- (vi) 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 the 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](http://www.vaibhavglobal.com). The Annual Report on CSR activities for FY 2023-24 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 2023-24 is given hereunder:**

Name of the Director	Category of the Directors	Position held in the Committee	Attendance at CSR Committee Meeting held on 15 May 2023	%age of Attendance of member
Mr. Sunil Agrawal	Executive Director	Chairman	√	100%
Mr. Harsh Bahadur	Non-Executive Non-Independent Director	Member	√	100%
Ms. Stephanie R. Spong	Non-Executive Independent Director	Member	√	100%

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**

<b>3</b>	<b>3</b>	<b>66.67%</b>	<b>100%</b>
<b>Meetings</b>	<b>Members</b>	<b>Non-Executive director</b>	<b>Attendance</b>

The Risk Management Committee (RMC) of the Company has been constituted pursuant to Regulation 21 of the SEBI (LODR) Regulations. The present members of the Committee are Mr. Sunil Goyal (Chairperson), Mr. Harsh Bahadur and Mr. Nitin Panwad. 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 2023-24 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 of member
			28 August 2023	17 February 2024	28 March 2024	Held	Attended	
Mr. Sunil Goyal	Non-Executive Independent Director	Chairman	√	√	√	3	3	100%
Mr. Harsh Bahadur	Non-Executive Non-Independent Director	Member	√	√	√	3	3	100%
Mr. Nitin Panwad	Group CFO	Member	√	√	√	3	3	100%
<b>Attendance % at meeting</b>			100%	100%	100%			

The gap between two consecutive 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 under review, the committee met 14 times i.e. on 23 May 2023, 02 June 2023, 21 June 2023, 01 August 2023, 17 August 2023, 04 September 2023, 22 September 2023, 30 October 2023, 21 November 2023, 11 December 2023, 29 January 2024, 12 February 2024, 01 March 2024 and 22 March 2024 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
34 <sup>th</sup> AGM	02 August 2023	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 Ms. Stephanie Renee Spong (DIN: 09295604) as an Independent Director of the Company
33 <sup>rd</sup> 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 (DIN:09295604) as an Independent Director of the Company
32 <sup>nd</sup> 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

All resolutions moved at the 34<sup>th</sup> AGM were passed by the requisite majority.

### b) Extra - Ordinary General Meeting

There was no Extra - Ordinary General Meeting held during the year 2023-24.

### c) Postal Ballot

During the year under review, the Company has passed the following resolutions on 06 December 2023 through postal ballot, the notice of the same was duly sent on 06 November 2023:

Sr. No.	Type of Resolution	Particulars	Voting Pattern (%)	
			Favor	Against
1.	Special Resolution	Appointment of Mr. Jason Charles Goldberg (DIN: 10350403) as an Independent Director of the Company	99.99	0.01
2.	Special Resolution	Re-appointment of Mr. Sunil Agrawal (DIN: 00061142) as Managing Director of the Company	97.16	2.84

#### Procedure for Postal Ballot:

The Postal Ballot was conducted in accordance with Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), including any statutory modification or re-enactment thereof for the time being in force, Regulation 44 of SEBI (LODR) Regulations, 2015, General Circular Nos. 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 20/2020 dated 5 May 2020, 22/2020 dated 15 June 2020, 33/2020 dated 28 September 2020, 39/2020 dated 31 December 2020, 10/2021 dated 23 June 2021, 20/2021 dated 8 December 2021, 3/2022 dated 5 May 2022, 11/2022 dated 28 December 2022 and 09/2023 dated 25 September 2023, 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 the conclusion of the e-voting period. The result was displayed on the website of the Company ([www.vaibhavglobal.com](http://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 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](http://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](mailto:investor_relations@vaibhavglobal.com).
- (vi) The Company has made quarterly 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) **35th Annual General Meeting (AGM):**  
**Thursday, 1<sup>st</sup> August, 2024 at 4 p.m.**
- (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 2024 to 31 March 2025.
- (iii) **Date of book closure for AGM & Dividend:**  
Saturday, 29<sup>th</sup> June, 2024
- (iv) **Dividend payment date:**  
Within 30 days from the date of declaration at 35<sup>th</sup> 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 - 400051  
Scrip Code: VAIBHAVGBL

**(vi) Listing Fees to the Stock Exchanges**

The Company has paid listing fees in respect of financial year 2024-25 to BSE Limited and National Stock Exchange of India Limited.

**(vii) Registrar & Share Transfer Agent (RTA):**

KFin Technologies Limited  
(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, pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17 May 2023:

- Listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, claim from Unclaimed Suspense Account exchange/endorsement/sub-division/ splitting/ consolidation of securities, transmission/transposition of securities.
- Listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service requests.
- All holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers.

**(ix) Dematerialisation of shares**

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.

<b>99.98%</b>	<b>100%</b>
<b>Total Dematerialization</b>	<b>Promoters' Dematerialization</b>

**The status of dematerialisation as on 31 March 2024 is as under:**

Mode		No. of Shares	% (Percentage)
1. Dematerialization Form	NSDL	14,70,55,889	88.78
	CDSL	1,85,54,155	11.20
<b>Subtotal</b>		<b>16,56,10,044</b>	<b>99.98</b>
2. Physical Form		39,680	0.02
<b>Total</b>		<b>16,56,49,724</b>	<b>100.00</b>

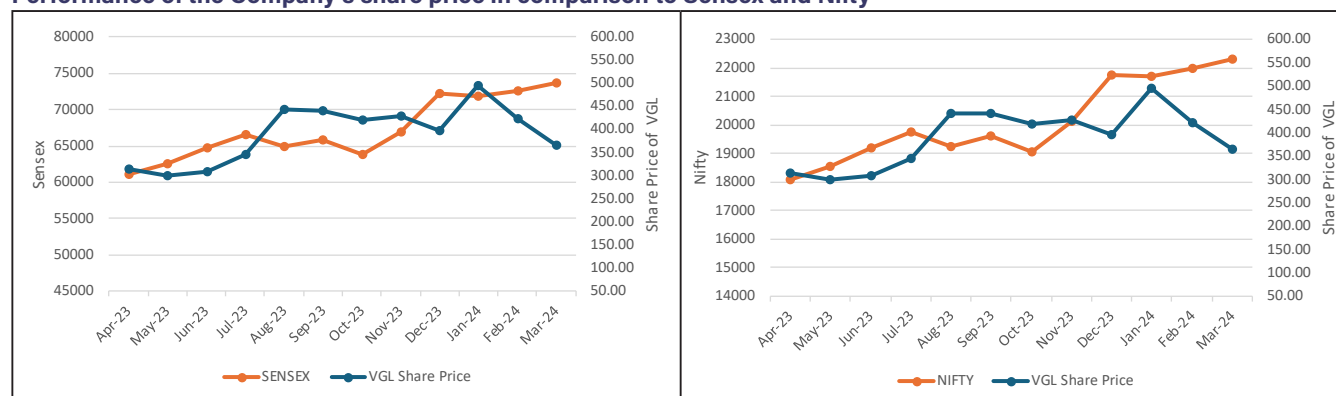
**(x) Market price data**

Month	VGL Price at BSE (₹)			VGL Price at NSE (₹)		
	High Price	Low Price	Closing Price	High Price	Low Price	Closing Price
Apr-23	326.30	274.75	315.15	326.90	274.10	315.10
May-23	325.00	295.00	300.70	325.75	295.05	301.00
Jun-23	317.60	298.95	307.60	317.90	298.55	307.70
Jul-23	361.75	300.55	344.95	362.20	300.00	345.25
Aug-23	469.00	346.20	442.70	470.00	346.00	442.20
Sep-23	467.95	404.20	439.60	466.95	405.00	440.35
Oct-23	457.30	389.00	419.40	457.00	388.50	418.60
Nov-23	442.00	409.30	428.15	442.50	409.10	428.00



Month	VGL Price at BSE (₹)			VGL Price at NSE (₹)		
	High Price	Low Price	Closing Price	High Price	Low Price	Closing Price
Dec-23	454.65	388.35	396.75	454.25	390.00	396.85
Jan-24	543.05	393.00	495.90	542.40	393.15	496.60
Feb-24	509.85	415.00	422.55	509.95	414.80	422.25
Mar-24	444.00	353.00	364.65	444.40	352.65	364.30

**Performance of the Company's share price in comparison to Sensex and Nifty**



**(xi) Distribution of shareholding as on 31 March, 2024**

No. of Equity Shares (Range)	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
Below 5000	1,20,336	99.57	1,34,59,597	8.13
5001 - 10000	234	0.19	17,08,396	1.03
10001 - 20000	126	0.10	18,04,745	1.09
20001 - 30000	49	0.04	12,16,475	0.73
30001 - 40000	19	0.02	6,62,143	0.40
40001 - 50000	20	0.02	9,21,011	0.56
50001 - 100000	24	0.02	17,00,627	1.03
100001 & above	46	0.04	14,41,76,730	87.04
<b>Total</b>	<b>1,20,854</b>	<b>100.00</b>	<b>16,56,49,724</b>	<b>100.00</b>

**(xii) Shareholding Pattern as on 31 March 2024**

Category	Number of Shares	% of shareholding
<b>A. Promoters /Promoter Group</b>		
Indian Promoters	9,45,94,716	57.11
Foreign Promoters	1,87,800	0.11
<b>Sub-total (A)</b>	<b>9,47,82,516</b>	<b>57.22</b>
<b>B. Public</b>		
Mutual Funds	36,16,996	2.18
Alternative Investment Fund (AIF)	6,40,100	0.39
FII's including Foreign Portfolio Investors	3,75,77,812	22.69
Corporate Bodies	25,55,195	1.54
Individuals/HUF	2,51,64,222	15.19
NRIs/Foreign Nationals	11,71,273	0.71
VGL ESOP Trust	1,16,295	0.07
Investor Education and Protection Fund	10,930	0.01
Others	14,385	0.01
<b>Sub-total (B)</b>	<b>7,08,67,208</b>	<b>42.78</b>
<b>Grand Total (A+B)</b>	<b>16,56,49,724</b>	<b>100.00</b>

**(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, 4<sup>th</sup> 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 2024.

**(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 35<sup>th</sup> 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) Senior Management Personnel**

Mr. Nitin Panwad (Group CFO), Mr. Pushpendra Singh, (CHRO), Mr. Raj Kumar Singh (Vice President-SCM) and Mr. Sushil Sharma, Company Secretary are identified as Senior Management Personnels of the Company. There is no change in Senior Management Personnels during the financial year 2023-24.

**(xx) 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 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. 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](mailto: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.

- SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number, Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024. For more details, members may refer to SEBI FAQs by accessing the link : [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf)
- 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, Mobile number for prompt reply to them communication.

**7. DISCLOSURES**

- 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>.
- 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.
- 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 has been disclosed 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, 2015, as applicable, with regards to corporate governance.

In addition to 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, arising 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. The details of foreign currency exposure 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 Master Circular dated July 11, 2023.

- (vi) During the year, no complaint was received by the Committee established, as per Policy 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 2023	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints outstanding as on 31 March 2024	Nil

- (vii) 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>.

- (viii) 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](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed 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 details 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.

- (ix) The Company has adequate Directors and Officers insurance ('D and O insurance') for all their directors and officers.
- (x) During the financial year 2023-24, the Board has accepted all the recommendations of its committees.
- (xi) The company did not raise any funds through preferential allotment or qualified institutional placement during the year.
- (xii) There is no share in the demat suspense account of the Company as on date of this report.
- (xiii) 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.
- (xiv) Pursuant to Schedule III, Para A, Clause 5A of SEBI (LODR) Regulations, there are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

## 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 monitors and reviews the risk management plan, cyber security and to perform functions as defined under SEBI (LODR) Regulations and the Companies Act, 2013. During the year, the Risk Management Committee met three times i.e. on 28 August 2023, 17 February 2024 and 28 March 2024, and inter-alia reviewed the risk management policy, major risk areas & mitigations action plan, IT controls of the Company. For more detail, please refer to Management Discussion and Analysis Report which forms 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 has following three material subsidiaries as on the date of this Report and all compliance as provided in SEBI (LODR) Regulations, in this regard, have been 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	16.05.2022
Shop TJC Limited (Step-down Subsidiary)	UK	15 December 2005	DSK Partners LLP	16.05.2023
Shop LC Global Inc. (Step-down Subsidiary)	USA	30 January 2007	KNAV P.A.	21.02.2024

## 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 etc.

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 ₹ 238.46 lacs, to the statutory auditor of the Company and all entities in the network firm/ network entity of which the statutory auditor is a part.

## 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 2024. 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 are 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:

<b>Code/Policies</b>	<b>Web Link</b>
Supplier Code of Conduct	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880818621363.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880818621363.pdf</a>
Code of conduct for Directors and Senior Management Personnel	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741319699082.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741319699082.pdf</a>
Code Of Conduct for Independent Directors	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887739209747.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887739209747.pdf</a>
Code of Conduct to regulate, monitor and report trading by Designated Persons	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887677586302.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887677586302.pdf</a>
Code of practices and procedures for fair disclosure of unpublished price sensitive information	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887640072479.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887640072479.pdf</a>
Anti-Bribery & Corruption (ABC) policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757876236252369.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757876236252369.pdf</a>
Business Responsibility and Sustainability Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874521120902.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874521120902.pdf</a>
Business Responsibility Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1769311952703893.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1769311952703893.pdf</a>
Whistle Blower and Vigil Mechanism Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880567447119.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880567447119.pdf</a>
Dividend Distribution Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888307092446.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888307092446.pdf</a>
Nomination and Remuneration policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741363959589.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741363959589.pdf</a>
Criteria for making payment to Non-Executive Directors	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888235675638.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888235675638.pdf</a>
Anti Sexual Harassment Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1759330754220977.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1759330754220977.pdf</a>
Archival Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888179526910.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888179526910.pdf</a>
Corporate Social Responsibility (CSR) Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888142480234.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888142480234.pdf</a>
Familiarisation programme for Independent Director	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880540696671.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880540696671.pdf</a>
Policy for determination of Materiality of Events or Information	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741389167415.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741389167415.pdf</a>
Policy for determining Material Subsidiaries	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741409704052.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741409704052.pdf</a>
Related Party Transactions Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741433677943.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741433677943.pdf</a>
Terms & conditions of appointment of Independent Directors	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874262297400.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874262297400.pdf</a>
Human Right Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1765585659982239.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1765585659982239.pdf</a>
Equal Opportunity Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf</a>

#### **17. COMPLIANCE CERTIFICATE**

The Compliance Certificate under regulation 17(8) of SEBI (LODR) Regulation, 2015 on the financial statements for the financial year ended 31 March 2024 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 2023-24.

For and on behalf of the Board of Directors

Place: Jaipur  
Date: 23 May 2024

**Sunil Agrawal**  
Managing Director  
DIN: 00061142

### COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations for the Financial Year ended 31 March 2024)

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

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.

- A. We have reviewed financial statements and the cash flow statement of the Company for the year ended 31 March 2024, 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 2023-24 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,

- 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: 23 May 2024

**Nitin Panwad**  
Group Chief Financial Officer  
Place: Jaipur  
Date: 23 May 2024

## 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 March 31, 2024, as stipulated in regulation 17 to 27 and clause (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

**Nitu Poddar**  
Partner

Membership No.: A37398  
CP No.: 15113

Date: May 21, 2024  
Place: New Delhi

UDIN: A037398F000416645  
Peer Review Certificate No.: 4123/2023

## ANNEXURE I

### LIST OF DOCUMENTS

- Minutes for the meetings of the following held during the Audit Period:
  - Board of Directors;
  - Audit Committee;
  - Risk Management Committee;
  - Stakeholders Relationship Committee;
  - Nomination and Remuneration Committee;
  - Corporate Social Responsibility Committee;
  - Allotment Committee;
  - Annual General Meeting and Postal Ballot.
- Proof of circulation of draft and signed minutes of the Board and Committee meetings on sample basis;
- Agendas of Board and Committee meetings;
- Terms and reference of the Committees of the Board;
- Annual report for financial year 2022-23;
- Resolutions passed by circulation;
- Directors disclosures under the Act and rules made thereunder;
- Policies framed under the Act and Listing Regulations, as available on the website;
- Stock exchange filings for corporate governance under regulation 27(2) of Listing Regulations;
- Memorandum of Association and Articles of Association of the Company.

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

## SECTION A: GENERAL DISCLOSURES

### I. DETAILS OF THE LISTED ENTITY:

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	91-141-2771975	
8. Website	<a href="http://www.vaibhavglobal.com">www.vaibhavglobal.com</a>	
9. Financial year for which reporting is being done	2023-24	
10. Name of the Stock Exchange(s) where shares are listed:	<b>Name of the Exchange</b>	<b>Stock Code</b>
	BSE Ltd.	532156
	National Stock Exchange of India Ltd.	VAIBHAVGBL
11. Paid-up Capital	₹ 33,12,99,448	
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	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 (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on standalone basis.	
14. Name of assurance provider	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July, 2023.	
15. Type of assurance obtained	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July, 2023.	

### II. PRODUCTS/SERVICES

#### 16. 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	96

#### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/ Service	NIC Code	% of Turnover contributed
1.	Fashion Jewellery and Gemstone	3211	96



### III. OPERATIONS

18. **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	The subsidiaries of the Company possess plants and offices located overseas. However, when considering the disclosure on a standalone basis, Vaibhav Global Limited does not have any overseas plants or offices.		

19. **Markets served by the entity:**

a. **Number of locations**

Locations	Number
National (No. of States & UTs)	7
International (No. of Countries)	16*

\*Refers to no. of countries to whom exports were made during the year. However, the Company does not have any overseas offices/plants/establishment on a standalone basis.

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

The contribution of exports as a percentage of the total turnover of the entity is 98%.

c. **A brief on types of customers:**

Being a digital retailer at global level, we serve our customers through 24\*7 proprietary teleshopping channels and through other digital means. We effectively cater to customers by offering fashion jewellery, gemstones and lifestyle products through above means. Baby boomers represent a significant consumer demographic for us due to factors which includes convenience, largest share of disposable income, product range, etc. In addition to this, we also cater to B2B clients which is more of an opportunistic business.

### IV. EMPLOYEES

20. **Details as at the end of Financial Year:**

a. **Employees and workers (including differently abled):**

S. Particulars No.	Total (A)	Male		Female		
		No. (B)	% (B / A)	No. (C)	% (C / A)	
<b>EMPLOYEES</b>						
1. Permanent (D)	1086	908	83.61	178	16.39	
2. Other than Permanent (E)	495	444	89.70	51	10.30	
<b>3. Total employees (D + E)</b>	<b>1581</b>	<b>1352</b>	<b>85.52</b>	<b>229</b>	<b>14.48</b>	
<b>WORKERS</b>						
4. Permanent (F)	169	162	95.86	7	4.14	
5. Other than Permanent (G)	1303	1220	93.63	83	6.37	
<b>6. Total workers (F + G)</b>	<b>1472</b>	<b>1382</b>	<b>93.89</b>	<b>90</b>	<b>6.11</b>	

b. **Differently abled Employees and workers:**

S. Particulars No.	Total (A)	Male		Female		
		No. (B)	% (B / A)	No. (C)	% (C / A)	
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1. Permanent (D)	0	0	0.00	0	0.00	
2. Other than Permanent (E)	1	1	100.00	0	0.00	
<b>3. Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	
<b>DIFFERENTLY ABLED WORKERS</b>						
4. Permanent (F)	4	4	100.00	0	0.00	
5. Other than permanent (G)	21	19	90.48	2	9.52	
<b>6. Total differently abled workers (F + G)</b>	<b>25</b>	<b>23</b>	<b>92.00</b>	<b>0</b>	<b>8.00</b>	

## 21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25.00
Key Management Personnel	2	0	0.00

## 22. Turnover rate for permanent employees and workers (in percent)

Particulars	31 March 2024			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.13	31.98	27.55	30.68	42.20	36.44	42.06	73.84	57.95
Permanent Workers	4.89	0.0	2.45	8.97	0.00	4.48	9.57	16.00	12.78

## V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

## 23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	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	100.00	No
3.	STS Jewels Inc., USA	Subsidiary Company	100.00	No
4.	STS Global Supply Limited, Hongkong	Subsidiary Company	100.00	No
5.	STS Global Limited, Thailand	Subsidiary Company	100.00	No
6.	STS Global Limited, Japan	Subsidiary Company	100.00	No
7.	Shop LC GmbH, Germany	Subsidiary Company	100.00	No
8.	Vaibhav Vistar Limited, India	Subsidiary Company	100.00	No
9.	Vaibhav Lifestyle Limited, India	Subsidiary Company	100.00	No
10.	Encase Packaging Private Limited, India	Subsidiary Company	60.00	No
11.	Shop TJC Ltd. UK	Step-down Subsidiary Company	100.00	No
12.	Shop LC Global Inc., USA	Step-down Subsidiary Company	100.00	No
13.	PT. STS Bali	Step-down Subsidiary Company	100.00	No
14.	STS (Guangzhou) Trading Limited	Step-down Subsidiary Company	100.00	No
15.	Mindfulsouls BV, Netherlands	Step-down Subsidiary Company	100.00	No

## VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) – ₹ 4,89,22,64,546

(iii) Net worth (in ₹) – ₹ 5,86,79,78,796

## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

### 25. Complaints/Grievance 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 2023-24			FY 2022-23		
		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
<b>Communities</b>	Yes, the Company's BRSR policy provides a Grievance Redressal Mechanism for all stakeholders concerning the principles adopted by the Company. Concerned persons may reach out to us via email at <a href="mailto:investor_relations@vaibhavglobal.com">investor_relations@vaibhavglobal.com</a> . Additionally, a Grievance Redressal Desk is available on our website: <a href="https://www.vaibhavglobal.com/inquiries-and-grievance-redressal">https://www.vaibhavglobal.com/inquiries-and-grievance-redressal</a>	NIL	NIL	NA	NIL	NIL	NA
<b>Investors (other than shareholders)</b>	The company has also adopted an investors & shareholders grievance redressal mechanism, which can be accessed at our site : <a href="https://www.vaibhavglobal.com/investor-helpdesk">https://www.vaibhavglobal.com/investor-helpdesk</a>	NIL	NIL	NA	NIL	NIL	NA
<b>Shareholders</b>	The company has also adopted investors & shareholders grievance redressal mechanism, which can be accessed at: <a href="https://www.vaibhavglobal.com/investor-helpdesk">https://www.vaibhavglobal.com/investor-helpdesk</a>	2	NIL	The complaints were pertaining to non-receipt of annual report and/or dividend	130	NIL	The complaints were largely pertaining to non-receipt of annual report and/or dividend
<b>Employees and workers/ Customers/ Value Chain Partners/ Others (please specify)</b>	Employees and workers of the Company can report their grievances through various mechanisms such as the Whistleblower Policy, Human Rights Policy, Equal Opportunity Policy, and Anti Bribery and Corruption Policy. Further, the Company's Supplier Code of Conduct provides for Grievance Redressal Mechanism to the suppliers. These policies and codes mentioned above can be accessed at <a href="https://www.vaibhavglobal.com/code-policies">https://www.vaibhavglobal.com/code-policies</a> . The Company also provides a grievance redressal desk on its website - <a href="https://www.vaibhavglobal.com/inquiries-and-grievance-redressal">https://www.vaibhavglobal.com/inquiries-and-grievance-redressal</a> for the community, customers, and value chain partners.	NIL	NIL	NA	NIL	NIL	NA

26. **Overview of the entity's material responsible business conduct 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**

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	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. <b>Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. <b>Has the policy been approved by the Board? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. <b>Web Link of the Policies, if available.</b>									
Sr. No.	Name of policy	Link to Policy	Which Principles each policies goes into						
1	Code of Conduct for Directors and Senior Management Personnel	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741319699082.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741319699082.pdf</a>	P1						
2	Whistle Blower and Vigil Mechanism Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880567447119.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880567447119.pdf</a>	P1						
3	Related Party Transactions Policy (RPT)	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741433677943.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741433677943.pdf</a>	P1, P4, P7						
4	Policy For Determining Material Subsidiaries	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741409704052.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741409704052.pdf</a>	P1						
5	Familiarisation Programme For Independent Director	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1796564844050356.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1796564844050356.pdf</a>	P1						
6	Investor's Grievance Redressal Mechanism	<a href="https://www.vaibhavglobal.com/assets/investorhelpdesk/Investors_Grievance_Policy_VGL_v1.pdf">https://www.vaibhavglobal.com/assets/investorhelpdesk/Investors_Grievance_Policy_VGL_v1.pdf</a>	P5						
7	Policy For Determination of Materiality of Events or Information	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1775009736201067.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1775009736201067.pdf</a>	P1, P4						
8	Dividend Distribution Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888307092446.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888307092446.pdf</a>	P3, P4						
9	Business Responsibility and Sustainability Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874521120902.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757874521120902.pdf</a>	P1-P9						
10	Anti-Bribery & Corruption (ABC) Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757876236252369.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757876236252369.pdf</a>	P1, P7						
11	Supplier Code of Conduct	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880818621363.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1759880818621363.pdf</a>	P2, P3, P9						
12	Code of Conduct for Independent Directors	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887739209747.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887739209747.pdf</a>	P1						
13	Code of Conduct to regulate, monitor and report trading by Designated Persons	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887677586302.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887677586302.pdf</a>	P1						
14	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887640072479.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703887640072479.pdf</a>	P1						

Sr. No.	Name of policy	Link to Policy	Which Principles each policies goes into
15	Risk Management Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1776461212262918.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1776461212262918.pdf</a>	P1, P2
16	Corporate Social Responsibility (CSR)	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888142480234.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888142480234.pdf</a>	P4, P8
17	Human Rights Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1765585659982239.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1765585659982239.pdf</a>	P5
18	Anti-Sexual Harassment Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1759330754220977.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1759330754220977.pdf</a>	P5
19	Equal Opportunity Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf</a>	P3, P5, P8
20	Nomination And Remuneration Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741363959589.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1757741363959589.pdf</a>	P3, P4
21	Archival Policy	<a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888179526910.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1703888179526910.pdf</a>	P1

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	Yes, the enlisted policies extend to our value chain partners. By extending our policies to our value chain partners, we ensure a cohesive and responsible approach throughout the supply chain.								
<b>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.</b>	<p>The following are applicable to Jaipur SEZ Unit:</p> <ul style="list-style-type: none"> <li>• ISO 9001:2015 (Quality Management System): Principle 2</li> <li>• LEED v4 Platinum Certificate: Principle 6</li> <li>• IGBC Green Building Certification: Principle 6</li> <li>• SMETA Audit: Principles 1,3,5,6 and 9</li> <li>• Net Zero Energy Certified: Principle 6</li> <li>• Great Place to Work®: Principles 1,3,4,5, and 8</li> </ul>								
<b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>	<p>The entity has established specific commitments and targets with defined timelines. Firstly, it aims to achieve carbon neutrality in scope 1 and 2 greenhouse gas (GHG) emissions by FY31, reflecting its dedication to mitigating climate change impacts. Additionally, the entity has set a goal to provide one million meals per day to children in need by FY40 through its flagship mid-day meals programme- <b>'Your Purchase Feeds...'</b>. These commitments not only demonstrate the entity's environmental and social responsibility but also underscore its long-term vision and commitment to creating positive impact and contributing to sustainable development goals.</p>								
<b>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>	<p>The company has made concerted efforts to reduce its greenhouse gas (GHG) emissions through various measures, including the adoption of renewable energy sources, effective waste management practices, and the attainment of LEED Platinum &amp; Gold certifications for its units. These initiatives reflect the company's commitment to environmental sustainability and its proactive stance towards mitigating climate change impacts. Additionally, on the social front, the company has prioritized regular employee training programs to enhance skills and knowledge, fostering a culture of continuous improvement and development.</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Our commitment to being a responsible corporate citizen is demonstrated through several initiatives. These include afforestation through Miyawaki technique, which promotes the growth of dense, native forests. We have almost doubled our fleet of electric bikes for official commutes, reducing our carbon footprint.								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	The report outlines our ESG performance and our commitment to achieve carbon neutrality. We are also contributing to the United Nations' Sustainable Development Goals (SDGs) as we address our environmental, social and governance outcomes. Further, other initiatives such as planting of more saplings using the Miyawaki technique, doubling our capacity of electric bikes for official commute, efficient management of water and waste, are reinforcing our commitment to being a responsible corporate citizen.								
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.	The CSR Committee (under the supervision of the Board) is also responsible for decision making and overseeing the status on sustainability related issues.								
<b>10. Details of Review of NGRBCs by the Company:</b>									
<b>Subject for Review</b>	<b>Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee</b>								
	<b>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b>								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against Above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, Performance against the above policies and follow-up actions, as well as compliance with statutory requirements relevant to the principles, are both affirmed with necessary rectifications made for any identified non-compliances.								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. 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.	Yes, Dhir & Dhir Associates, a leading legal firm, assessed the implementation and adequacy of our policies, highlighting their effectiveness. Various department and business leaders routinely review and update these policies, with final approval from management or the board.								
<b>Questions</b>									
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable								
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)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### 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	3	Familiarization programs of Directors, Strategy meeting and semi-annual Management Committee Meetings on broader strategy & performance of the group.	100.00
Key Managerial Personnel	3		100.00
Employees other than BoD and KMPs	132	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.	100.00
Workers	41		100.00

**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 (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)**

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
<b>Monetary</b>				
Penalty/Fine	Refer to the Company's website for all disclosures made under Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 at <a href="https://www.vaibhavglobal.com/shareholder_communication">https://www.vaibhavglobal.com/shareholder_communication</a>			
Settlement				
Compounding Fee				
<b>Non-Monetary</b>				
Imprisonment	Not Applicable, as no non-monetary punishments were imposed in the reporting year*			
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.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Refer to the Company's website for all disclosures made under Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 at <a href="https://www.vaibhavglobal.com/shareholder_communication">https://www.vaibhavglobal.com/shareholder_communication</a>	

**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.**

Yes, the Company maintains zero tolerance for any form of bribery or corruption and has an Anti-Corruption and Anti-Bribery Policy in place. This policy extends to all employees of the Company, its subsidiaries, joint ventures, and affiliates at all levels and in all locations. All of the Company's facilities are required to adhere to various anti-bribery and anti-corruption laws and regulations. Additionally, all agents, suppliers, and business partners are informed of the Company's zero-tolerance policy towards bribery and corruption at the commencement of business engagement. Upon joining, new employees receive a copy of the policy and are briefed about its significance. Regular trainings are conducted throughout the Company to prevent, identify, and detect anti-corruption issues. Operating with the highest standards of ethical conduct and integrity, Vaibhav Global Limited unequivocally condemns bribery or corruption in any form.

The policy can be accessed at: [https://www.vaibhavglobal.com/admin\\_assets/images/ESG/1757876236252369.pdf](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 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs		
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors		In both reporting years, the Company has not encountered any complaints related to conflicts of interest.		
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, During the reporting years, our company did not encounter any incidents related to conflicts of interest, corruption, fines, penalties, or actions taken by regulators, law enforcement agencies, or judicial institutions. As a result, there were no instances that required corrective action or investigation in this regard.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	78	83

**9. Open-ness of Business**

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Purchases	a. Purchases from Trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases and made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers/distributors as % of total sales		
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Share of RPTs in-	a. Purchases (Purchases with related parties/Total Purchases)	₹ 72,99,41,302	₹ 36,63,31,466
	b. Sales (Sales to related parties/Total Sales)	₹ 3,88,54,17,010	₹ 3,74,27,81,344
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	₹ 7,16,00,000	₹ 8,34,11,325
	d. Investments (Investments in related parties/Total Investments made)	₹ 10,40,00,000	₹ 4,99,99,940



**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.**

	2023-24		2022-23		Details of Improvements in environmental and social impacts
R&D	Nil				Not Applicable
Capex	4.48%	(INR 24 Lacs towards purchasing electric vehicles for employees' commuting purpose)	8.00%	(INR 45 lacs for purchase of electric scooters for employees' commute)	These investments were made to sequester carbon emissions and reducing the carbon footprint of the company.*

\* The company has set an ambitious yet achievable target to become carbon neutral in scope 1 and scope 2 of GHG (Green House Gases) emissions by 2031.

**We have taken following initiatives to reduce GHG emissions:**

- Two solar power plants have been installed in Jaipur (rooftop solar) and Bikaner (ground-mounted solar panels). These plants, having a combined installed capacity of 3.23 MW, currently fulfill 100% of the power requirements for two of our primary manufacturing units in Jaipur.
- Established two Miyawaki forests in Jaipur, covering an area of 2 acres of land. The Miyawaki technique yields extensive benefits, including maintaining water levels and reducing sound and dust pollution by over 30 times. This method involves multi-layered plantation, maximizing vertical space usage while shielding the soil from direct sunlight, thereby resulting in very less evaporation.
- Till date we have also 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, our company places great emphasis on sustainable sourcing practices. This commitment entails procuring products and materials in a manner that prioritizes environmental preservation, upholds fair labour practices, and maintains financial prudence. We have established clear protocols and procedures to ensure that our suppliers adhere to these standards. This involves rigorous monitoring to ensure compliance with essential guidelines, such as avoiding environmental degradation and safeguarding workers' rights. Continual assessment allows us to identify areas for improvement and implement necessary changes promptly. Our objective is to conduct business in a manner that supports local communities, while ensuring the long-term viability and become operationally resilient.

**b. If yes, what percentage of inputs were sourced sustainably?**

Currently, we oversee sourcing till the initial stage of procurement, i.e., till our first supplier. Our ongoing commitment involves mitigating environmental impacts, upholding human rights, and contributing towards the welfare of local communities where we operate in. Regular updates keep our partners informed about company policies, quality guidelines, and business plans through engagement drives. Supplier is evaluated based on quality, cost, delivery, and service criteria and action plan generated for improvement as needed. While it's challenging to quantify the percentage of sustainably sourced inputs, we are dedicated to enhance our sustainable practices across value chain.

**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.**

Due to the inherent characteristics of our products, there is no necessity or opportunity for reclamation at the conclusion of their life cycle. Nevertheless, our company has implemented robust systems for the recycling of plastics (including packaging), e-waste, and hazardous materials in a secure manner. To manage the disposal of such waste, we engage Government approved and authorized recyclers and fulfill all requisite obligations.

**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 (EPR) is not applicable to the company's business operations. Given the nature of our activities, we do not fall under EPR regulations.

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees,  
including those in their value chains**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	908	908	100.00	908	100.00	NA	NA	0	0.00	908	100.00
Female	178	178	100.00	178	100.00	178	100.00	NA	NA	178	100.00
<b>Total</b>	<b>1086</b>	<b>1086</b>	<b>100.00</b>	<b>1086</b>	<b>100.00</b>	<b>178</b>	<b>16.39</b>	<b>0</b>	<b>0.00</b>	<b>1086</b>	<b>100.00</b>
<b>Other than Permanent Employees</b>											
Male	444	444	100.00	444	100.00	NA	NA	0	0.00	444	100.00
Female	51	51	100.00	51	100.00	51	100.00	NA	NA	51	100.00
<b>Total</b>	<b>495</b>	<b>495</b>	<b>100.00</b>	<b>495</b>	<b>100.00</b>	<b>51</b>	<b>10.30</b>	<b>0</b>	<b>0.00</b>	<b>495</b>	<b>100.00</b>

**b. Details of measures for the well-being of workers:**

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	162	162	100.00	162	100.00	NA	NA	0	0.00	162	100.00
Female	7	7	100.00	7	100.00	7	100.00	NA	NA	7	100.00
<b>Total</b>	<b>169</b>	<b>169</b>	<b>100.00</b>	<b>169</b>	<b>100.00</b>	<b>7</b>	<b>4.14</b>	<b>0</b>	<b>0.00</b>	<b>169</b>	<b>100.00</b>
<b>Other than Permanent Workers</b>											
Male	1220	1220	100.00	1220	100.00	NA	NA	0	0.00	1220	100.00
Female	83	83	100.00	83	100.00	83	100.00	NA	NA	83	100.00
<b>Total</b>	<b>1303</b>	<b>1303</b>	<b>100.00</b>	<b>1303</b>	<b>100.00</b>	<b>83</b>	<b>6.37</b>	<b>0</b>	<b>0.00</b>	<b>1303</b>	<b>100.00</b>

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.40%	0.39%

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2023-24			FY 2022-23		
	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	100.00	100.00	Yes	98.00	100.00	Yes
Gratuity	100.00	100.00	Yes	100.00	100.00	Yes
ESI	73.00	100.00	Yes	72.00	100.00	Yes
Others-Group Health Insurance	27.00	–	Yes	28.00	–	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.**

The entity's premises and offices have been designed and structured to ensure accessibility for differently abled employees and workers, in compliance with the specifications outlined in the Rights of Persons with Disabilities Act, 2016. The entity's various locations, including the offices/premises have been equipped with ramps, lifts, and handrails for stairwells to facilitate the movement of differently abled individuals. Thus, Company's premises has been made access friendly. By adhering to the requirements, the entity fosters an inclusive and accommodating environment that enables all individuals, regardless of ability, to navigate and engage effectively within the workplace.

**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, our comprehensive policy promotes a workplace culture where all individuals are treated equitably and respectfully, regardless of any differences, including disability status. We strive to create an inclusive environment where everyone has the opportunity to thrive and contribute to their fullest potential. The link to the policy is:

[https://www.vaibhavglobal.com/admin\\_assets/images/ESG/1764672778587507.pdf](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	100.00	100.00	NA	NA
Total	100.00	100.00	NA	NA

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Employees with grievances have the option to submit their concerns in writing via the Grievance Box provided or send them to hrd@vaibhavglobal.com
Other than Permanent Workers	
Permanent Employees	A detailed policy outlining the grievance procedure is accessible at <a href="https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf">https://www.vaibhavglobal.com/admin_assets/images/ESG/1764672778587507.pdf</a>
Other than Permanent Employees	

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	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						
<b>Female</b>						
<b>Total Permanent Worker</b>						
Male						
Female						

Not Applicable, since no employees and workers are part of any association/ union

**8. Details of training given to employees and workers\*:**

	FY 2023-24					FY 2022-23				
	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)
<b>Employees</b>										
Male	908	908	100.00	908	100.00	813	813	100%	813	
Female	178	178	100.00	178	100.00	166	166	100%	166	
<b>Total</b>	<b>1086</b>	<b>1086</b>	<b>100.00</b>	<b>1086</b>	<b>100.00</b>	<b>979</b>	<b>979</b>	<b>100%</b>	<b>979</b>	
<b>Workers</b>										
Male	162	162	100.00	162	100.00	206	206	100%	206	
Female	7	7	100.00	7	100.00	14	14	100%	14	
<b>Total</b>	<b>169</b>	<b>169</b>	<b>100.00</b>	<b>169</b>	<b>100.00</b>	<b>220</b>	<b>220</b>	<b>100%</b>	<b>220</b>	

**9. Details of performance and career development reviews of employees and workers\*:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	908	908	100.00	813	813	100%
Female	178	178	100.00	166	166	100%
<b>Total</b>	<b>1086</b>	<b>1086</b>	<b>100.00</b>	<b>979</b>	<b>979</b>	<b>100%</b>
<b>Workers</b>						
Male	162	162	100.00	206	206	100%
Female	7	7	100.00	14	14	100%
<b>Total</b>	<b>169</b>	<b>169</b>	<b>100.00</b>	<b>220</b>	<b>220</b>	<b>100%</b>

\* Data of only permanent employees and workers have been provided in point number 8 and 9 above.

**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 of such system?**

Yes, prioritizing the health and safety of our employees is paramount. We have instituted rigorous and compliant protocols to ensure safety of all individuals within the organization. Our commitment extends to fostering a workplace environment that is both safe and conducive. To achieve this, we have developed and implemented an occupational health, safety, and environmental management system that aligns with international standards. Through this system, we strive to uphold excellence in all aspects of our operations and support functions, ensuring that health and safety remain integral pillars of our organizational culture.

**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 Company has enacted the subsequent steps to regularly identify work-related hazards and assess associated risks:

- Collaborative hazard identification and risk assessment sessions involving shop floor personnel.
- Regular audits to scrutinize safety protocols and identify potential risks.
- Utilization of interviews to gather insights and feedback from employees regarding workplace safety concerns.
- Monitoring work zones and conducting noise assessments to analyse and mitigate potential posing risks to employee's well-being.

**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. By establishing this reporting mechanism, the company aims to encourage transparency, empower workers to actively participate in maintaining a safe work environment, and enable prompt action to address any identified hazards.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**  
The Company provides comprehensive medical coverage for both employees and workers, through medical insurance and/or the Employees' State Insurance (ESI) scheme. This coverage ensures that individuals have access to essential healthcare services, including hospitalization, medical treatments, consultations, medications, and diagnostic tests.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	1.32	0.77
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	5	3
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

\*Inclusive of contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company places utmost importance on the well-being of its employees, particularly those working in manufacturing facilities. To ensure a safe and healthy workplace environment, the following measures have been implemented:

- Implementation of an EHS Policy, Insurance, Training Programs, Occupational Health Initiatives, Inspection Systems, Audits, and Risk Assessments.
- Compliance with relevant healthcare and occupational health and safety regulations.
- Provision of safety training to all employees.
- Establishment of an EHS Committee responsible for assisting management and achieving objectives outlined in the EHS Policy. The committee addresses health, safety, and environmental matters, provides practical solutions to challenges, promotes safety awareness amongst all workers, and conducts educational, training, and promotional activities.

**13. Number of Complaints on the following made by employees and workers:**

Category	FY 2023-24		FY 2022-23			
	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			Nil			

**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	100.00 (in percentage) assessment was done by the Company internally.
Working Conditions	

**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.**

Yes, we prioritize the safety and well-being of our employees. In response to safety related incidents, we conduct regular assessments of health and safety practices and working conditions to identify any significant risks or areas of concern. Any identified issues are promptly addressed through appropriate measures, which may include updation of policies, upgradation of equipments, or the implementation of further training initiatives.

**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.**

Our approach to stakeholder engagement is shaped by several considerations, including the effects of our operations on different groups, their degree of interest or influence, and their reliance on our activities. We identify stakeholders such as employees, customers, suppliers, local communities, regulatory bodies, and investors. We prioritize transparency and open dialogues with stakeholders whose input can impact our decision-making processes and assist us in effectively addressing their concerns.

**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
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This is discussed in detail in '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 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Permanent	1086	1086	100.00	979	979	100.00
Other than permanent	495	495	100.00	232	232	100.00
<b>Total Employees</b>	<b>1581</b>	<b>1581</b>	<b>100.00</b>	<b>1211</b>	<b>1211</b>	<b>100.00</b>
<b>Workers</b>						
Permanent	169	169	100.00	220	220	100.00
Other than permanent	1303	1303	100.00	1426	1426	100.00
<b>Total Workers</b>	<b>1472</b>	<b>1472</b>	<b>100.00</b>	<b>1646</b>	<b>1646</b>	<b>100.00</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24					2022-23				
	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)
<b>Employees</b>										
<b>Permanent</b>	<b>1086</b>	<b>0</b>	<b>0.0</b>	<b>1086</b>	<b>100.00</b>	<b>979</b>	<b>0</b>	<b>0.0</b>	<b>979</b>	<b>100.00</b>
Male	908	0	0.0	908	100.00	813	0	0.0	813	100.00
Female	178	0	0.0	178	100.00	166	0	0.0	166	100.00
<b>Other than Permanent</b>	<b>495</b>	<b>0</b>	<b>0.0</b>	<b>495</b>	<b>100.00</b>	<b>232</b>	<b>0</b>	<b>0.0</b>	<b>232</b>	<b>100.00</b>
Male	444	0	0.0	444	100.00	196	0	0.0	196	100.00
Female	51	0	0.0	51	100.00	36	0	0.0	36	100.00
<b>Workers</b>										
<b>Permanent</b>	<b>169</b>	<b>0</b>	<b>0.00</b>	<b>169</b>	<b>100.00</b>	<b>220</b>	<b>0</b>	<b>0.00</b>	<b>220</b>	<b>100.00</b>
Male	162	0	0.00	162	100.00	206	0	0.00	206	100.00
Female	7	0	0.00	7	100.00	14	0	0.00	14	100.00
<b>Other than Permanent</b>	<b>1303</b>	<b>0</b>	<b>0.00</b>	<b>1303</b>	<b>100.00</b>	<b>1426</b>	<b>0</b>	<b>0.00</b>	<b>1426</b>	<b>100.00</b>
Male	1220	0	0.00	1220	100.00	1312	0	0.00	1312	100.00
Female	83	0	0.00	83	100.00	114	0	0.00	114	100.00

**3. Details of remuneration/salary/wages, in the following format:**

**a. Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category	Number	Median remuneration/ Salary/ Wages of respective category
Board of Directors (BoD)	7	8,40,000 p.a.	2	22,14,060 p.a.
Key Managerial Personnel*	2	53,69,700 p.a.	–	–
Employees other than BoD and KMP	905	4,27,572 p.a.	178	4,58,136 p.a.
Workers	163	2,58,456 p.a.	7	1,63,116 p.a.

\*Here, KMPs include Group CFO & Company Secretary

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	9.5	10.2

**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, we have a mechanism responsible for addressing human rights impacts or issues caused or contributed to by the business.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues:**

The mechanism operates through the following instructions:

- A well-defined grievance redressal mechanism for human rights is in place, permitting the aggrieved employee to contact the grievance officer in person, via phone, or through email at hrd@vaibhavglobal.com
- The incident is reported to the senior management for remedial action.
- The company conducts due diligence periodically through the human resources department to oversee the mechanism and implement any necessary corrective actions, if required.

The stakeholder engagement is a focus area that encompasses policies and programmes which supports human rights and seeks to avoid human rights abuses. The human rights policy applies to all employees and its affiliates. We promote its principles to our subcontractors and suppliers through our code for responsible sourcing and by driving industry based social and environmental standards, and we also engage with our business partners on these matters.

**6. Number of Complaints on the following made by employees and workers:**

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment						
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other Human Rights related issues						

No such incidents occurred in both the reporting years

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Not Applicable, as no such incidents occurred in both the reporting years	
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company is committed to developing an organizational culture which implements a policy of support for the internationally recognized human rights contained within the Universal Declaration of Human Rights and seeks to avoid human rights abuses. Our Whistle blower policy has clearly laid down the guidelines to prevent adverse consequence to a complainant. A complainant has the right to complete anonymity unless required by law enforcement agencies. The organization prohibits retaliation against a complainant such as threats of physical harm, loss of job, punitive work assignments, or impact on salary or wages.

**9. Do human rights requirements form part of your business agreements and contracts?**

Yes, Human rights requirements are integral to the company's Supplier Code of Conduct. Suppliers are urged to respect human rights standards and to work towards them in all business activities. The Code explicitly prohibits any form of forced or compulsory labour. Additionally, it emphasizes on the prohibition of Child Labour, the requirement of Minimum Wages, and the promotion of Equal Opportunities, all of which are communicated to our business partners.

**10. Assessments for the year:**

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	
<b>Forced/involuntary labour</b>	
<b>Sexual Harassment</b>	100% of our plants and offices are internally assessed on these parameters.
<b>Discrimination at workplace</b>	
Wages	

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 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 2023-24 (In Million Joules)	FY 2022-23 (In Million Joules)
<b>From renewable sources</b>		
Total electricity consumption (A)	1,06,14,971	1,09,03,003
Total fuel consumption (B)	–	–
Energy consumption through other sources (C)		
<b>Total Energy consumption from renewable sources (A+B+C)</b>	<b>1,06,14,971</b>	<b>1,09,03,003</b>



Parameter	FY 2023-24 (In Million Joules)	FY 2022-23 (In Million Joules)
<b>From non-renewable sources</b>		
Total electricity consumption (D)	67,30,798	58,17,542
Total fuel consumption (E)	17,86,008	14,33,245
Energy consumption through other sources (F)	–	–
<b>Total Energy consumption from non-renewable sources (D+E+F)</b>	<b>85,16,806</b>	<b>72,50,788</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>1,91,31,777</b>	<b>1,81,53,791</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumption/ Revenue from Operations)	3,910.62	4,159.26
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	SEBI Guidance note is awaited to assess PPP	
Energy intensity in terms of physical output	69,56,635	66,85,622
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 are 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 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water	37,205	37,703
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	37,205	37,703
<b>Total volume of water consumption (in kilolitres)</b>	<b>19,491</b>	<b>18,945</b>
Water intensity per rupee of turnover ( <b>Water consumed / Revenue from operations</b> )	39.84	43.41
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) <b>(Total water consumption / Revenue from operations adjusted for PPP)</b>	SEBI Guidance note is awaited to assess PPP	
Water intensity in terms of physical output	0.01	0.01
Water intensity (optional) – the relevant metric may be selected by the entity (In KL per Crore)	70,872	1,99,477

**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. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
<b>(i) To Surface water</b>		
– No treatment		
– With treatment – please specify level of treatment		
<b>(ii) To Groundwater</b>		
– No treatment		
– With treatment – please specify level of treatment		
<b>(iii) To Seawater</b>		
– No treatment		
– With treatment – please specify level of treatment		
<b>(iv) Sent to third-parties</b>		
– No treatment		
– With treatment – please specify level of treatment		
<b>(v) Others</b>	17,714	18,758
– No treatment		
– With treatment – please specify level of treatment	Majority of the water is used in our garden area and cooling tower. A small portion of it evaporates in the environment.	Majority of the water is used in our garden area and cooling tower. A small portion of it evaporates in the environment.
<b>Total water discharged (in kilolitres)</b>	<b>17,714</b>	<b>18,758</b>

**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.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Our facilities are equipped with zero-liquid discharge mechanisms, reflecting our commitment to effective waste management and proper handling of wastewater. We have installed Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) to treat the wastewater. The treated wastewater is then recycled, significantly reducing the consumption of freshwater. These plants successfully recycle 17,500 KL of water annually. Additionally, we have installed two rainwater storage tanks with a combined capacity of 500 KL, enabling us to harvest approximately 6,100 KL of rainwater at various locations. We are also in the process of constructing a new rainwater harvesting tank with a capacity of 600 KL, further enhancing our sustainable water management efforts.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	µg/m <sup>3</sup>	17.2	15.0
SOx	µg/m <sup>3</sup>	9.5	8.1
Particulate matter (PM)	µg/m <sup>3</sup>	40.1 (PM2.5) 65.3 (PM10)	35.8 (PM2.5) 58.2 (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- The assessment was carried out internally.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	455	257
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	4,140	3,669
Total Scope 1 and Scope 2 emissions per rupee of turnover <b>(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)</b>		0.00	0.00
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) <b>(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)</b>		SEBI Guidance note is awaited to assess PPP	
Total Scope 1 and Scope 2 emissions intensity in terms of physical output		0.00	0.00
Total Scope 1 and Scope 2 emission intensity <b>(optional)</b> – the relevant metric may be selected by the entity- emissions per crore of rupees of turnover		9.4	9.0

**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.

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

As a socially responsible organization, we have implemented several initiatives to reduce carbon emissions. Here are the details:

- **Afforestation:** During the past few years, we have developed two Miyawaki forests spanning across 2 acres of land in India, planting approximately 28,000 saplings in barren lands. These forests will become self-sustainable within the next two years and will be ten times denser than conventional forests. We anticipate that they will sequester 850 tons of carbon each year. Additionally, we planted 7,000 plants in various government schools and RIICO gardens.
- **Electric Vehicles:** As part of our environmental efforts, we have 184 electric scooters and one electric car for our employees' commute. This investment is a continuation of our ongoing commitment to reduce Scope 2 carbon emissions (equivalent to 25-28 tons per annum) and minimize our carbon footprint. By making this investment, we have eliminated the need for 11 buses from our fleet and also done away with requirement of 1 bus.
- **Solar Power:** We have installed two solar power plants in Jaipur (rooftop solution) and Bikaner (ground-mounted solar panels). With a total installed capacity of 3.23 MW, these solar power plants fulfill 100% of the power requirements for our two major manufacturing units in Jaipur.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	0	0.4
E-waste <b>(B)</b>	0.53	0.36
Bio-medical waste <b>(C)</b>	0	0
Construction and demolition waste <b>(D)</b>	0	0
Battery waste <b>(E)</b>	0	0
Radioactive waste <b>(F)</b>	0	0
Other Hazardous waste. Please Specify, if any. <b>(G)</b>	1	0
Other Non-hazardous waste generated <b>(H)</b> . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Waste intensity per rupee of turnover <b>(Total waste generated / Revenue from operations)</b>	SEBI Guidance note is awaited to assess PPP	

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) <b>(Total waste generated / Revenue from operations adjusted for PPP)</b>	1.53	0.76
Waste intensity in terms of physical output	0.00	0.00
Waste intensity (optional) - the relevant metric may be selected by the entity- (intensity per crores of turnover)	0.003	0.002
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
<b>Category of waste</b>		
(i) Recycled	0	0
(i) Recycled	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste	0	0
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	1.53	0.76
<b>Total</b>	<b>1.53</b>	<b>0.76</b>

**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.

**10. 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 is a critical focus of our operational efficiency, aimed at enhancing efficiency and minimizing our environmental impact. Our waste management practices align with the principles of the '4R Policy': Reduce, Recycle, Reuse, and Reclaim. Here are some key initiatives:

- 100% utilization of bio-degradable waste, including vegetables, food, and leaves, is converted into manure, ensuring.
- We have prioritized reducing paper consumption as part of our business strategy.
- Our Ozonator water treatment plant effectively removes dirt, inorganic chemical impurities, and odours from water, reducing the risk of groundwater contamination. Additionally, it generates 10 gm of oxygen per hour for water disinfection.
- Wet scrubber installations mitigate the toxicity of fumes generated during 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.

**11. 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:**

S. No.	Location of operations/offices	Types 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.
	Our entity does not have operations or offices located in or around ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, or coastal regulation zones. Therefore, we are not required to obtain any special environmental approvals or clearances related to such locations. All our facilities and operations are situated in areas that do not fall under these ecologically sensitive categories, ensuring compliance with environmental regulations without the need for additional clearances.		

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
In the current financial year, our entity has not undertaken any projects that require environmental impact assessments (EIAs) based on applicable laws. Therefore, there are no details to report regarding EIAs for this period. Our operations and projects have not triggered the thresholds or criteria that necessitate an EIA, indicating that our activities are in compliance with environmental regulations without the need for such assessments.					

**13. 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, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Serial Number	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 taken, if any action
The Company has been compliant with all the laws as stated.				

**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. Number of affiliations with trade and industry chambers/ associations.**

The Company is affiliated with Six (6) National industries/chambers.

**a) 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
6	Spices Board of India	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.**

Name of authority	Brief of the case	Corrective active taken
Not Applicable as the company is not involved in anti-competitive business conduct, thus no issue has arisen in this regard. The company maintains a strict adherence to regulatory compliances and fair business practices, ensuring a competitive and ethical operating environment.		

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development****Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial 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
Considering nature of our operations and impact, we do not conduct SIA.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

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)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

We have established a community grievance redressal mechanism to ensure that community members can easily communicate their concerns to us. Through this mechanism, individuals can reach out to us with their grievances, and if necessary, corrective actions are promptly identified and implemented. This mechanism is accessible online through our website, providing a convenient platform for community members to submit their grievances. They can access the mechanism at <https://www.vaibhavglobal.com/inquiries-and-grievance-redressal>.

We are committed to addressing community concerns in a timely and effective manner, fostering transparency and trust between our organization and the communities we serve.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	17%	14%
Sourced directly from within India	50%	46%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	0.0	0.0
Semi-Urban	0.0	0.0
Urban	0.0	0.0
Metropolitan	100.00	100.00

(Categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**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.**

Our company is equipped with a robust system to handle consumer complaints and feedback effectively. Additionally, we offer a grievance redressal mechanism on our website at <https://www.vaibhavglobal.com/inquiries-and-grievance-redressal>.

Prioritizing customer response and satisfaction is paramount for us, evident by our outstanding CSAT (Customer Satisfaction) scores of 96%+ in US, UK and Germany.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

**As a percentage to total turnover**

Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

Category	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy			No such complaints received for both the reporting years			
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:**

	Number	Reasons for recall
<b>Voluntary recalls</b>		No incidents of recalls happened
<b>Forced recalls</b>		

**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 maintain a comprehensive framework for cyber security and data privacy risks. Our commitment involves identifying risks, evaluating their implications, and establishing systematic controls to mitigate any potential harm to our organization's information security and privacy and securing the information assets.

Our risk management policy focuses on identifying and monitoring cyber security and information risks. The Policy can be accessed at [https://www.vaibhavglobal.com/admin\\_assets/images/ESG/1776461212262918.pdf](https://www.vaibhavglobal.com/admin_assets/images/ESG/1776461212262918.pdf).

Furthermore, we've implemented Information Security Management System Policies and Guidelines, covering areas such as cyber security, data privacy, acceptable usage, incident management etc. These guidelines outline best practices for users, protocols for addressing cyber security incidents, and actions. In case of security policy violations, our employees can access these policies through the Company's intranet network.

**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.**

Not Applicable, as there were no such instances for the reporting year.

**7. Provide the following information relating to data breaches:**

- Number of instances of data breaches-** Nil
- Percentage of data breaches involving personally identifiable information of customers-** Nil
- Impact, if any, of the data breaches-** Not Applicable

# 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 Options Welfare Trust ("ESOP Trust") which comprise the standalone balance sheet as at 31 March 2024, 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 material 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 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### **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
<p>The Company deals primarily in fashion jewellery 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 net realisable value ("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.</p> <p>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</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>• Assessed the appropriateness of the accounting policy for inventories as per relevant Indian accounting standards.</li> <li>• 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.</li> <li>• Verified inventory ageing report by testing samples, selected using statistical sampling method.</li> <li>• Tested the weighted average rate computation of inventory samples, selected using statistical sampling method.</li> <li>• Evaluated the judgement and assumptions taken for valuation of inventory by involving subject matter expert, wherever required.</li> </ul>

### **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 Matters**

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.



### Recognition and measurement of Minimum Alternate Tax (MAT)

See Note 3(l)(iii) and 36 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company has MAT Credit of ₹ 5,272.69 lacs as on 31 March 2024 which is available for utilization against future tax liabilities. Of the aforesaid, MAT credit of only ₹ 2,020.33 lacs is recognised and included in deferred tax assets.</p> <p>The analysis of the recoverability of such deferred tax assets has been identified as a key audit matter because the assessment process involves significant judgement regarding the future profitability, dividends, allowability of tax positions/deductions claimed by the management in the tax computations and likelihood of the realization of these assets, in particular whether there will be taxable profits and dividends in future periods that support the recognition of these assets. This requires assumptions regarding future profitability and dividends, which is inherently uncertain.</p> <p>Accordingly, the same is considered as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management’s process for estimating the recoverability of the deferred tax assets and identified key controls in the process. Tested the design, implementation and operating effectiveness of key controls regarding recoverability of MAT credit assets and budgeting procedures upon which the approved business plans are based.</li> <li>• Obtained and analyzed the future projections of taxable profits and dividends estimated by the management, assessing the key assumptions used, including the analysis of the consistency of the actual results obtained with those projected in the previous years. We challenged the Company’s assumptions by our own expectations based on our knowledge of the client and experience of the industry in which it operates; industry norms; specified external data sources and the reasonableness of the future cash flow projections including dividends. Our assessment was based on our knowledge of the business and observable data of the industry.</li> <li>• Assessed all factors concerning its expected future profitability, both favourable and unfavourable, when assessing whether a deferred tax asset should be recognised on the basis of the availability of future taxable profits.</li> <li>• Obtained evidence of the approval of the budgeted results included in the current year’s projections.</li> <li>• Evaluated the reasonableness of the deductions availed under the Income Tax Act included in the tax computation.</li> <li>• Verified the computation of the amounts recognized as deferred tax assets on MAT credit. Evaluated the company’s estimate regarding the period by which the MAT credit entitlement would be utilized, We verified such estimate to be within the period prescribed under the Income Tax Act, 1961.</li> <li>• Assessed the adequacy of related disclosures made by the Company in the standalone financial statements.</li> </ul>

### 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 Company’s annual report, but does not include the financial statements and auditor’s report(s) thereon.

Our opinion on the standalone financial statements does not cover the other information and we do 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 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. If, based on the

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 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/ESOP 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 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 of an ESOP Trust included in the standalone financial statements of the Company whose financial statements reflects total assets (before consolidation adjustments) of ₹ 408.27 lacs as at 31 March 2024, total income (before consolidation adjustments) of ₹ 8.76 lacs and net cash flows (before consolidation adjustments) amounting to ₹ 33.24 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis.
  - 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 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3) (b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. 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 reports 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 2024 on its financial position in its standalone financial statements - Refer Note 41 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 represented to us that, to the best of its knowledge and belief, as disclosed

in the Note 45(v) 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, as on the date of this audit report 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 represented to us that, to the best of its knowledge and belief, as disclosed in the Note 45(vi) 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, as on the date of this audit report, 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 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. Based on our examination which included test checks, we report that:
- i. The company has used accounting softwares for maintaining its books of account, however the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we are unable to comment on audit trail feature of the said software.
- ii. With respect to above, the question of audit trail feature being tampered does not arise since audit trail facility was not enabled.
- 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

Place: Gurugram, Haryana

Membership No.: 094549

Date: 23 May 2024

ICAI UDIN:24094549BKBSY6384

## Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Vaibhav Global Limited for the year ended 31 March 2024

**(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 by which all property, plant and equipment are verified in a phased manner over a period of three 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. 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 42 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 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	11,635.59	10,511.29	1,124.31	Yes*
		Trade receivables	13,443.99	12,688.71	755.28	Yes*
		Trade payables	6,022.06	4,511.14	1,510.92	Yes*
June 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	13,195.63	12,515.75	679.88	Yes*
		Trade receivables	16,038.10	16,585.31	(547.20)	Yes*
		Trade payables	7,254.53	6,071.12	1,183.42	Yes*
September 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	14,189.81	13,452.08	737.73	Yes*
		Trade receivables	16,176.17	16,030.36	145.81	Yes*
		Trade payables	8,502.49	6,854.22	1,648.27	Yes*
December 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	13,807.05	13,871.08	(64.03)	Yes*
		Trade receivables	11,830.69	11,644.74	185.96	Yes*
		Trade payables	6,192.27	5,177.27	1,015.00	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 2023 - 24, 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 and granted unsecured loans, to subsidiaries during the year in respect of which the requisite information are as below, further the Company has not provided guarantee or security or provided advances in the nature of loans to other companies 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 during the year:
- (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:
- (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, security given during the year and the terms and conditions of the grant of loans and advances in the nature 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 ₹ 500.00 lacs given to Vaibhav Lifestyle Limited (wholly owned subsidiary) and ₹ 199.00 lacs given to Encase Packaging Private Limited (Subsidiary) which are repayable on demand. As informed to us, the Company has not demanded repayment of the loan from both the subsidiaries and not demand the interest from Encase Packaging Private Limited during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (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

(Amount in ₹ lacs)

Particulars	Guarantees	Loans
Aggregate amount during the year		
Subsidiaries*	Nil	716.00
Others	Nil	Nil
Balance outstanding as at balance sheet date		
Subsidiaries*#	971.00	1,017.00
Others	Nil	Nil

\*As per the Companies Act, 2013

#Balance outstanding of loans as at balance sheet date is gross amount of loan and which does not include the provision for impairment of loan amounting to ₹ 500.00 lacs

loans given. Further, the Company has not given any advances in the nature of loans to any party 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 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)

	<b>All Parties</b>	<b>Promoters</b>	<b>Related Parties</b>
Aggregate of loans			
- Repayable on demand (A)	711.00	Nil	711.00
- Agreement does not specify any terms or period of Repayment (B)	Nil	Nil	Nil
<b>Total (A+B)</b>	<b>711.00</b>	<b>Nil</b>	<b>711.00</b>
Percentage of loans to the total loans	99.30%	Nil	99.30%

- (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 and services provided 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, IncomeTax, 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 2024 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 Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

(Amount in ₹ lacs)

Name of the statute	Nature of the dues	Amount (in ₹ lacs)	Amount deposited under protest (in ₹ lacs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act	Income Tax	4.08	10.00	Assessment Year 2007-08	Assessing Officer	None
		8.10	1.61	Assessment Year 2008-09	Assessing Officer	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
		9,181.03	Nil	Assessment Year 2020-21	Dispute Resolution Panel	None
Customs Act	Duty of Customs	2.71	Nil	August 2014	CESTAT, Delhi	None
Goods and Services Tax Act	Goods and Services Tax	333.90	33.39	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, considering the principles of materiality outlined in Standards on Auditing, we report that 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 45(xi) 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, other information accompanying the standalone financial statements, 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.
- (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

Place: Gurugram, Haryana

Membership No.: 094549

Date: 23 May 2024

ICAI UDIN:24094549BKBSY6384

# Annexure B to the Independent Auditor's Report

on the standalone financial statements of Vaibhav Global Limited for the year ended 31 March 2024

## 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)(g) 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 2024 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 2024, 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls 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

Place: Gurugram, Haryana

Membership No.: 094549

Date: 23 May 2024

ICAI UDIN:24094549BKBSY6384

## STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	31 March 2024	31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	5,069.63	5,198.23
Capital work-in-progress	5	-	-
Right-of-use assets	6	894.63	935.73
Other intangible assets	7	209.50	308.11
Intangible assets under development	8	-	21.47
Financial assets			
Investments	9	30,318.26	30,736.76
Loans	17	313.24	313.00
Other financials assets	10	123.94	131.65
Deferred tax assets (net)	36	1,835.54	1,788.03
Other tax assets (net)	11	337.20	1,125.63
Other non-current assets	12	102.87	25.52
<b>Total non-current assets</b>		<b>39,204.81</b>	<b>40,584.13</b>
<b>Current assets</b>			
Inventories	13	14,734.70	12,075.25
Financial assets			
Trade receivables	14	10,393.01	14,687.35
Cash and cash equivalents	15	2,118.76	2,302.54
Bank balance other than cash and cash equivalents	16	3,529.95	2,770.02
Loans	17	248.77	1,168.06
Other financial assets	10	4,418.01	4,438.12
Current tax assets	11	364.31	-
Other current assets	18	1,877.04	1,923.22
<b>Total current assets</b>		<b>37,684.55</b>	<b>39,364.56</b>
<b>Total assets</b>		<b>76,889.36</b>	<b>79,948.69</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	3,310.65	3,297.63
Other equity			
Reserves and surplus	20	55,366.80	57,910.62
<b>Total equity</b>		<b>58,677.45</b>	<b>61,208.25</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	6	70.89	101.39
Provisions	21	539.80	365.86
<b>Total non-current liabilities</b>		<b>610.69</b>	<b>467.25</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	22	9,537.62	10,752.67
Gold on loan	23	118.34	-
Lease liabilities	6	30.49	26.55
Trade payables	24		
- Total outstanding dues of micro enterprises and small enterprises; and		469.68	167.42
- Total outstanding dues of creditors other than micro enterprises and small enterprises		6,268.92	6,221.41
Other financial liabilities	25	231.73	219.44
Other current liabilities	26	440.15	475.46
Provisions	21	504.29	410.24
<b>Total current liabilities</b>		<b>17,601.22</b>	<b>18,273.19</b>
<b>Total liabilities</b>		<b>18,211.91</b>	<b>18,740.44</b>
<b>Total equity and liabilities</b>		<b>76,889.36</b>	<b>79,948.69</b>
Material 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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

DIN: 00178548

Place: Jaipur

Date: 23 May 2024

**Nitin Panwad**

Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024

# STANDALONE STATEMENT OF PROFIT AND LOSS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	27	48,922.65	43,640.45
Other income	28	7,670.44	10,012.25
<b>Total income</b>		<b>56,593.09</b>	<b>53,652.70</b>
<b>Expenses</b>			
Cost of materials consumed	29	30,561.97	25,620.65
Purchases of stock-in-trade	30	2,007.75	2,228.70
Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(1,036.73)	278.53
Employee benefits expense	32	5,904.29	5,806.49
Finance costs	33	741.71	429.92
Depreciation and amortisation expense	34	802.90	740.74
Other expenses	35	9,855.58	8,260.46
<b>Total expenses</b>		<b>48,837.47</b>	<b>43,365.49</b>
<b>Profit before exceptional items and tax</b>		<b>7,755.62</b>	<b>10,287.21</b>
Exceptional items	50	2,352.84	-
<b>Profit after exceptional items</b>		<b>5,402.78</b>	<b>10,287.21</b>
<b>Tax expense</b>	36		
Current tax		411.27	356.60
Deferred tax		(33.82)	(59.57)
<b>Tax expense</b>		<b>377.45</b>	<b>297.03</b>
<b>Profit for the year (A)</b>		<b>5,025.33</b>	<b>9,990.18</b>
<b>Other comprehensive income / (loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of defined benefit plans		(39.18)	(126.90)
(ii) Tax relating to remeasurement of defined benefit plans		13.69	44.34
<b>Other comprehensive income / (loss) for the year, net of tax (B)</b>		<b>(25.49)</b>	<b>(82.56)</b>
<b>Total comprehensive income for the year (A + B)</b>		<b>4,999.84</b>	<b>9,907.62</b>
<b>Earnings per equity share</b>	37		
Basic earnings per share (INR)		3.04	6.08
Diluted earnings per share (INR)		2.98	5.99
Material 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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

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Director

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Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024

## STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from operating activities</b>			
Profit for the year		5,402.78	10,287.21
Adjustment for :			
Depreciation and amortisation expense	34	802.90	740.74
(Gain) / loss on unrealised foreign exchange difference (net)		(107.73)	(155.47)
Unrealised loss on gold on loan		6.61	-
Equity-settled share-based payment transactions	32	451.04	408.88
Loss / (gain) on sale / write off of property, plant and equipment		8.21	(5.64)
Liabilities no longer required written back		(6.91)	-
Gain on sale of current investments (including change in fair value)		(1.31)	(0.76)
Impairment losses on financial assets (Allowances for / write off doubtful debts and advances)		48.22	28.15
Provision for impairment of investment, loans and other receivables from subsidiaries	50	2,352.84	-
Dividend received	28	(5,469.84)	(8,059.26)
Interest income	28	(332.98)	(355.48)
Finance costs	33	741.71	429.92
<b>Operating profit before working capital changes:</b>		<b>3,895.54</b>	<b>3,318.29</b>
Working capital adjustments :			
Decrease in trade receivables		4,361.39	98.21
Increase in inventories		(2,659.45)	(649.60)
Decrease / (increase) in other assets		744.18	(1,172.04)
Increase in gold on loan		111.73	-
Increase in trade payables, provisions, other current liabilities		576.28	213.61
<b>Cash generated from operating activities</b>		<b>7,029.67</b>	<b>1,808.47</b>
Income taxes paid (net)		12.85	(165.87)
<b>Net cash generated from operating activities (A)</b>		<b>7,042.52</b>	<b>1,642.60</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment and other intangible assets		(594.84)	(741.88)
Proceeds from disposal of property, plant and equipment		3.37	14.58
Investment made in deposits		(2,034.95)	(2,712.10)
Deposits matured		1,300.00	2,409.00
Investment made in subsidiary		(1,040.00)	(500.00)
Repayment of loan given to subsidiaries		1,125.24	489.11
Grant of loan to subsidiaries		(716.00)	(834.11)
Dividend received		5,469.84	8,059.26
Interest received		431.50	319.80
Purchase of current investments		(1,300.00)	(749.89)
Proceed from sale of current investments		1,301.31	750.65
<b>Net cash generated from investing activities (B)</b>		<b>3,945.47</b>	<b>6,504.42</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from exercise of share options		712.88	1,504.16
Movement in short term borrowings (net)		(1,224.90)	1,479.63
Dividend paid		(9,921.18)	(9,879.57)
Interest paid		(750.62)	(478.33)
Principal payment of lease liabilities		(26.56)	(26.18)
<b>Net cash utilised in financing activities (C)</b>		<b>(11,210.38)</b>	<b>(7,400.29)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>		<b>(222.39)</b>	<b>746.73</b>
Opening balance of cash and cash equivalents		2,302.54	1,555.81
Unrealised foreign exchange difference in cash and cash equivalents		38.61	-
<b>Closing balance of cash and cash equivalents</b>		<b>2,118.76</b>	<b>2,302.54</b>

# STANDALONE STATEMENT OF CASH FLOW

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>Cash and cash equivalents comprises</b>			
Cash on hand	15	9.27	7.80
Balance with bank on current account	15	2,109.49	994.74
Deposits with original maturity of less than three months	15	-	1,300.00
		2,118.76	2,302.54
Less: Restricted cash and cash equivalents	15	-	(1,300.00)
<b>Net cash and cash equivalents</b>		<b>2,118.76</b>	<b>1,002.54</b>
Material 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:

#### Short term borrowings

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Opening balance of short term borrowings</b>	<b>10,752.67</b>	<b>9,382.73</b>
Movement in short term borrowings	(1,224.90)	1,479.63
Non cash changes - effect of foreign currency translation	9.85	(109.69)
<b>Closing balance of short term borrowings</b>	<b>9,537.62</b>	<b>10,752.67</b>

#### Lease liabilities

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Opening balance of lease liabilities</b>	<b>127.94</b>	<b>83.01</b>
Additions during the year	-	62.87
Interest expenses for the year	8.87	8.24
Payment of lease liability during the year	(35.43)	(26.18)
<b>Closing balance of lease liabilities</b>	<b>101.38</b>	<b>127.94</b>

3 Refer note 35 for amount spent during the year ended 31 March 2024 and 31 March 2023 on construction / acquisition of assets and other purposes relating to Corporate social responsibility activities.

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: Gurugram

Date: 23 May 2024

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

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

DIN: 00178548

Place: Jaipur

Date: 23 May 2024

**Nitin Panwad**

Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### A EQUITY SHARE CAPITAL

Particulars	Note	Amount
<b>Balance as at 01 April 2023</b>		<b>3,297.63</b>
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at 01 April 2023</b>		<b>3,297.63</b>
Changes in equity share capital during the year	19	15.35
Treasury shares	39	(2.33)
<b>Balance as at 31 March 2024</b>		<b>3,310.65</b>
<b>Balance as at 01 April 2022</b>		<b>3,275.96</b>
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at 01 April 2022</b>		<b>3,275.96</b>
Changes in equity share capital during the year	19	24.34
Treasury shares	39	(2.67)
<b>Balance as at 31 March 2023</b>		<b>3,297.63</b>

### B OTHER EQUITY

For the year ended 31 March 2024:

Particulars	Note	Reserves and Surplus					Retained earnings	Total other equity
		Securities premium	Share based redemption payment reserve	Capital reserve	Capital reserve	General reserve		
<b>Balance as at 1 April 2023</b>		<b>35,430.62</b>	<b>1,512.01</b>	<b>4,486.57</b>	<b>812.64</b>	<b>1,296.47</b>	<b>14,372.31</b>	<b>57,910.62</b>
<b>Total comprehensive income for the year ended 31 March 2024</b>								
Profit for the year		-	-	-	-	-	5,025.33	5,025.33
Other comprehensive income/(loss) for the year		-	-	-	-	-	(25.49)	(25.49)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,999.84</b>	<b>4,999.84</b>
<b>Contributions and distributions</b>								
Dividends	20	-	-	-	-	-	(9,921.18)	(9,921.18)
Equity-settled share-based payments	32	-	1,677.66	-	-	-	-	1,677.66
Share options exercised	20	2,482.85	(1,638.43)	-	-	-	-	844.42
Treasury shares	39	(144.56)	-	-	-	-	-	(144.56)
<b>Balance as at 31 March 2024</b>		<b>37,768.91</b>	<b>1,551.24</b>	<b>4,486.57</b>	<b>812.64</b>	<b>1,296.47</b>	<b>9,450.97</b>	<b>55,366.80</b>

# STANDALONE STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

For the year ended 31 March 2023:

Particulars	Note	Reserves and Surplus					Total other equity	
		Securities premium	Share based payment reserve	Capital redemption reserve	Capital reserve	General reserve		Retained earnings
<b>Balance as at 01 April 2022*</b>		<b>32,937.41</b>	<b>1,160.83</b>	<b>4,486.57</b>	<b>812.64</b>	<b>1,296.47</b>	<b>14,344.26</b>	<b>55,038.18</b>
<b>Total comprehensive income for the year ended 31 March 2023</b>								
Profit for the year		-	-	-	-	-	9,990.18	9,990.18
Other comprehensive income/(loss) for the year		-	-	-	-	-	(82.56)	(82.56)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,907.62</b>	<b>9,907.62</b>
<b>Contributions and distributions</b>								
Dividends	20	-	-	-	-	-	(9,879.57)	(9,879.57)
Equity-settled share-based payments	32	-	1,361.90	-	-	-	-	1,361.90
Share options exercised	20	2,668.59	(1,010.72)	-	-	-	-	1,657.87
Treasury shares	39	(175.38)	-	-	-	-	-	(175.38)
<b>Balance as at 31 March 2023</b>		<b>35,430.62</b>	<b>1,512.01</b>	<b>4,486.57</b>	<b>812.64</b>	<b>1,296.47</b>	<b>14,372.31</b>	<b>57,910.62</b>

\* 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 ₹ (25.49) lacs and ₹ (82.56) lacs is recognised as a part of retained earnings for the year ended 31 March 2024 and 31 March 2023 respectively.

Material 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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

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Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024



# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(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 2024. The Company deals in fashion jewelery 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 23 May 2024.

Details of the Company's material 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
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 2024 is included in the following notes:

- Note 36 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note 38 - 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.
- Note 48 - 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.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(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.

Certain assets are measured at fair value on a non-recurring basis. 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 39 - share-based payment; and
- Note 48 and 49 - financial instruments

### f. Current and non-current classification

Based on the time involved 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 for determining current and non-current classification of assets and liabilities in the balance sheet.

## 3. MATERIAL 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 (unless it is a trade receivable without a significant financing component) or

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

### ii. Classification and subsequent measurement Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - equity investment;
- FVOCI - debt investment; or
- 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.

#### Financial assets - Business model assessment

The Company make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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;

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

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- 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

### **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

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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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**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in-progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, 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 Statement of Profit and Loss.

#### ii. **Transition to Ind AS**

The cost property, plant and equipment at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

#### iii. **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 and the cost of the item can be measured.

#### iv. **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:

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

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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.

### v. Leased assets

Leasehold improvements are amortised over their useful life or the lease period, whichever is lower. 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

##### Research and development

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised as part of the cost of the resulting intangible assets only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the assets. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

#### Other intangible assets

Intangible assets (including intangible assets under development) acquired separately are measured on initial recognition at cost. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and the cost can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or 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

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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

At each reporting date, the Company reviews the carrying amount of its non-financial assets (other than inventories, contract assets and deferred tax assets) 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.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less cost of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are 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 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 Company 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

# NOTES TO STANDALONE FINANCIAL STATEMENTS

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exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 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.

#### 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.



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### 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 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.

### 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

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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.

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 unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. 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

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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 that depend on an index or a rate, initially measured using the index or rate as at the commencement date, amounts expected to be payable under a residual value guarantee, 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 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 recognise the right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment's. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

### I. 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

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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% 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. The borrowing cost includes interest expense accrued on gold on loan taken from banks. 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 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. Contingent liability

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only

by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

### Contingent assets

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may not never be realised. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### v. 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.

### w. Material accounting policy information

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April 2023, Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the standalone financial statements.

### x. Recent pronouncements

As on 31 March 2024, there are no new standards or amendments to the existing standards applicable to the Company which has been notified by Ministry of Corporate Affairs.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

#### 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
<b>Cost</b>										
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)
<b>Balance as at 31 March 2023</b>		<b>61.90</b>	<b>66.40</b>	<b>2,120.51</b>	<b>4,307.86</b>	<b>276.80</b>	<b>304.55</b>	<b>1,042.24</b>	<b>164.65</b>	<b>8,344.91</b>
Balance as at 01 April 2023		61.90	66.40	2,120.51	4,307.86	276.80	304.55	1,042.24	164.65	8,344.91
Additions		-	-	55.65	267.37	25.66	26.92	106.65	24.62	506.87
Written off / disposals		-	-	-	(10.97)	(0.05)	-	(13.76)	-	(24.78)
<b>Balance as at 31 March 2024</b>		<b>61.90</b>	<b>66.40</b>	<b>2,176.16</b>	<b>4,564.26</b>	<b>302.41</b>	<b>331.47</b>	<b>1,135.13</b>	<b>189.27</b>	<b>8,827.00</b>
<b>Accumulated depreciation</b>										
Balance as at 01 April 2022		-	-	443.97	1,340.63	100.46	163.40	490.20	38.69	2,577.35
Depreciation	34	-	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)
<b>Balance as at 31 March 2023</b>		<b>-</b>	<b>4.70</b>	<b>507.67</b>	<b>1,575.86</b>	<b>121.77</b>	<b>199.90</b>	<b>684.43</b>	<b>52.35</b>	<b>3,146.68</b>
Balance as at 01 April 2023		-	4.70	507.67	1,575.86	121.77	199.90	684.43	52.35	3,146.68
Depreciation	34	-	16.60	72.35	257.85	23.93	40.73	193.02	19.41	623.89
Written off / disposals		-	-	-	(2.52)	(0.01)	-	(10.67)	-	(13.20)
<b>Balance as at 31 March 2024</b>		<b>-</b>	<b>21.30</b>	<b>580.02</b>	<b>1,831.19</b>	<b>145.69</b>	<b>240.63</b>	<b>866.78</b>	<b>71.76</b>	<b>3,757.37</b>
<b>Carrying amounts</b>										
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
At 31 March 2024		61.90	45.10	1,596.14	2,733.07	156.72	90.84	268.35	117.51	5,069.63

\* Refer note 42 for assets hypothecated as security against bank borrowings.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(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 2024	31 March 2023
<b>Opening balance</b>	-	<b>34.83</b>
Additions during the year	-	153.05
Capitalisation during the year	-	(187.88)
<b>Closing balance</b>	-	-

#### Ageing of Capital work-in-progress:

As at 31 March 2024	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	-	-	-	-	-

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	-	-	-	-	-

### 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
<b>As at 31 March 2024</b>				
<b>Balance as at 01 April 2023</b>		<b>813.76</b>	<b>121.97</b>	<b>935.73</b>
Additions to right-of-use assets		-	-	-
Depreciation charge for the year	34	(9.96)	(31.14)	(41.10)
<b>Balance as at 31 March 2024</b>		<b>803.80</b>	<b>90.83</b>	<b>894.63</b>
<b>As at 31 March 2023</b>				
<b>Balance as at 01 April 2022</b>		<b>823.72</b>	<b>83.12</b>	<b>906.84</b>
Additions to right-of-use assets		-	62.87	62.87
Depreciation charge for the year	34	(9.96)	(24.02)	(33.98)
<b>Balance as at 31 March 2023</b>		<b>813.76</b>	<b>121.97</b>	<b>935.73</b>

#### Lease liabilities

The following is the movement in lease liabilities during the year:

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>127.94</b>	<b>83.01</b>
Additions during the year		-	62.87
Interest expenses for the year	33	8.87	8.24
Payment of lease liability during the year		(35.43)	(26.18)
<b>Closing balance</b>		<b>101.38</b>	<b>127.94</b>
Current		30.49	26.55
Non - current		70.89	101.39
		<b>101.38</b>	<b>127.94</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 6 RIGHT-OF-USE ASSETS (Contd..)

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 2024	Year ended 31 March 2023
Interest expense on lease liabilities	33	8.87	8.24
Expenses relating to short term leases	35	5.68	9.54
		<b>14.55</b>	<b>17.78</b>

#### Amount recognised in statement of cash flows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Total cash outflow for leases	41.11	26.18

### 7 OTHER INTANGIBLE ASSETS

#### Reconciliation of carrying amount

Particulars	Note	Softwares
<b>Cost</b>		
<b>Balance at 01 April 2022</b>		<b>645.99</b>
Additions		235.58
Written off / disposals		-
<b>Balance at 31 March 2023</b>		<b>881.57</b>
<b>Balance at 01 April 2023</b>		<b>881.57</b>
Additions		39.30
Written off / disposals		-
<b>Balance at 31 March 2024</b>		<b>920.87</b>
<b>Accumulated amortisation</b>		
<b>Balance at 01 April 2022</b>		<b>460.33</b>
Amortisation	34	113.13
Amortisation on written off / disposals		-
<b>Balance at 31 March 2023</b>		<b>573.46</b>
<b>Balance at 01 April 2023</b>		<b>573.46</b>
Amortisation	34	137.91
Amortisation on written off / disposals		-
<b>Balance at 31 March 2024</b>		<b>711.37</b>
<b>Carrying amounts</b>		
<b>At 31 March 2023</b>		<b>308.11</b>
<b>At 31 March 2024</b>		<b>209.50</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 8 INTANGIBLE ASSET UNDER DEVELOPMENT

#### Reconciliation of carrying amount

Particulars	31 March 2024	31 March 2023
<b>Opening balance</b>	<b>21.47</b>	<b>12.50</b>
Additions during the year	47.82	97.78
Capitalisation / written off during the year	(69.29)	(88.81)
<b>Closing balance</b>	<b>-</b>	<b>21.47</b>

#### Ageing of intangible assets under development:

As at 31 March 2024	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	-	-	-	-	-

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

\*\* Pertains to the impairment of other receivable from Vaibhav Lifestyle Limited. Also, refer note 9

### 9 INVESTMENTS

Particulars	Note	31 March 2024	31 March 2023
<b>Non-current investments</b>			
<b>Investment at cost</b>			
<b>Unquoted equity shares</b>			
<b>a) Investment in subsidiaries</b>			
(i) 46,821,633 (31 March 2023: 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 2023: 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 2023: 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)
		<b>4,839.82</b>	<b>4,839.82</b>
(iv) 1,500 (31 March 2023: 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 2023: 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 2023: 9,999,994) equity shares of ₹ 10 each Vaibhav Vistar Limited, India		1,000.00	1,000.00
(vii) 25,000 (31 March 2023: 25,000) ordinary shares of Euro 1 each Shop LC GmbH, Germany		22.05	22.05

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 9 INVESTMENTS (Contd..)

Particulars	Note	31 March 2024	31 March 2023
(viii) 11,000,000 (31 March 2023: 600,000) equity shares of face value ₹ 10 each of Vaibhav Lifestyle Limited, India		1,098.50	58.50
Less: Provision for impairment in the value of investment **	50	(1,098.50)	-
		-	<b>58.50</b>
(ix) 3,000,000 (31 March 2023: 3,000,000) equity shares of face value of ₹ 10 each Encase Packaging Private Limited, India		399.90	399.90
Less: Provision for impairment in the value of investment ***	50	(360.00)	-
		<b>39.90</b>	<b>399.90</b>
<b>Investment at cost</b>		<b>58,212.91</b>	<b>57,172.91</b>
<b>Impairment on the investment</b>		<b>(27,894.65)</b>	<b>(26,436.15)</b>
<b>Total non current investments</b>		<b>30,318.26</b>	<b>30,736.76</b>

\* Refer note 22 for investment hypothecated as security against bank borrowings.

\*\* As at 31 March 2024, Vaibhav Lifestyle Limited has incurred consistent losses which resulted in erosion of net worth fully. Accordingly, an amount of ₹ 1,992.84 lacs is provided for within 'Exceptional items' (Refer note 50) towards impairment of investment amounting to ₹ 1,098.50 lacs, impairment of loan given amounting to ₹ 500.00 lacs (Refer note 17) and impairment of other receivables amounting to ₹ 394.34 lacs (Refer note 10).

\*\*\* The Company is of the view that the operations of its each investee companies represent a single cash-generating unit ('CGU').The Company has identified the investments where indicators of impairment exists and performed an impairment assessment on those investments as at 31 March 2024 and 31 March 2023. The Company adjusts the carrying value of the investment for the consequential impairment loss, if any. The recoverable value was determined by Value in Use ('VIU') model. As at 31 March 2024, the recoverable amount was lower than the carrying value of the one CGU and this resulted in an impairment charge of ₹ 360.00 lacs recognised within 'Exceptional items'. The approach and key assumptions used to determine the CGU's VIU were as follows:

Particulars	31 March 2024	31 March 2023
Terminal growth rate	4.00%	-
Weighted average cost of capital	16.90%	-

### 10 OTHER FINANCIAL ASSETS

Particulars	Note	31 March 2024	31 March 2023
<b>Non- Current</b>			
Balance with bank to the extent held as security *		33.31	53.09
Security deposits, unsecured, considered good		90.63	78.56
		<b>123.94</b>	<b>131.65</b>
<b>Current</b>			
Interest accrued on deposit with banks		66.29	103.94
Export incentives receivables		113.38	-
Forward contracts receivable		8.45	-
Other receivables, considered good	47	4,229.89	4,334.18
Other receivables, which have significant increase in credit risk		394.34	-
Less : Impairment allowance**	50	(394.34)	-
		<b>4,418.01</b>	<b>4,438.12</b>

\* Pledged with custom authority, vendors against the procurement of raw material and bank for credit card and short term borrowings.

\*\* Pertains to the impairment of other receivable from Vaibhav Lifestyle Limited. Also, refer note 9

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 11 OTHER TAX ASSETS (NET)

Particulars	31 March 2024	31 March 2023
<b>Non- Current</b>		
Deposits with tax authorities	337.20	1,125.63
	<b>337.20</b>	<b>1,125.63</b>
<b>Current</b>		
Deposits with tax authorities	364.31	-
	<b>364.31</b>	-

### 12 OTHER NON- CURRENT ASSETS

Particulars	31 March 2024	31 March 2023
Capital advances	67.37	25.52
Prepaid expenses	35.50	-
	<b>102.87</b>	<b>25.52</b>

### 13 INVENTORIES\*

Particulars	31 March 2024	31 March 2023
Raw materials (including gemstone inventory of ₹ 10,066.80 lacs (31 March 2023: ₹ 8,269.35 lacs))	12,249.70	10,670.18
Work-in-progress	276.00	259.37
Finished goods **	2,028.26	1,008.16
Stores and consumables	180.74	137.54
<b>Total inventories</b>	<b>14,734.70</b>	<b>12,075.25</b>

\* 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.

### 14 TRADE RECEIVABLES\*

Particulars	Note	31 March 2024	31 March 2023
Trade receivables considered good - unsecured	47	9,871.24	14,687.35
Trade receivables - which have significant increase in credit risk		562.23	-
Trade receivables - credit impaired		13.67	23.18
Less : Impairment allowance		(54.13)	(23.18)
<b>Net trade receivables</b>		<b>10,393.01</b>	<b>14,687.35</b>

\* Refer note 42 for current assets hypothecated as security against bank borrowings.

#### Ageing of trade receivables

As at 31 March 2024	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	9,230.45	616.51	8.66	15.62	-	-	<b>9,871.24</b>
Undisputed trade receivables - which have significant increase in credit risk	-	319.19	230.04	13.00	-	-	<b>562.23</b>
Undisputed trade receivables - credit impaired	-	-	-	-	-	13.67	<b>13.67</b>
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 14 TRADE RECEIVABLES\* (Contd..)

As at 31 March 2023	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
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

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables are included in note 49.

### 15 CASH AND CASH EQUIVALENTS \*

Particulars	31 March 2024	31 March 2023
Balances with bank:		
- On current account **	2,109.49	994.74
- Deposits with original maturity of less than three months ***	-	1,300.00
Cash on hand	9.27	7.80
<b>Cash and cash equivalents in the balance sheet and statement of cash flows</b>	<b>2,118.76</b>	<b>2,302.54</b>

\* Refer note 42 for current assets hypothecated as security against bank borrowings.

\*\* includes bank balance of ₹ 259.38 lacs (31 March 2023: ₹ 226.14 lacs) 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 2024	31 March 2023
Deposits with banks with original maturity of more than three months but less than twelve months **	3,512.02	2,757.29
Unpaid dividend account ***	17.93	12.73
	<b>3,529.95</b>	<b>2,770.02</b>

\* 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	Note	31 March 2024		31 March 2023	
		Non - Current	Current	Non - Current	Current
Loan to related parties					
- Loan to subsidiaries considered good - unsecured	47	313.24	203.76	313.00	1,113.00
- Loan to subsidiaries which have significant increase in credit risk - unsecured		-	500.00	-	-
Less : Impairment allowance*	50	-	(500.00)	-	-
Other receivables		-	45.01	-	55.06
		<b>313.24</b>	<b>248.77</b>	<b>313.00</b>	<b>1,168.06</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 17 LOANS (Contd..)

Type of borrower	Note	As on 31 March 2024			As on 31 March 2023		
		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	47	500.00	49.16%	On demand	1,024.00	71.81%	On demand
- Vaibhav Vistar Limited**	47	318.00	31.27%	Refer note	313.00	21.95%	Refer note
- Encase Packaging Private Limited	47	199.00	19.57%	On demand	89.00	6.24%	On demand
<b>Total</b>		<b>1,017.00</b>	<b>100.00%</b>		<b>1,426.00</b>	<b>100.00%</b>	

#### Note:

\* Pertains to the impairment of loan given to Vaibhav Lifestyle Limited. Also, refer note 9

\*\* 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.

### 18 OTHER CURRENT ASSETS \*

Particulars	31 March 2024	31 March 2023
<b>Unsecured, considered good</b>		
<b>Advances other than capital advances</b>		
Advances to suppliers	209.00	122.49
Other advances	29.11	-
<b>Others</b>		
Balances with government authorities	1,398.23	1,158.24
Prepaid expenses	212.15	328.69
Forward contracts receivable	-	30.01
Other receivables	28.55	283.79
	<b>1,877.04</b>	<b>1,923.22</b>

\* Refer note 42 for current assets hypothecated as security against bank borrowings.

### 19 EQUITY SHARE CAPITAL

Particulars	31 March 2024	31 March 2023
<b>Authorized</b>		
205,000,000 equity shares of ₹ 2 each (31 March 2023: 205,000,000 equity shares of ₹ 2 each)	4,100.00	4,100.00
4,500,000 (31 March 2023: 4,500,000) unclassified equity shares of ₹ 100 each	4,500.00	4,500.00
	<b>8,600.00</b>	<b>8,600.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
165,533,429 equity shares of ₹ 2 each (31 March 2023: 164,822,085 equity shares of ₹ 2 each)	3,310.65	3,297.63
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>3,310.65</b>	<b>3,297.63</b>

#### a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year.

Equity shares of ₹ 2 each issued, subscribed and fully paid	Note	31 March 2024		31 March 2023	
		No. of shares	Amount	No. of shares	Amount
At the commencement of the year		164,882,085	3,297.63	163,798,614	3,275.96
Shares issued on exercise of employee stock options		767,639	15.35	1,216,960	24.34
		165,649,724	3,312.98	165,015,574	3,300.30
Less: Treasury shares	39	116,295	2.33	133,489	2.67
<b>At the end of the year</b>		<b>165,533,429</b>	<b>3,310.65</b>	<b>164,882,085</b>	<b>3,297.63</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 19 EQUITY SHARE CAPITAL (Contd..)

#### 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 2023 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 39 regarding share-based payments.

#### d) Shares held by holding company

Particulars	31 March 2024		31 March 2023	
	Number	Amounts	Number	Amounts
Equity shares of ₹ 2 each fully paid up held by holding company (Brett Enterprises Private Limited)	92,343,516	1,846.87	92,042,991	1,840.86

#### e) Particulars of shareholders holding more than 5% shares of a class of shares

Name of the shareholder	31 March 2024		31 March 2023	
	% of Holding	No. of shares	% of Holding	No. of shares
Brett Enterprises Private Limited	55.75%	92,343,516	55.78%	92,042,991
Nalanda India Fund Limited	9.26%	15,343,090	10.18%	16,798,565
Motilal Oswal Fund	2.13%	3,524,982	5.50%	9,071,323
Malabar India Fund Limited	5.49%	9,098,677	5.39%	8,898,677

#### f) Shares reserved for issue under options

Particulars	31 March 2024			31 March 2023		
	No of shares	WAEP	Amount	No of shares	WAEP	Amount
Vaibhav Global Limited, Employee Stock Options Plan - 2006	2,880,552	153.44	57.61	3,379,950	153.02	67.60
Vaibhav Global Limited Restricted Stock Unit Plan - 2019	1,252,488	2.00	25.05	672,327	2.00	13.45
Vaibhav Global Limited Employee Stock Options Plan - 2021	172,604	265.80	3.45	131,483	273.40	2.63
Vaibhav Global Limited Management Stock Options Plan - 2021	86,321	2.00	1.73	32,470	2.00	0.65

#### 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 19 EQUITY SHARE CAPITAL (Contd..)

#### h) Shareholding of promoters

As at 31 March 2024

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	92,042,991	300,525	92,343,516	55.75%	0.33%
Deepthi Agrawal	2,093,000	45,000	2,138,000	1.29%	2.15%
Sunil Agrawal	140,700	-	140,700	0.08%	0.00%
Sheela Agarwal	113,200	-	113,200	0.07%	0.00%
Hursh Agrawal	50,000	(45,000)	5,000	0.00%	-90.00%
Sanjeev Agrawal	42,100	-	42,100	0.03%	0.00%
<b>Total</b>	<b>94,481,991</b>	<b>300,525</b>	<b>94,782,516</b>	<b>57.22%</b>	<b>0.32%</b>

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%
Deepthi 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%
<b>Total</b>	<b>95,252,516</b>	<b>(770,525)</b>	<b>94,481,991</b>	<b>57.26%</b>	<b>-0.81%</b>

\* During the previous 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.

### 20 OTHER EQUITY - RESERVES AND SURPLUS

#### A. Movement in reserves and surplus

Particulars	Note	31 March 2024	31 March 2023
Securities premium	i	37,768.91	35,430.62
Share based payment reserve	ii	1,551.24	1,512.01
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	9,450.97	14,372.31
<b>Total reserves and surplus</b>		<b>55,366.80</b>	<b>57,910.62</b>

#### i. Securities premium

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>35,430.62</b>	<b>32,937.41</b>
Share options exercised		2,482.85	2,668.59
Treasury shares	39	(144.56)	(175.38)
<b>Closing balance</b>		<b>37,768.91</b>	<b>35,430.62</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 20 OTHER EQUITY - RESERVES AND SURPLUS (Contd..)

#### ii. Share based payment reserve

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>1,512.01</b>	<b>1,160.83</b>
Equity settled share based payments	32	1,677.66	1,361.90
Transfer to securities premium and other reserves		(1,638.43)	(1,010.72)
<b>Closing balance</b>		<b>1,551.24</b>	<b>1,512.01</b>

#### iii. Capital redemption reserve

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>4,486.57</b>	<b>4,486.57</b>
Movement during the year		-	-
<b>Closing balance</b>		<b>4,486.57</b>	<b>4,486.57</b>

#### iv. Capital reserve

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>812.64</b>	<b>812.64</b>
Movement during the year		-	-
<b>Closing balance</b>		<b>812.64</b>	<b>812.64</b>

#### v. General reserve

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>1,296.47</b>	<b>1,296.47</b>
Movement during the year		-	-
<b>Closing balance</b>		<b>1,296.47</b>	<b>1,296.47</b>

#### vi. Retained earnings

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>14,372.31</b>	<b>14,344.26</b>
Profit for the year		5,025.33	9,990.18
Other comprehensive income / (loss) for the year		(25.49)	(82.56)
Dividends		(9,921.18)	(9,879.57)
<b>Closing balance</b>		<b>9,450.97</b>	<b>14,372.31</b>

### 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 39 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.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 20 OTHER EQUITY - RESERVES AND SURPLUS (Contd..)

#### 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 2024	Year ended 31 March 2023
₹ 1.5/- per equity share final dividend for the year ended 31 March 2023	2,477.38	-
₹ 1.5/- per equity share first interim dividend for the year ended 31 March 2024	2,478.83	-
₹ 1.5/- per equity share second interim dividend for the year ended 31 March 2024	2,481.25	-
₹ 1.5/- per equity share third interim dividend for the year ended 31 March 2024	2,483.72	-
₹ 1.5/- per equity share final dividend for the year ended 31 March 2022	-	2,465.45
₹ 1.5/- per equity share 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
	<b>9,921.18</b>	<b>9,879.57</b>

On 23 May 2024, the Board of Directors of the Company have proposed a final dividend of ₹ 1.5/- per equity share for the year ended 31 March 2024 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 2024	Year ended 31 March 2023
₹ 1.5 per equity share having face value of ₹ 2/- each (31 March 2023: ₹ 1.5 per equity share having face value of ₹ 2/- each)*	2,484.75	2,475.23

\* calculated on the basis number of shares outstanding (including treasury shares) as on 31 March 2024 i.e. 165,649,724 shares (face value of ₹ 2/- per share) (31 March 2023: 165,015,574 shares (face value of ₹ 2/- per share).

### 21 PROVISIONS

Particulars	Note	Non-Current		Current	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Provision for employee benefits</b>					
Provision for gratuity	38	298.04	153.63	364.72	297.85
Provision for compensated absences	38	241.76	212.23	139.57	112.39
		<b>539.80</b>	<b>365.86</b>	<b>504.29</b>	<b>410.24</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 22 BORROWINGS

Particulars	31 March 2024	31 March 2023
<b>Loan repayable on demand from banks</b>		
Pre-shipment credit (secured) ^	4,901.87	6,073.52
Post-shipment credit (secured) ^	4,635.75	4,679.15
	<b>9,537.62</b>	<b>10,752.67</b>

#### ^ 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, E-69 Sitapura Industrial Area, and E-1 & E-2, SEZ-II, 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.
- (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 49

### 23 GOLD ON LOAN

Particulars	31 March 2024	31 March 2023
<b>Secured</b>		
Payable to banks ^	118.34	-
	<b>118.34</b>	<b>-</b>

#### ^ Nature of security:-

- (i) First pari passu charge on all current assets and movable fixed assets of the Company.
- (ii) First pari passu charge by way of equitable mortgage on collateral properties located as mentioned below :-  
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.
- (iii) Unconditional and irrevocable personal guarantee of Mr. Sunil Agrawal, Managing Director of the Company.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 24 TRADE PAYABLES

Particulars	Note	31 March 2024	31 March 2023
<b>Trade payables</b>			
(a) Total outstanding dues of micro enterprises and small enterprises	40	469.68	167.42
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	47	6,268.92	6,221.41
		<b>6,738.60</b>	<b>6,388.83</b>

#### Trade payables ageing schedule

As at 31 March 2024	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	-	469.68	-	-	-	-	<b>469.68</b>
Others	415.34	4,114.30	1,725.85	13.43	-	-	<b>6,268.92</b>
Disputed - MSME	-	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-	-
	<b>415.34</b>	<b>4,583.98</b>	<b>1,725.85</b>	<b>13.43</b>	-	-	<b>6,738.60</b>

#### 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	-	-	-	-	<b>167.42</b>
Others	69.30	5,277.89	870.73	2.98	-	0.51	<b>6,221.41</b>
Disputed - MSME	-	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-	-
	<b>69.30</b>	<b>5,445.31</b>	<b>870.73</b>	<b>2.98</b>	-	<b>0.51</b>	<b>6,388.83</b>

### 25 OTHER FINANCIAL LIABILITIES

Particulars	31 March 2024	31 March 2023
Employee benefit payables	179.99	138.34
Capital creditors	18.51	46.80
Unclaimed dividend	17.93	12.73
Interest accrued but not due on borrowings	-	15.79
Other payables	15.30	5.78
	<b>231.73</b>	<b>219.44</b>

### 26 OTHER CURRENT LIABILITIES

Particulars	31 March 2024	31 March 2023
Statutory dues payable	185.46	215.53
Advance from customers	67.02	51.48
Other liabilities	187.67	208.45
	<b>440.15</b>	<b>475.46</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 27 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 amount related to government incentives on sales.

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	47	47,469.94	42,279.23
Sale of services	47	1,380.08	1,214.04
Other operating revenues		72.63	147.18
<b>Total revenue from operations</b>		<b>48,922.65</b>	<b>43,640.45</b>

#### B. Major product lines

In the following table, revenue from contracts with customers is disaggregated by major product lines:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Jewelery and Gemstone	45,893.19	40,860.39
Non Jewelery Products	1,576.75	1,418.84
Call Center Services	1,380.08	1,214.04
<b>Revenue from contracts with customers</b>	<b>48,850.02</b>	<b>43,493.27</b>

#### C. 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 2024	Year ended 31 March 2023
Primary geographical markets		
- India	985.71	893.93
- Out of India	47,864.31	42,599.34
<b>Revenue from contracts with customers</b>	<b>48,850.02</b>	<b>43,493.27</b>

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Timing of revenue recognition		
- Products transferred at a point in time	47,469.94	42,279.23
- Services transferred over time	1,380.08	1,214.04
<b>Revenue from contracts with customers</b>	<b>48,850.02</b>	<b>43,493.27</b>

### 28 OTHER INCOME

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on bank deposits and others		239.49	222.53
Interest income on loans and advances	47	93.49	132.95
Dividend income from subsidiaries	47	5,469.84	8,059.26
Net gain on foreign currency transactions		581.61	649.76
Management fees from subsidiary companies	47	1,034.83	770.69
Liabilities no longer required written back		6.91	-
Miscellaneous income	47	244.27	177.06
		<b>7,670.44</b>	<b>10,012.25</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 29 COST OF MATERIALS CONSUMED

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Inventory of materials at the beginning of the year	13	10,670.18	9,739.19
Add: Purchases		32,141.49	26,551.64
		42,811.67	36,290.83
Less: Inventory of materials at the end of the year	13	(12,249.70)	(10,670.18)
<b>Cost of materials consumed</b>		<b>30,561.97</b>	<b>25,620.65</b>

### 30 PURCHASES OF STOCK-IN-TRADE

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchases of stock-in-trade	2,007.75	2,228.70
	<b>2,007.75</b>	<b>2,228.70</b>

### 31 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>Inventory at the beginning of the year</b>			
Work-in-progress	13	259.37	275.14
Finished goods *	13	1,008.16	1,270.92
		<b>1,267.53</b>	<b>1,546.06</b>
<b>Inventory at the end of the year</b>			
Work-in-progress	13	276.00	259.37
Finished goods *	13	2,028.26	1,008.16
		<b>2,304.26</b>	<b>1,267.53</b>
		<b>(1,036.73)</b>	<b>278.53</b>

\* Finished goods includes goods purchased for re-sale, as both are stocked together.

### 32 EMPLOYEE BENEFITS EXPENSE

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	38	4,692.18	4,691.91
Contribution to provident and other funds	38	470.65	444.81
Share-based payments	39	451.04	408.88
Staff welfare expenses		290.42	260.89
		<b>5,904.29</b>	<b>5,806.49</b>

### 33 FINANCE COSTS

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>Interest expense on :</b>			
Financial liabilities measured at amortised cost		664.16	338.32
Lease liabilities	6	8.87	8.24
Gold on loan		10.00	-
Other finance costs		58.68	83.36
		<b>741.71</b>	<b>429.92</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 34 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment	4	623.89	593.17
Depreciation of right-of-use assets	6	41.10	33.98
Amortisation of intangible assets	7	137.91	113.59
		<b>802.90</b>	<b>740.74</b>

### 35 OTHER EXPENSES

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>a. Manufacturing and direct expenses</b>			
Job work charges		5,320.10	4,042.08
Stores and consumables		642.87	555.22
Power and fuel		386.28	327.26
Repair and maintenance - machinery		26.44	18.56
Other manufacturing and direct expenses		102.76	135.19
		<b>6,478.45</b>	<b>5,078.31</b>
<b>b. Administrative and selling expenses</b>			
Rent	6	5.68	9.54
Rates and taxes		14.03	67.36
Insurance		238.59	128.42
Travelling and conveyance		535.12	580.79
Legal and professional fees (refer below note (i))		261.85	285.74
Repairs and maintenance - others		216.98	159.10
Advertising and sales promotion		172.73	88.21
Impairment losses on financial assets (Allowances for / write off doubtful debts and advances)		48.22	28.15
Packing and forwarding		664.69	529.74
Postage and telephone		74.51	78.98
Printing and stationery		24.96	32.25
Security		68.35	57.66
Directors' remuneration*		-	122.74
Directors' sitting fees*		-	25.25
Corporate social responsibility expenditure (refer below note (ii))		177.55	205.55
Loss on sale / write off of property, plant and equipments		8.21	-
Information technology		598.09	522.32
Miscellaneous		267.57	260.35
		<b>3,377.13</b>	<b>3,182.15</b>
		<b>9,855.58</b>	<b>8,260.46</b>

\*Remuneration and sitting fees paid to Non-Executives directors for the year ended 31 March 2024 has been clubbed under Employee benefits expense (refer note 32).

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 35 OTHER EXPENSES (Contd..)

#### (i) Payment to auditors

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As auditor	45.19	41.19
For taxation matters	23.21	37.10
For reimbursement of expenses	6.61	1.97
	<b>75.01</b>	<b>80.26</b>

#### (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 2024	Year ended 31 March 2023
(i) Amount required to be spent by the company during the year	177.55	197.42
(ii) Amount of expenditure incurred on:		
a) Construction/ acquisition of any asset	-	-
b) On purpose other than (a) above	206.66	205.55
(iii) Shortfall / (excess) at the end of the year	(29.11)	-
(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	-	-

### 36 TAX EXPENSE

#### (a) Amount recognised in profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax expense</b>		
Current year	411.27	356.60
<b>Deferred tax expense</b>		
Attributable to original and reversal of temporary differences	(33.82)	(59.57)
	<b>377.45</b>	<b>297.03</b>

#### (b) Amount recognised in other comprehensive income / (loss)

Particulars	31 March 2024			31 March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurement of the net defined benefit liability	(39.18)	13.69	(25.49)	(126.90)	44.34	(82.56)

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 36 TAX EXPENSE (Contd..)

#### (c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	%	Amount	%	Amount
<b>Profit before tax</b>		<b>5,402.78</b>		<b>10,287.21</b>
Less: Dividend received from subsidiaries as per section 80M of Income Tax Act, 1961		(5,469.84)		(8,059.26)
Taxable income		(67.06)		2,227.95
Tax expense as per statutory income tax rate	34.94%	(23.43)	34.94%	778.53
Net tax impact on deduction/ disallowances in ascertaining taxable income	(93.66%)	62.81	(3.32%)	(73.91)
Net of timing difference reversed within tax exemption period and prior period deferred taxation	14.54%	(9.75)	(3.25%)	(72.35)
Non recognition of deferred tax against foreign tax credit due to absence of reasonable certainty	(992.69%)	665.70	62.66%	1,396.13
Non recognition of deferred tax against temporary differences for provision for impairment	(1226.04%)	822.18	-	-
Foreign tax credit for financial year	1424.96%	(955.58)	(63.20%)	(1,407.95)
Exempted tax as per provisions for section 10AA of income tax exemption	272.55%	(182.77)	(15.28%)	(340.43)
Other adjustments	2.55%	(1.71)	0.76%	17.02
<b>Income tax reported in statement of profit and loss and effective tax rate</b>	<b>(562.85%)</b>	<b>377.45</b>	<b>13.33%</b>	<b>297.03</b>

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. 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 2038.

#### (d) MAT credit entitlement

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Opening balance</b>	2,020.33	2,020.33
Add: MAT credit entitlement during the year	-	-
<b>Closing balance</b>	<b>2,020.33</b>	<b>2,020.33</b>

#### (e) Movement in deferred tax balances

Particulars	Property, plant and equipment and other intangible assets	Provision for employee benefits	MAT credit entitlement	Other items	Total
<b>Balance as at 01 April 2022</b>	<b>(503.60)</b>	<b>133.99</b>	<b>2,020.33</b>	<b>33.40</b>	<b>1,684.12</b>
Recognised in profit and loss	(10.45)	87.55	-	(17.53)	59.57
Recognised in OCI	-	44.34	-	-	44.34
MAT credit entitlement	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>(514.05)</b>	<b>265.88</b>	<b>2,020.33</b>	<b>15.87</b>	<b>1,788.03</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 36 TAX EXPENSE (Contd..)

Particulars	Property, plant and equipment and other intangible assets	Provision for employee benefits	MAT credit entitlement	Other items	Total
<b>Balance as at 01 April 2023</b>	<b>(514.05)</b>	<b>265.88</b>	<b>2,020.33</b>	<b>15.87</b>	<b>1,788.03</b>
Recognised in profit and loss	(34.72)	35.54	-	33.00	33.82
Recognised in OCI	-	13.69	-	-	13.69
MAT credit entitlement	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>(548.77)</b>	<b>315.11</b>	<b>2,020.33</b>	<b>48.87</b>	<b>1,835.54</b>

#### (f) Unrecognised deferred tax assets

Company has not recognised deferred tax assets of ₹ 4,074.54 lacs (31 March 2023: ₹ 2,586.66 lacs) in respect of MAT credit entitlement of ₹ 3,252.36 lacs (31 March 2023: ₹ 2,586.66 lacs) and in respect of temporary differences arising due to provision for impairment of ₹ 822.18 lacs (31 March 2023: nil), because it is not probable that future taxable profits will be available against which the Company can use the benefits therefrom.

**MAT credit for which no deferred tax assets is recognised expire as follows:**

Particulars	31 March 2024	Expiry date	31 March 2023	Expiry date
MAT Credit	3,252.36	2037-2039	2,586.66	2037-2038

### 37 EARNINGS PER SHARE ("EPS")

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A Basic earnings per share</b>		
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	5,025.33	9,990.18
ii. Weighted average number of equity shares for basic EPS		
Opening balance *	164,882,085	163,798,614
Effect of share options exercised	338,678	518,738
<b>Weighted average number of equity shares for the year *</b>	<b>165,220,763</b>	<b>164,317,352</b>
<b>iii. Basic earnings per share</b>	<b>3.04</b>	<b>6.08</b>
<b>B Diluted earning per share</b>		
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	5,025.33	9,990.18
ii. Weighted average number of equity shares for (diluted)		
Weighted average number of equity shares for (basic)	165,220,763	164,317,352
Dilution of equity	3,243,467	2,488,194
<b>Weighted average number of equity shares (diluted) for the year*</b>	<b>168,464,230</b>	<b>166,805,546</b>
<b>iii. Diluted earnings per share</b>	<b>2.98</b>	<b>5.99</b>

\* Excludes treasury shares (refer note 39)

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

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 38 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 2024	Year ended 31 March 2023
Employer's contribution to Employee's Provident Fund	221.05	228.54
Employer's contribution to Employee's State Insurance	31.37	34.64
Employer's contribution to National Pension Scheme	14.13	13.73
	<b>266.55</b>	<b>276.91</b>

#### 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 2024	Year ended 31 March 2023
Current service cost	171.16	148.22
Interest cost on benefit obligation	32.94	19.68
<b>Net benefit expenses</b>	<b>204.10</b>	<b>167.90</b>

##### (b) Position of the assets and obligation

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of the obligations	(1,173.20)	(1,029.76)
Fair value of plan assets	510.44	578.28
<b>Liability recognised in balance sheet</b>	<b>(662.76)</b>	<b>(451.48)</b>
Non-current	298.04	153.63
Current	364.72	297.85
	<b>662.76</b>	<b>451.48</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 38 EMPLOYEE BENEFIT OBLIGATION (Contd..)

#### (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 2024		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
<b>Opening balance</b>	<b>1,029.76</b>	<b>578.28</b>	<b>451.48</b>
<b>Gratuity cost charged to profit or loss</b>			
Service cost	171.16	-	171.16
Net interest expense	75.13	42.19	32.94
Benefits paid	(137.79)	(105.79)	(32.00)
<b>Remeasurement (gains) / losses in other comprehensive income</b>			
Return on plan assets (excluding amounts included in net interest expense)	-	(4.24)	4.24
Actuarial changes arising from changes in demographic assumptions	(11.25)	-	(11.25)
Actuarial changes arising from changes in financial assumptions	41.46	-	41.46
Experience adjustments	4.73	-	4.73
<b>Contribution by employer</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing balance</b>	<b>1,173.20</b>	<b>510.44</b>	<b>662.76</b>

Particulars	Year ended 31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
<b>Opening balance</b>	<b>905.20</b>	<b>577.00</b>	<b>328.20</b>
<b>Gratuity cost charged to profit or loss</b>			
Service cost	148.23	-	148.23
Net interest expense	54.27	34.60	19.67
Benefits paid	(199.30)	(150.77)	(48.53)
<b>Remeasurement (gains) / losses in other comprehensive income</b>			
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
<b>Contribution by employer</b>	<b>-</b>	<b>122.99</b>	<b>(122.99)</b>
<b>Closing balance</b>	<b>1,029.76</b>	<b>578.28</b>	<b>451.48</b>

#### (d) The major categories of plan assets of the fair value of the total plan assets are as follows :

Particulars	31 March 2024	31 March 2023
Funds managed by insurer	100%	100%

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 38 EMPLOYEE BENEFIT OBLIGATION (Contd..)

(e) The principal assumptions used in determining gratuity obligations for the Company's plan is shown below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate	7.15%	7.28%
Future salary increases	10.86%	9.88%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability (2012-14)	100% of IALM	100% of IALM
Employee turnover Withdrawal Rate (%)		
All ages	30.55%	27.77%

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 2024 and 31 March 2023 are shown as below:

Impact on defined benefit obligation	31 March 2024	31 March 2023
<b>Discount rate</b>		
Increase by 1%	(36.09)	(34.06)
Decrease by 1%	38.42	36.42
<b>Future salary</b>		
Increase by 1%	34.75	33.44
Decrease by 1%	(33.61)	(32.11)

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.

(g) Defined benefit liability and employer contributions:

Expected contributions to defined benefit obligation for the year ending 31 March 2025 are ₹ 810.14 lacs. The expected maturity analysis of defined benefit plan is as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Year		
- Within the next 12 months (next annual reporting period)	364.72	297.85
- Above 1 to 5 years	775.35	672.36
- More than 5 years	374.59	397.21
<b>Total expected payments</b>	<b>1,514.66</b>	<b>1,367.42</b>

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is of 3 years (31 March 2023: 3 years).

(ii) Leave obligations

The amount of the provision of ₹ 381.33 lacs (31 March 2023: ₹ 324.62 lacs) is presented as current of ₹ 139.57 lacs (31 March 2023: ₹ 112.39 lacs) and non-current of ₹ 241.76 lacs (31 March 2023: ₹ 212.23 lacs). The Company has provided for the liability on the basis of actuarial valuation.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 39 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.

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>3,375,180</b>	<b>153.03</b>	<b>4,794,256</b>	<b>121.90</b>
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(384,935)	186.09
Exercised during the year	(494,628)	150.61	(1,034,141)	144.12
<b>Outstanding at the end of the year</b>	<b>2,880,552</b>	<b>153.44</b>	<b>3,375,180</b>	<b>107.77</b>
Exercisable at 31 March	2,880,552	153.44	2,754,099	142.82

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 4.09 years (31 March 2023: 4.6 years)

The weighted average fair value of options granted during the year was ₹ 294.09 (31 March 2023: Not applicable).

The range of exercise prices for options outstanding at the end of the year was ₹ 4.13 to ₹ 528.80 (31 March 2023: ₹ 4.13 to ₹ 528.80)

##### b) Vaibhav Global Limited Restricted Stock Unit Plan - 2019

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 819,945 RSU (31 March 2023: 579,055).

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 39 SHARE-BASED PAYMENTS(Contd..)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>672,327</b>	<b>2.00</b>	<b>236,797</b>	<b>2.00</b>
Granted during the year	819,945	2.00	579,055	2.00
Forfeited during the year	(97,681)	2.00	(101,695)	2.00
Exercised during the year	(142,103)	2.00	(41,830)	2.00
<b>Outstanding at the end of the year</b>	<b>1,252,488</b>	<b>2.00</b>	<b>672,327</b>	<b>2.00</b>
Exercisable at 31 March	117,373	2.00	25,273	2.00

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 0.12 years (31 March 2023: 0.02 years)

The weighted average fair value of options granted during the year was ₹ 303.63 (31 March 2023: ₹ 359.83).

Exercise prices for options outstanding at the end of the year is ₹ 2 (31 March 2023: ₹ 2).

#### c) Vaibhav Global Limited Employee Stock Options Plan - 2021

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 56,475 (31 March 2023: 121,970) options under the ESOP Plan 2021.

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>131,483</b>	<b>273.40</b>	<b>65,678</b>	<b>562.00</b>
Granted during the year	56,475	270.79	121,970	238.02
Forfeited during the year	(15,354)	349.27	(56,165)	534.06
Exercised during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>172,604</b>	<b>265.80</b>	<b>131,483</b>	<b>273.40</b>
Exercisable at 31 March	116,537	263.60	-	-

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 6.48 years (31 March 2023: 4.45 years)

The weighted average fair value of options granted during the year was ₹ 162.36 (31 March 2023: ₹ 169.42).

The range of exercise prices for options outstanding at the end of the year was ₹ 2.00 to ₹ 562.00 (31 March 2023: ₹ 170.00 to ₹ 263.56).

#### d) Vaibhav Global Limited Management Stock Options Plan - 2021

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

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 39 SHARE-BASED PAYMENTS(Contd..)

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 options 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 63,594 (31 March 2023: 25,374) stock options.

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>32,470</b>	<b>2.00</b>	<b>18,689</b>	<b>2.00</b>
Granted during the year	63,594	2.00	25,374	2.00
Forfeited during the year	-	-	(11,593)	2.00
Exercised during the year	(9,743)	2.00	-	-
<b>Outstanding at the end of the year</b>	<b>86,321</b>	<b>2.00</b>	<b>32,470</b>	<b>2.00</b>
Exercisable at 31 March	1,788	2.00	-	-

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 6.14 years (31 March 2023: 6.58 years)

The weighted average fair value of options granted during the year was ₹ 288.10 (31 March 2023: ₹ 349.84).

Exercise prices for options outstanding at the end of the year is ₹ 2 (31 March 2023: ₹ 2).

### B. Share options granted during the year

The following tables list the inputs to the models used for the plans for the years ended 31 March 2024:

Series	31 March 2024						
	AX	AY	AZ	BA	BB	BC	BD
Stock price of option as on grant date	320.40	350.90	391.50	529.75	350.90	320.40	391.50
Exercise price of option	2.00	2.00	2.00	2.00	2.00	2.00	329.00
Risk free rate	6.99% to 7.08%	6.8% to 7%	7.0% to 7.2%	6.8% to 7%	7.05%	7.04%	7.21%
Volatility	37.9% to 43.1%	32.5% to 43.4%	33.8% to 42.6%	32.5% to 43.4%	41.2%	42.6%	42.6%

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% to 7.17%	7.02%	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%

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 39 SHARE-BASED PAYMENTS(Contd..)

#### C. The expense recognised for employee services received during the year is shown in the following table:

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Expense arising from equity-settled share-based payment transactions	32	451.04	408.88

There were no cancellations or modifications to the awards during the year ended 31 March 2024 and 31 March 2023.

#### D. A summary of movement of treasury shares is as follows:

Particulars	Number of shares	Amount
<b>Opening balance as on 01 April 2022</b>	<b>194,963</b>	<b>3.90</b>
Add: Shares allotted by Company	1,021,997	20.44
Less: Shares exercised by employee	(1,083,471)	(21.67)
<b>Closing balance as on 31 March 2023</b>	<b>133,489</b>	<b>2.67</b>
<b>Opening balance as on 01 April 2023</b>	<b>133,489</b>	<b>2.67</b>
Add: Shares allotted by Company	634,150	12.69
Less: Shares exercised by employee	(651,344)	(13.03)
<b>Closing balance as on 31 March 2024</b>	<b>116,295</b>	<b>2.33</b>

### 40 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 2024	31 March 2023
i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year;		
	- Principal amount	469.68	167.42
	- 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	Nil
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



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 41 CONTINGENT LIABILITIES AND COMMITMENTS

#### a) Contingent liabilities:

Particulars	31 March 2024	31 March 2023
(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	2.71	7.51
- Demand / show cause notice received under Goods and Services Tax 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	450.00	500.00
- Corporate guarantee to bank for borrowing of subsidiaries for working capital loan	971.00	971.00
(c) Claims against the Company, not acknowledged as debt	Not quantifiable	Not quantifiable

- A. In earlier years, the Company received notices from the Income Tax Department (“ITD”) under Section 148 of the Act for Assessment Year 2012-13 to Assessment Year 2015-16. During the current quarter, the Honorable High Court of Rajasthan has quashed the proceedings for Assessment Year 2013 - 14 to Assessment 2015 - 16 on technical grounds. For Assessment Year 2012 - 13, the Honorable High Court of Rajasthan has granted stay order on the Company’s petition. Based upon the nature and external expert opinion obtained by the Company, the management does not expect any liability to arise out of these proceedings. Amount is not quantifiable at this point in time.
- B. In earlier 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 standalone financial statements.
- 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:

Particulars	31 March 2024	31 March 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances ₹ 67.70 lacs (31 March 2023: ₹ 25.52 lacs)) and not provided for	38.02	9.90

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 42 ASSETS HYPOTHECATED AS SECURITY

The carrying amount of assets hypothecated as security for short term borrowings are as under:

Particulars	31 March 2024	31 March 2023
<b>Current assets</b>	<b>37,645.31</b>	<b>39,364.56</b>
<b>Non- current</b>		
Property, plant and equipment	4,780.24	5,136.33
Right-of-use assets	363.58	363.58
Other financial assets - bank deposits	33.31	53.09
<b>Total non-current assets hypothecated as security</b>	<b>5,177.13</b>	<b>5,553.00</b>
<b>Total assets hypothecated as security</b>	<b>42,822.44</b>	<b>44,917.56</b>

The Company has filed quarterly return/statement of current assets with the banks. Summary of reconciliation and reasons for material discrepancies as mentioned 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 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	11,635.59	10,511.29	1,124.31	Yes *
		Trade receivables	13,443.99	12,688.71	755.28	Yes *
		Trade payables	6,022.06	4,511.14	1,510.92	Yes *
June 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	13,195.63	12,515.75	679.88	Yes *
		Trade receivables	16,038.10	16,585.31	(547.20)	Yes *
		Trade payables	7,254.53	6,071.12	1,183.42	Yes *
September 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	14,189.81	13,452.08	737.73	Yes *
		Trade receivables	16,176.17	16,030.36	145.81	Yes *
		Trade payables	8,502.49	6,854.22	1,648.27	Yes *
December 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	13,807.05	13,871.08	(64.03)	Yes *
		Trade receivables	11,830.69	11,644.74	185.96	Yes *
		Trade payables	6,192.27	5,177.27	1,015.00	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 2023-24, the actual utilization of working capital remained within the bank sanction/DP limits.

### 43 SEGMENT REPORTING

As per Ind AS 108 'Operating Segments', the Company has disclosed the segment information only as part of the consolidated financial statements.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 44 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. Gold on loan as disclosed in the standalone financial statements represents amounts due to banks for the procurement of gold under 'Gold (Metal) loan scheme' by the Company. Adjusted equity comprises of all components of equity. The Company's adjusted net debt to equity ratio as at 31 March 2024 is as follows:

Particulars	Note	31 March 2024	31 March 2023
Borrowings	22	9,537.62	10,752.67
Gold on loan	23	118.34	-
Cash and cash equivalents	15	(2,118.76)	(2,302.54)
Bank balances other than cash and cash equivalents	16	(3,529.95)	(2,770.02)
Balance with bank to the extent held as security	10	(33.31)	(53.09)
<b>Net debt</b>		<b>3,973.94</b>	<b>5,680.11</b>
Equity share capital	19	3,310.65	3,297.63
Other equity - Reserves and Surplus	20	55,366.80	57,910.62
<b>Net debt to equity ratio</b>		<b>58,677.45</b>	<b>61,208.25</b>
<b>Net debt to equity ratio</b>		<b>6.77%</b>	<b>9.28%</b>

### 45 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,

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 45 OTHER REGULATORY INFORMATION (Contd..)

- (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)
- (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.
- (xii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

### 46 RATIOS

Ratio	Reference	31 March 2024	31 March 2023	Variation
<b>1 Return on equity (in %)</b>				
Profit for the year	(A)	5,025.33	9,990.18	
Equity share capital at the end of the year	(B)	3,310.65	3,297.63	
Other equity at the end of the year	(C)	55,366.80	57,910.62	
Total equity at the end of the year	{(D) = (B) + (C)}	58,677.45	61,208.25	
Equity share capital at the beginning of the year	(E)	3,297.63	3,275.96	
Other equity at the beginning of the year	(F)	57,910.62	55,038.18	
Total equity at the beginning of the year	{(G) = (E) + (F)}	61,208.25	58,314.14	
Average total equity	{(H) = {(D) + (G)}/2}	59,942.85	59,761.20	
<b>Return on equity (in %)</b>	<b>{A/H}</b>	<b>8.38%</b>	<b>16.72%</b>	<b>-49.85%</b>
Variation is primarily due to provision for impairment of investment in subsidiaries, loan and other receivables from subsidiaries (exceptional items) and reduction in dividend income during the year.				
<b>2 Trade receivables turnover ratio (in times)</b>				
Revenue from operations	(A)	48,922.65	43,640.45	
Trade receivables at the beginning of the year	(B)	14,687.35	13,739.71	
Trade receivables at the end of the year	(C)	10,393.01	14,687.35	
Average trade receivables	{(D) = {(B) + (C)}/2}	12,540.18	14,213.53	
<b>Trade receivables turnover ratio (in times)</b>	<b>{A/D}</b>	<b>3.90</b>	<b>3.07</b>	<b>27.06%</b>
Variation is primarily due to decrease in trade receivables from group companies.				
<b>3 Inventory turnover ratio (in times)</b>				
Revenue from operations	(A)	48,922.65	43,640.45	
Inventories at the beginning of the year	(B)	12,075.25	11,425.65	
Inventories at the end of the year	(C)	14,734.70	12,075.25	
Average inventory	{(D) = {(B) + (C)}/2}	13,404.98	11,750.45	
<b>Inventory turnover ratio (in times)</b>	<b>{A/D}</b>	<b>3.65</b>	<b>3.71</b>	<b>-1.73%</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 46 RATIOS (Contd..)

Ratio	Reference	31 March 2024	31 March 2023	Variation
<b>4 Current ratio (in times)</b>				
Total current assets	(A)	37,684.55	39,364.56	
Total current liabilities	(B)	17,601.22	18,273.19	
<b>Current ratio (in times)</b>	<b>{A/B}</b>	<b>2.14</b>	<b>2.15</b>	<b>-0.61%</b>
<b>5 Net profit ratio (in %)</b>				
Profit for the year	(A)	5,025.33	9,990.18	
Revenue from operations	(B)	48,922.65	43,640.45	
<b>Net profit ratio (in %)</b>	<b>{A/B}</b>	<b>10.27%</b>	<b>22.89%</b>	<b>-55.13%</b>
For variance refer reason mentioned against serial no. 1				
<b>6 Net capital turnover ratio (in times)</b>				
Revenue from operations	(A)	48,922.65	43,640.45	
Total current assets	(B)	37,684.55	39,364.56	
Total current liabilities	(C)	17,601.22	18,273.19	
Working capital	{(D) = (B) - (C)}	20,083.33	21,091.37	
<b>Net capital turnover ratio (in times)</b>	<b>{A/D}</b>	<b>2.44</b>	<b>2.07</b>	<b>17.73%</b>
<b>7 Return on capital employed (in %)</b>				
Profit after exceptional items before tax	(A)	5,402.78	10,287.21	
Finance cost	(B)	741.71	429.92	
<b>Profit before tax and finance cost</b>	<b>{(C) = (A) + (B)}</b>	<b>6,144.49</b>	<b>10,717.13</b>	
Equity share capital	(D)	3,310.65	3,297.63	
Other equity	(E)	55,366.80	57,910.62	
<b>Total equity at the end of the year</b>	<b>{(F) = (D) + (E)}</b>	<b>58,677.45</b>	<b>61,208.25</b>	
Non current lease liabilities	(G)	70.89	101.39	
<b>Capital employed</b>	<b>{(H) = (F) + (G)}</b>	<b>58,748.34</b>	<b>61,309.64</b>	
<b>Return on capital employed (in %)</b>	<b>{C/H}</b>	<b>10.46%</b>	<b>17.48%</b>	<b>-40.17%</b>
For variance refer reason mentioned against serial no. 1				
<b>8 Creditors turnover ratio (in times)</b>				
Cost of materials consumed	(A)	30,561.97	25,620.65	
Purchase of stock-in-trade	(B)	2,007.75	2,228.70	
Add: Closing stock	(C)	12,430.44	10,807.72	
Less: Opening stock	(D)	(10,807.72)	(9,879.59)	
Other expenses	(E)	9,855.58	8,260.46	
<b>Total purchases</b>	<b>{(F) = (A) + (B) + (C) - (D) + (E)}</b>	<b>44,048.02</b>	<b>37,037.94</b>	
Trade payables at the beginning of the year	(G)	6,388.83	5,780.43	
Trade payables at the end of the year	(H)	6,738.60	6,388.83	
Average trade payables	{(I) = {(G) + (H)}/2}	6,563.72	6,084.63	
<b>Creditors turnover ratio (in times)</b>	<b>{F/I}</b>	<b>6.71</b>	<b>6.09</b>	<b>10.25%</b>
<b>9 Debt equity ratio (in %)</b>				
Borrowings	(A)	9,537.62	10,752.67	
Cash and cash equivalents	(B)	2,118.76	2,302.54	
Bank balances other than above	(C)	3,529.95	2,770.02	
<b>Net debt</b>	<b>{(D) = (A) - (B) - (C)}</b>	<b>3,888.91</b>	<b>5,680.11</b>	
Equity share capital	(E)	3,310.65	3,297.63	
Other equity	(F)	55,366.80	57,910.62	

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 46 RATIOS (Contd..)

Ratio	Reference	31 March 2024	31 March 2023	Variation
<b>Net equity</b>	{(G) = (E) + (F)}	<b>58,677.45</b>	<b>61,208.25</b>	
<b>Debt equity ratio (in %)</b>	{D/G}	<b>6.63%</b>	<b>9.28%</b>	<b>-28.58%</b>
Variation is primarily due to reduction in dividend income during the year and payment of dividend from retained earnings.				
<b>10 Debt service coverage ratio</b>				
Profit for the year	(A)	5,025.33	9,990.18	
Depreciation and amortisation expense	(B)	802.90	740.74	
Interest on borrowings and lease liabilities	(C)	673.03	346.56	
<b>Earning available for debt services</b>	{(D) = (A) + (B) + (C)}	<b>6,501.26</b>	<b>11,077.48</b>	
Interest expenses	(E)	674.16	338.32	
Lease payments	(F)	26.56	26.18	
Debt service	{(G) = (E) + (F)}	700.72	364.50	
<b>Debt service coverage ratio</b>	{D/G}	<b>9.28</b>	<b>30.39</b>	<b>-69.47%</b>
For variance refer reason mentioned against serial no. 1				
<b>11 Return on investment (in %)</b>				
Dividend income from subsidiaries	(A)	5,469.84	8,059.26	
Interest income on bank deposits	(B)	225.12	171.54	
Income generated from investments	(C) = (A) + (B)	5,694.96	8,230.80	
Total investments	(D)	33,966.67	33,339.15	
<b>Return on investment (in %)</b>	{C/D}	<b>16.77%</b>	<b>24.69%</b>	<b>-32.09%</b>

Variation is primarily due to reduction in dividend income as compared to previous year.

### 47 RELATED PARTY TRANSACTIONS

#### A. List of related parties :

##### Holding Company

Brett Enterprises Private Limited

##### Subsidiaries (direct and step down)

Name of the subsidiaries	Country of incorporation	Percentage holdings as at	
		31 March 2024	31 March 2023
<b>Direct subsidiaries</b>			
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	100.00
Shop LC GmbH	Germany	100.00	100.00
Encase Packaging Private Limited	India	60.00	60.00
<b>Step down subsidiaries of direct subsidiaries</b>			
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
Mindful Souls B.V. (acquired on 26 September 2023)	Netherlands	100.00	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 47 RELATED PARTY TRANSACTIONS (Contd..)

#### 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 (upto 06 February 2024)

Ms. Stephanie Renee Spong

Mr. Santiago Roces (upto 27 July 2022)

Mr. Harsh Bahadur (upto 25 September 2022)

Mr. Jason Charles Goldberg (w.e.f. 17 October 2023)

#### Close member of Key Management Personnel ('KMP') where tranactions have taken place:

Name of close member 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 Agarwal
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:

Stone Age Private Limited

#### Employee benefit trust

Vaibhav Global Limited Employees Gratuity Fund

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### B. Details of material related party transactions and balances:

Particulars	Holding Company	Subsidiaries / Step down subsidiaries											Total						
		Brett Enterprises Private Limited	Shop TJC Limited, UK	Shop Global Inc., USA	Shop LC Global Inc., USA	STS Jewels Inc., USA	STS Global Supply Limited, Hong Kong	VGL Retail Ventures Limited, Mauritius	PT STS Ball, Indonesia	STS (Guangzhou) Trading Limited, China	STS Global Thailand Limited, Thailand	Vaibhav Vistar Limited, India		Vaibhav Lifestyle Limited, India	STS Global Limited, Japan	Shop LC GmbH, Germany	Mindful Souls BV., Netherlands	Encase Private Limited, India	
<b>Transactions during the year ending 31 March 2024:</b>																			
Sale of goods		- 7,337.83	20,973.43	2,391.20	2,164.84	-	854.40	-	1,468.43	-	1.79	-	-	-	3,189.55	472.70	-	- 38,854.17	
Sale of services		- 498.40	797.00	-	-	-	-	-	-	-	-	-	-	-	74.29	2.65	-	- 1,372.34	
Purchase of goods		-	-	- 1,552.72	3,675.60	-	124.52	5,162.25	1,319.43	-	27.88	73.97	-	-	-	-	-	9.04	7,299.41
Management fees from subsidiary		- 328.26	544.69	6.15	27.31	-	7.30	-	12.27	-	-	-	-	-	106.79	1.93	-	- 1,034.70	
Expenses reimbursement (net)		- 1,936.11	2,970.78	58.34	125.22	-	58.89	(23.89)	83.14	-	129.37	-	-	-	580.20	8.96	4.23	5,931.35	
Dividend paid		5,527.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- 5,527.01	
Dividend received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- 5,469.84	
Interest Income		-	-	-	-	-	-	-	-	-	33.43	72.02	-	-	-	-	-	9.60	115.05
Grant of loan		-	-	-	-	-	-	-	-	-	5.00	601.00	-	-	-	-	-	110.00	716.00
Receipt against loan granted		-	-	-	-	-	-	-	-	-	-	1,125.00	-	-	-	-	-	- 1,125.00	
Guarantee given		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guarantee commission received		-	-	-	-	-	-	-	-	-	-	9.00	-	-	-	-	-	8.64	17.64
Rent paid		35.43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- 35.43	
Investment made		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- 1,040.00	1,040.00
<b>Transactions during the year ending 31 March 2023:</b>																			
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	
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	500.00



# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Subsidiaries / Step down subsidiaries													Total		
	Brett Enterprises Private Limited	Shop TJC Limited, UK	Shop LC Global Inc., USA	Shop LC USA 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	Mindful Souls B.V., Netherlands
<b>Balances as at year end 31 March 2024:</b>																
Trade receivable	- 770.12	4,923.21	1,267.32	268.92	- 180.59	- 107.09	- 336.71	- 482.33	- 8,336.29							
Other receivable/(payable)	- 1,046.54	2,355.16	83.25	198.58	75.34	(24.00)	258.23	10.89	4,612.76							
Less : Impairment allowance	-	-	-	-	-	-	-	-	(394.34)							
Trade payable	- 267.34	113.25	409.83	2,226.36	67.75	465.51	14.24	-	3,859.59							
Commitments and guarantees	-	-	-	-	-	-	-	-	471.00							
Loan receivable	-	-	-	-	-	-	-	-	199.00							
Less : Impairment allowance	-	-	-	-	-	-	-	-	(500.00)							
<b>Balances as at year end 31 March 2023:</b>																
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	11.26	8.21	931.12	-	4,334.18							
Trade payable	- 142.86	150.41	460.15	1,836.51	24.79	29.67	30.86	-	3,029.93							
Commitments and guarantees	-	-	-	-	-	-	-	-	471.00							
Loan receivable	-	-	-	-	-	-	-	-	89.00							

## C. Details of related party transactions and balances with others, key managerial persons along with their close member:

Type of transaction	Key Managerial Persons and their relatives										Others			Total
	Mr. Sunil Agrawal	Nitin Panwad	Mr. Vineet Ganerwala	Mr. Sushil Sharma	Mr. Harsh Bahadur	Mr. James Patrick Clarke	Mr. Sunil Goyal	Ms. Stephanie Renee Spong	Mr. Santiago Roces	Mr. Jason Goldberg	Other directors	Stone Age Private Limited	Vaibhav Global Limited Employee's Gratuity Fund	
<b>Transaction during the year ending :</b>														
Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	
- 31 March 2024	- 66.01	-	-	23.32	23.50	40.18	41.28	-	18.88	-	-	213.17	-	
- 31 March 2023	- 28.76	-	55.62	20.11	22.80	52.64	40.49	6.81	-	-	-	227.23	-	
Share based payment to employees*	-	-	-	-	-	-	-	-	-	-	-	-	-	
- 31 March 2024	-	-	-	3.96	-	-	-	-	-	-	-	20.22	-	
- 31 March 2023	-	-	-	3.49	-	-	-	-	-	-	-	32.60	-	
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-	-	
- 31 March 2024	8.44	0.42	-	0.02	-	-	-	-	-	9.32	18.20	0.06	-	
- 31 March 2023	8.44	0.02	0.69	0.01	-	-	-	-	-	27.32	36.47	0.06	-	
Dividend paid to relatives of Key Managerial Persons	-	-	-	-	-	-	-	-	-	-	-	-	-	
- 31 March 2024	128.58	-	-	-	-	-	-	-	-	0.26	128.84	-	-	
- 31 March 2023	128.58	-	-	-	-	-	-	-	-	17.19	145.77	-	-	
Directors sitting fees	-	-	-	-	-	-	-	-	-	-	-	-	-	
- 31 March 2024	-	-	-	-	6.50	-	-	-	-	8.40	23.30	-	-	
- 31 March 2023	-	-	-	-	7.20	-	-	-	-	10.15	25.25	-	-	
<b>Balance as at year end:</b>														
Payable as at year end:	-	-	-	-	-	-	-	-	-	-	-	-	-	
- 31 March 2024	-	-	-	5.25	-	-	10.38	-	10.38	-	26.01	-	662.76	
- 31 March 2023	-	-	-	7.25	13.33	0.90	10.25	-	-	-	31.73	-	451.48	

\* 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 and note 23)

**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 2024.

**Note:** All transactions with these related parties are priced on an arm's length basis.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 48 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 2024	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
<b>Financial assets</b>					
Investments	9	-	-	30,318.26	30,318.26
Trade receivables	14	-	-	10,393.01	10,393.01
Cash and cash equivalents	15	-	-	2,118.76	2,118.76
Bank balance other than cash and cash equivalents	16	-	-	3,529.95	3,529.95
Loans	17	-	-	562.01	562.01
Other financial assets	10	-	-	4,541.95	4,541.95
		-	-	<b>51,463.94</b>	<b>51,463.94</b>
<b>Financial liabilities</b>					
Borrowings	22	-	-	9,537.62	9,537.62
Gold on loan	23	118.34	-	-	118.34
Lease liabilities	6	-	-	101.38	101.38
Trade payables	24	-	-	6,738.60	6,738.60
Other financial liabilities	25	-	-	231.73	231.73
		<b>118.34</b>	-	<b>16,609.33</b>	<b>16,727.67</b>

As at 31 March 2023	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
<b>Financial assets</b>					
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
		-	-	<b>56,234.50</b>	<b>56,234.50</b>
<b>Financial liabilities</b>					
Borrowings	22	-	-	10,752.67	10,752.67
Gold on loan	23	-	-	-	-
Lease liabilities	6	-	-	127.94	127.94
Trade payables	24	-	-	6,388.83	6,388.83
Other financial liabilities	25	-	-	219.44	219.44
		-	-	<b>17,488.88</b>	<b>17,488.88</b>

#### (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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 48 FAIR VALUE MEASUREMENTS (Contd..)

**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, gold on loan, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

The note explains about basis for determination of fair values of various financial assests and liabilities:

Particulars	As at 31 March 2024			
	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities measured at fair value</b>				
Financial assets	-	-	-	-
<b>Financial liabilities</b>				
Gold on loan	118.34	-	-	<b>118.34</b>
<b>Total financial liabilities</b>	<b>118.34</b>	-	-	<b>118.34</b>

### 49 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;

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 49 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd..)

- 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.

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 is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/sale of gold. The risk management strategy against gold price fluctuation includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan. 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 2024			Total
		< 1 year	1-3 Years	> 3 Years	
Borrowings	22	9,537.62	-	-	9,537.62
Gold on loan	23	118.34	-	-	118.34
Lease liabilities		30.49	70.89	-	101.38
Trade payables	24	6,738.60	-	-	6,738.60
Other financials liabilities	25	231.73	-	-	231.73
<b>Total</b>		<b>16,656.78</b>	<b>70.89</b>	<b>-</b>	<b>16,727.67</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 49 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd..)

Financial liabilities	Note	As at 31 March 2023			Total
		< 1 year	1-3 Years	> 3 Years	
Borrowings	22	10,752.67	-	-	10,752.67
Gold on loan	23	-	-	-	-
Lease liabilities		26.55	65.33	36.06	127.94
Trade payables	24	6,388.83	-	-	6,388.83
Other financials liabilities	25	219.44	-	-	219.44
<b>Total</b>		<b>17,387.49</b>	<b>65.33</b>	<b>36.06</b>	<b>17,488.88</b>

#### Collateral

The Company has hypothecated its trade receivables, inventory, advances, bank deposits 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, GBP and EURO. 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.

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 2024		
	USD	GBP	EURO
Financial assets	11,953.45	1,796.91	1,216.86
Financial liabilities	6,980.96	267.33	32.88

Particulars	31 March 2023		
	USD	GBP	EURO
Financial assets	13,303.65	2,774.85	2,708.68
Financial liabilities	7,268.10	142.85	39.44

#### 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 2024 and 2023 by ₹ 384.30 lacs and ₹ 540.96 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.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 49 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd..)

The exposure of the Company's financial liabilities as at Balance sheet date to interest rate risk is as follows:

Particulars	31 March 2024	31 March 2023
Floating rate financial liabilities	9,655.96	10,752.67

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 2024	Year ended 31 March 2023
0.50%	48.28	53.76
1.00%	96.56	107.53
1.50%	144.84	161.29

#### (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.

#### 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 2024 is ₹ 15,129.36 lacs (31 March 2023 is ₹ 19,777.80 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 49 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd..)

The fair value of the derivative instruments presented on a net basis as at each date indicated below is as follows:

Particulars	31 March 2024		31 March 2023	
	Assets	Liabilities	Assets	Liabilities
<b>Derivatives not designated as hedging instruments</b>				
Foreign exchange contracts in an assets/(liability) position	8.45	-	30.01	-
<b>Net assets/(liability)</b>	<b>8.45</b>	<b>-</b>	<b>30.01</b>	<b>-</b>

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.

### 50 EXCEPTIONAL ITEMS

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Impairment of investment in Vaibhav Lifestyle Limited	9	1,098.50	-
Impairment of investment in Encase Packaging Private Limited	9	360.00	-
Impairment of loan granted to Vaibhav Lifestyle Limited	17	500.00	-
Impairment of other receivables from Vaibhav Lifestyle Limited	10	394.34	-
		<b>2,352.84</b>	<b>-</b>

- 51** During previous year, there was 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, if any. 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 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.
- 52** The Ministry of Corporate Affairs introduced Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, which requires the Company to have a feature of recording audit trail (edit log) facility for its accounting softwares used for maintaining its books of account and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. The Company is in process of enabling the audit trail (edit log) feature for its accounting softwares. The Company will also ensure that audit trail (edit log) once enabled can not be changed.
- 53** As per Rule 3(5) of Companies (Accounts) Fourth Amendment Rules, 2022, Company is required to maintain backup of the books of accounts and other relevant books and papers in an electronic mode on servers physically located in India on a daily basis, even in cases where such backups are maintained at a place outside India. The Company is maintaining proper backup as required by law, however, due to certain connectivity issues, the daily backup got disable for a few days, which was subsequently corrected.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

- 54** Subsequent to the year end, the Board of Directors of the Company at its meeting held on 23 May 2024 has inter-alia considered and approved the scheme of amalgamation of Vaibhav Lifestyle Limited (“Transferor Company”), a wholly-owned subsidiary of the Company, with Vaibhav Vistar Limited (“Transferee Company”), a wholly-owned subsidiary of the Company on a going concern basis under the provisions of Section 230 to 232 of the Companies Act, 2013 and the rules made thereunder. The above scheme of arrangement shall be subject to the approval of the National Company Law Tribunal (NCLT) of relevant jurisdiction, creditors etc. of the Subsidiary Companies and other regulatory authorities, if any. Accounting effect of proposed scheme will be given post receipt of requisite approvals.

### 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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

DIN: 00178548

Place: Jaipur

Date: 23 May 2024

**Nitin Panwad**

Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024



# 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 2024, 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 material 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, 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 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### **Revenue recognition**

See Note 3(k) and Note 29 to consolidated financial statements

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<ul style="list-style-type: none"> <li>Revenue from the sale of goods is recognised when control is transferred to the customer and is measured net of rebates and discounts.</li> <li>The Group's major part of revenue relates to retail sales which comprises of high volumes of individually small transactions recorded in the books.</li> <li>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.</li> <li>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.</li> </ul>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the accounting policy for revenue recognition as per relevant Indian accounting standard.</li> <li>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.</li> <li>For samples selected using statistical sampling method, performed testing of retail sale transactions including rebates and discounts during the year by examining the underlying documents and agreeing them with the collection from payment channels.</li> <li>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.</li> <li>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.</li> <li>Tested journal entries passed during the year which were selected on specified risk-based criteria to identify unusual items.</li> <li>Performed analytical procedures on revenue recognised during the year, to identified unusual variances.</li> </ul>

### **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 paragraph (a) of the "Other Matters" 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 statements 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.

### 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
<p>The Group deals primarily in fashion jewelry 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.</p> <p>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.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the accounting policy for inventories as per relevant accounting standards.</li> <li>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.</li> <li>Verified inventory ageing report by testing samples, selected using statistical sampling method.</li> <li>Tested the weighted average rate computation of Gemstone inventory, selected using statistical sampling method.</li> <li>Evaluated the judgement and assumptions taken for valuation of inventory by involving subject matter expert, wherever required.</li> </ul>

### Recognition and measurement of Minimum Alternate Tax (MAT)

See Note 3(n) and Note 38 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Parent Company has MAT Credit of ₹ 5,272.69 lacs as on 31 March 2024 which is available for utilization against future tax liabilities. Of the aforesaid, MAT credit of only ₹ 2,020.33 lacs is recognised and included in deferred tax assets.</p> <p>The analysis of the recoverability of such deferred tax assets has been identified as a key audit matter because the assessment process involves significant judgement regarding the future profitability, dividends, allowability of tax positions/deductions claimed by the management in the tax computations and likelihood of the realization of these assets, in particular whether there will be taxable profits and dividends in future periods that support the recognition of these assets. This requires assumptions regarding future profitability and dividends, which is inherently uncertain.</p> <p>Accordingly, the same is considered as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the management's process for estimating the recoverability of the deferred tax assets and identified key controls in the process. Tested the design, implementation and operating effectiveness of key controls regarding recoverability of MAT credit assets and budgeting procedures upon which the approved business plans are based.</li> <li>Obtained and analyzed the future projections of taxable profits and dividends estimated by the management, assessing the key assumptions used, including the analysis of the consistency of the actual results obtained with those projected in the previous years. We challenged the Company's assumptions by our own expectations based on our knowledge of the client and experience of the industry in which it operates; industry norms; specified external data sources and the reasonableness of the future cash flow projections including dividends. Our assessment was based on our knowledge of the business and observable data of the industry.</li> <li>Assessed all factors concerning its expected future profitability, both favourable and unfavourable, when assessing whether a deferred tax asset should be recognised on the basis of the availability of future taxable profits.</li> <li>Obtained evidence of the approval of the budgeted results included in the current year's projections.</li> <li>Evaluated the reasonableness of the deductions availed under the Income Tax Act included in the tax computation.</li> <li>Verified the computation of the amounts recognized as deferred tax assets on MAT credit. Evaluated the company's estimate regarding the period by which the MAT credit entitlement would be utilized, We verified such estimate to be within the period prescribed under the Income Tax Act, 1961.</li> <li>Assessed the adequacy of related disclosures made by the Company in the standalone financial statements.</li> </ul>

### **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 Holding Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do 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 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. If, based on the work we have performed and based on the work done/audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 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 paragraph (a) of the section titled "Other Matters" 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 Matters

- a. We did not audit the financial information of ten subsidiaries, whose financial information reflect total assets (before consolidation adjustments) of ₹ 179,579.15 lacs as at 31 March 2024, total revenues

(before consolidation adjustments) of ₹ 42,223.99 lacs and net cash inflows (before consolidation adjustments) amounting to ₹ 2,552.34 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 reports of the other auditors.

- b. The financial information of a subsidiary, whose financial information reflects total assets (before consolidation adjustments) of ₹ 3,062.84 lacs as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 7,486.66 lacs and net cash flows (before consolidation adjustments) amounting to ₹ 1,433.89 lacs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. This unaudited financial information 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 this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

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 the financial information certified by the Management.

#### **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 Matters" 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
    - 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 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3) (b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. 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 report(s) of the other auditor(s) on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 42 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 2024.
  - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.
  - d. (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their 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 person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report 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 respective management of the Holding Company and its subsidiary companies incorporated in India whose financial information have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their 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, as on the date of this audit report, 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 that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial information have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors 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. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, we report that:
- i. The Holding Company and two of its Indian subsidiary have used accounting softwares for maintaining its books of account, however the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we and respective auditor of such subsidiary companies are unable to comment on audit trail feature of the said software. With respect to above, the question of audit trail feature being tampered does not arise since audit trail facility was not enabled.
  - ii. In respect of an Indian subsidiary, based on the examination which included test check performed by the other auditor, the feature of recording audit trail (edit log) facility of the accounting software used for maintaining books of accounts was not enabled for the period from 1 April 2023 to 16 April 2023. Except for the observation mentioned below the audit trail (edit log) facility for the remaining periods was enabled and operated for the accounting software, the auditor of such subsidiary company did not come across any instance of the audit trail feature being tampered with. Further, in the absence of access to database log, the respective auditor is unable to comment whether the feature of recording the audit trail (edit log) facility was enabled at database level to log any direct changes for the accounting software used to maintain the books of accounts.

- 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 and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies 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 and its subsidiary companies 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

Place: Gurugram, Haryana

Membership No.: 094549

Date: 23 May 2024

ICAI UDIN:24094549BKBSSX3154

# Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Vaibhav Global Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)  
(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Vaibhav Global Limited	L36911RJ1989PLC004945	Holding Company	Clause ii(b)
2	Vaibhav Lifestyle Limited	U17299RJ2020PLC072409	Subsidiary Company	Clause xvii
3	Encase Packaging Private Limited	U21000AP2021PTC119871	Subsidiary Company	Clause xvii

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Rajiv Goyal**

Partner

Membership No.: 094549

ICAI UDIN:24094549BKBSX3154

Place: Gurugram, Haryana  
Date: 23 May 2024



## Annexure B to the Independent Auditor's Report

on the consolidated financial statements of Vaibhav Global Limited for the year ended 31 March 2024

### 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)(g) 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 2024, 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 and based on the consideration of reports of the other auditors on internal financial controls with reference to financial information of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, 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 2024, based on the internal financial controls with reference to financial statements criteria established by such companies 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 respective 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 respective 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 respective 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 and the audit evidence obtained by the other auditor(s) of the relevant subsidiary companies in terms of their reports referred to in the Other Matter(s) paragraph below, 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls 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**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls with reference to financial information insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Place: Gurugram, Haryana

Membership No.: 094549

Date: 23 May 2024

ICAI UDIN:24094549BKBSX3154

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	31 March 2024	31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	23,457.11	25,297.97
Capital work-in-progress	5	-	389.37
Right-of-use asset	6	11,837.14	8,122.81
Goodwill	7	11,753.88	3,049.32
Other intangible assets	7	14,576.32	14,181.58
Intangible assets under development	8	568.87	99.09
Financial assets			
Investments	9	0.28	0.31
Other financial assets	10	832.60	824.21
Deferred tax assets (net)	38	3,065.01	2,799.74
Non-Current tax assets (net)	11	383.24	1,135.89
Other non-current assets	12	548.09	59.60
<b>Total non-current assets</b>		<b>67,022.54</b>	<b>55,959.89</b>
<b>Current assets</b>			
Inventories	13	59,616.85	64,251.43
Financial assets			
Investments	9	12,774.32	3,428.71
Trade receivables	14	31,284.79	24,038.46
Cash and cash equivalents	15	6,147.58	11,058.00
Bank balances other than cash and cash equivalents	16	4,353.87	12,864.07
Loans	17	146.88	141.87
Other financial assets	10	274.81	237.38
Current tax assets	11	364.00	-
Other current assets	18	6,914.24	6,871.64
<b>Total current assets</b>		<b>121,877.34</b>	<b>122,891.56</b>
<b>Total assets</b>		<b>188,899.88</b>	<b>178,851.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	3,310.65	3,297.63
Other equity			
Reserves and surplus	20	115,352.58	110,367.91
Items of Other comprehensive income	21	7,102.93	6,463.86
<b>Equity attributable to owners of the Company</b>		<b>125,766.16</b>	<b>120,129.40</b>
Non-controlling interest	22	52.58	170.53
<b>Total equity</b>		<b>125,818.74</b>	<b>120,299.93</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	24	141.40	231.25
Lease liabilities	6	8,930.03	5,463.51
Other financial liabilities	27	140.08	-
Provisions	23	685.97	494.71
Deferred tax liabilities (net)	38	796.21	213.19
<b>Total non-current liabilities</b>		<b>10,693.69</b>	<b>6,402.66</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	24	10,341.06	11,231.99
Gold on loan	25	118.34	-
Lease liabilities	6	2,286.98	2,405.81
Trade payables	26	22,435.16	25,682.87
Other financial liabilities	27	2,493.13	1,303.22
Other current liabilities	28	8,949.16	7,151.05
Provisions	23	4,808.65	4,150.47
Current tax liabilities (net)		954.97	223.45
<b>Total current liabilities</b>		<b>52,387.45</b>	<b>52,148.86</b>
<b>Total liabilities</b>		<b>63,081.14</b>	<b>58,551.52</b>
<b>Total equity and liabilities</b>		<b>188,899.88</b>	<b>178,851.45</b>
Material 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: Gurugram  
Date: 23 May 2024

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

**Sunil Agrawal**  
Managing Director  
DIN: 00061142  
Place: Jaipur  
Date: 23 May 2024

**Sheela Agarwal**  
Director  
DIN: 00178548  
Place: Jaipur  
Date: 23 May 2024

**Nitin Panwad**  
Group CFO  
Place: Jaipur  
Date: 23 May 2024

**Sushil Sharma**  
Company Secretary  
ICSI Membership No: F6535  
Place: Jaipur  
Date: 23 May 2024

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	29	304,096.46	269,091.44
Other income	30	2,663.19	2,762.71
<b>Total Income</b>		<b>306,759.65</b>	<b>271,854.15</b>
<b>Expenses</b>			
Cost of materials consumed	31	31,864.81	26,279.83
Purchases of stock-in-trade	32	68,086.66	69,964.17
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	7,632.13	2,140.92
Employee benefits expense	34	57,221.09	51,512.15
Finance costs	35	1,171.44	819.68
Depreciation and amortisation expense	36	9,338.82	7,775.29
Other expenses	37	112,443.08	99,231.65
<b>Total expenses</b>		<b>287,758.03</b>	<b>257,723.69</b>
<b>Profit before exceptional items and tax</b>		<b>19,001.62</b>	<b>14,130.46</b>
<b>Exceptional items</b>	52	<b>806.15</b>	<b>-</b>
<b>Profit after exceptional items</b>		<b>18,195.47</b>	<b>14,130.46</b>
<b>Tax expense</b>	38		
Current tax		5,683.30	3,967.30
Deferred tax		(161.34)	(350.61)
<b>Tax expense</b>		<b>5,521.96</b>	<b>3,616.69</b>
<b>Profit for the year (A)</b>		<b>12,673.51</b>	<b>10,513.77</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>	21		
(i) Remeasurement of defined benefit plans		(35.49)	(127.65)
(ii) Income tax relating to remeasurement of defined benefit plans		13.69	44.34
		<b>(21.80)</b>	<b>(83.31)</b>
<b>Items that will be reclassified to profit or loss</b>			
(i) Exchange differences on translating financial statements of foreign operations		639.07	4,399.10
(ii) Tax relating to exchange differences on translating financial statements of foreign operations		-	-
		<b>639.07</b>	<b>4,399.10</b>
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>617.27</b>	<b>4,315.79</b>
<b>Total comprehensive income for the year (A) + (B)</b>		<b>13,290.78</b>	<b>14,829.56</b>
Profit for the year attributable to:			
- Owners of Vaibhav Global Limited		12,791.46	10,496.21
- Non-controlling interests	22	(117.95)	17.56
		<b>12,673.51</b>	<b>10,513.77</b>
Other comprehensive income for the year attributable to:			
- Owners of Vaibhav Global Limited		617.27	4,315.79
- Non-controlling interests	22	-	-
		<b>617.27</b>	<b>4,315.79</b>
Total comprehensive income for the year attributable to:			
- Owners of Vaibhav Global Limited		13,408.73	14,812.00
- Non-controlling interests	22	(117.95)	17.56
		<b>13,290.78</b>	<b>14,829.56</b>
<b>Earnings per equity share</b>	39		
Basic earnings per share (in ₹)		7.74	6.39
Diluted earnings per share (in ₹)		7.59	6.29
Material 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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

DIN: 00178548

Place: Jaipur

Date: 23 May 2024

**Nitin Panwad**

Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from operating activities</b>			
Profit for the year		18,195.47	14,130.46
Adjustment for :			
Depreciation and amortisation expense		9,338.82	7,775.29
Impairment of Property, plant and equipment (including Capital Work in Progress)		257.44	-
Impairment of Goodwill		156.93	-
(Gain) on unrealised foreign exchange difference (net)		(108.84)	(172.58)
Unrealised loss on gold on loan		6.61	-
Share based payments to employees		1,677.66	1,387.90
Loss/(Gain) on sale of property, plant and equipment		4.52	(0.97)
Liabilities no longer required written back		(23.27)	(39.45)
Remeasurement of fair value for contingent consideration		(722.54)	-
(Gain) on sale of current investments (including change in fair value)		(1.31)	(0.76)
Impairment losses on financial assets (Allowances for / write off doubtful debts and advances)		3,289.31	2,571.99
Interest income		(875.16)	(670.91)
Finance costs		1,171.44	819.68
<b>Operating profit before working capital changes</b>		<b>32,367.08</b>	<b>25,800.65</b>
Working capital adjustments :			
(Increase) in trade receivable		(5,864.08)	(2,002.55)
Decrease in inventories		5,681.16	336.97
Decrease/(Increase) in other assets		2,041.20	(5,765.17)
Increase in gold on loan		111.74	-
(Decrease) in trade payables, provisions, other liabilities		(2,018.71)	(2,426.07)
<b>Cash generated from operating activities</b>		<b>32,318.39</b>	<b>15,943.83</b>
Income taxes paid (net)		(4,633.89)	(3,228.57)
<b>Net cash generated from operating activities (A)</b>		<b>27,684.50</b>	<b>12,715.26</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment and intangible assets		(4,362.13)	(3,551.41)
Proceeds from disposal of property, plant and equipment		11.79	10.78
Payment for acquisition of subsidiary, net of cash acquired		(7,711.16)	-
Movement in deposits (net)		1,955.74	1,315.69
Interest received		951.77	629.59
Purchase of current investments		(10,534.02)	4,869.40
Proceed from sale of current investments		1,301.31	750.65
<b>Net cash used in investing activities (B)</b>		<b>(18,386.70)</b>	<b>4,024.70</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from exercise of share options		712.88	1,504.16
Movement in short term borrowings (net)		(849.50)	1,646.64
Dividend paid (including dividend distribution tax)		(10,162.51)	(10,225.90)
Payment of lease liabilities		(3,013.90)	(2,634.67)
Interest paid		(993.12)	(556.82)
<b>Net cash used in financing activities (C)</b>		<b>(14,306.15)</b>	<b>(10,266.59)</b>
<b>D. Impact of movement of exchange rates (D)</b>			
Exchange difference on translation foreign operations		97.93	278.02
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C+D)</b>		<b>(4,910.42)</b>	<b>6,751.39</b>
Opening balance of cash and cash equivalents		11,058.00	4,306.61
<b>Closing balance of cash and cash equivalents</b>		<b>6,147.58</b>	<b>11,058.00</b>

# CONSOLIDATED CASH FLOW STATEMENT

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>Cash and cash equivalents comprises</b>			
Balance with bank on current account	15	6,117.73	5,241.63
Deposits with original maturity of less than three months	15	-	5,764.71
Cash on hand	15	29.85	35.78
Funds-in-transit	15	-	15.88
		<b>6,147.58</b>	<b>11,058.00</b>
Less: Restricted cash and cash equivalents	5	-	(1,300.00)
<b>Net Cash and cash equivalents</b>		<b>6,147.58</b>	<b>9,758.00</b>

Material accounting policies 3  
The accompanying notes are an integral part of the consolidated financial statements.

- The statement of cash flows have 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.
- Reconciliation of liabilities arising from financing activities:

Short term borrowings	Year ended 31 March 2024	Year ended 31 March 2023
<b>Opening balance of short term borrowings</b>	<b>11,231.99</b>	<b>9,686.77</b>
Movement in short term borrowings	(900.78)	1,654.91
Non cash changes - effect of foreign currency translation	9.85	(109.69)
<b>Closing balance of short term borrowings</b>	<b>10,341.06</b>	<b>11,231.99</b>

Lease liabilities	Year ended 31 March 2024	Year ended 31 March 2023
<b>Opening balance of lease liabilities</b>	<b>7,869.32</b>	<b>6,526.09</b>
Additions during the year	6,051.32	3,348.68
Interest expenses for the year	239.14	264.48
Payment of lease liability during the year	(3,253.04)	(2,899.15)
Exchange differences on translation of foreign operations	310.27	629.22
<b>Closing balance of lease liabilities</b>	<b>11,217.01</b>	<b>7,869.32</b>

- Refer note 37 for amount spent during the year ended 31 March 2024 and 31 March 2023 on construction / acquisition of assets and other purposes relating to charitable contribution expenses.

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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

DIN: 00178548

Place: Jaipur

Date: 23 May 2024

**Nitin Panwad**

Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### A EQUITY SHARE CAPITAL

Particulars	Note	Amount
<b>Balance as at 01 April 2023</b>		<b>3,297.63</b>
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at 01 April 2023</b>		<b>3,297.63</b>
Changes in equity share capital during the year	19	15.35
Treasury shares	41	(2.33)
<b>Balance as at 31 March 2024</b>		<b>3,310.65</b>
<b>Balance as at 01 April 2022</b>		<b>3,275.96</b>
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at 01 April 2022</b>		<b>3,275.96</b>
Changes in equity share capital during the year	19	24.34
Treasury shares	41	(2.67)
<b>Balance as at 31 March 2023</b>		<b>3,297.63</b>

### B OTHER EQUITY

For the year ended 31 March 2024:

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
<b>Balance as at 01 April 2023</b>		<b>35,430.62</b>	<b>1,511.40</b>	<b>4,486.57</b>	<b>954.76</b>	<b>1,296.47</b>	<b>66,688.09</b>	<b>6,463.86</b>	<b>170.53</b>	<b>117,002.30</b>
<b>Total comprehensive income for the year ended 31 March 2024</b>										
Profit / (loss) for the year		-	-	-	-	-	12,791.46	-	(117.95)	12,673.51
Other comprehensive income / (loss) for the year	21	-	-	-	-	-	(21.80)	639.07	-	617.27
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,769.66</b>	<b>639.07</b>	<b>(117.95)</b>	<b>13,290.78</b>
<b>Contributions and distributions</b>										
Dividends	20	-	-	-	-	-	(9,921.18)	-	-	(9,921.18)
Dividend distribution tax	20	-	-	-	-	-	(241.33)	-	-	(241.33)
Equity-settled share-based payments	41	2,482.85	1,677.66	-	-	-	-	-	-	4,160.51
Share options exercised	34	-	(1,638.43)	-	-	-	-	-	-	(1,638.43)
Treasury shares	41	(144.56)	-	-	-	-	-	-	-	(144.56)
<b>Total contributions and distributions</b>		<b>2,338.29</b>	<b>39.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,162.51)</b>	<b>-</b>	<b>-</b>	<b>(7,784.99)</b>
<b>Balance as at 31 March 2024</b>		<b>37,768.91</b>	<b>1,550.63</b>	<b>4,486.57</b>	<b>954.76</b>	<b>1,296.47</b>	<b>69,295.24</b>	<b>7,102.93</b>	<b>52.58</b>	<b>122,508.09</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### For the year ended 31 March 2023:

Particulars	Note	Reserves and surplus					Items of OCI	Non controlling interest	Total	
		Securities premium	Share based payment reserve	Capital redemption reserve	Capital reserve	General reserve				Retained earnings
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	109,554.25
<b>Total comprehensive income for the year ended 31 March 2023</b>										
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
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>10,412.90</b>	<b>4,399.10</b>	<b>17.56</b>	<b>14,829.56</b>
<b>Transactions with the owners of the Company</b>										
<b>Contributions and distributions</b>										
Dividends	20	-	-	-	-	-	(9,879.57)	-	-	(9,879.56)
Dividend distribution tax	20	-	-	-	-	-	(346.33)	-	-	(346.34)
Equity-settled share-based payment	41	-	1,361.90	-	-	-	-	-	-	1,361.90
Share options exercised	34	2,668.59	(1,010.72)	-	-	-	-	-	-	1,657.87
Treasury shares	41	(175.38)	-	-	-	-	-	-	-	(175.38)
<b>Total contributions and distributions</b>		<b>2,493.21</b>	<b>351.18</b>	-	-	-	<b>(10,225.90)</b>	-	-	<b>(7,381.51)</b>
<b>Balance as at 31 March 2023</b>		<b>35,430.62</b>	<b>1,511.40</b>	<b>4,486.57</b>	<b>954.76</b>	<b>1,296.47</b>	<b>66,688.09</b>	<b>6,463.86</b>	<b>170.53</b>	<b>117,002.30</b>

\* There is no change in other equity due to prior period error.

Loss on remeasurement of defined employee benefit plans (net of tax) amounting to ₹ 21.80 lacs and ₹ 83.31 lacs is recognised as a part of retained earnings for the years ended 31 March 2024 and 31 March 2023 respectively.

Material 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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

DIN: 00178548

Place: Jaipur

Date: 23 May 2024

**Nitin Panwad**

Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(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") for the year ended 31 March 2024. The Group deals in fashion jewelery 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 23 May 2024.

Details of the Group's material 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
Net defined benefit (assets) / liability	Fair value of plan assets less the present value of defined benefit obligations
Contingent consideration assumed in a business combination	Fair value

#### 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 2024 is included in the following notes:

- Note 7 - impairment testing of goodwill: key assumptions underlying recoverable amounts;
- Note 14 - measurement of expected credit loss allowance for trade and finance receivables and loans;
- Note 23 - estimate of expected sales returns;

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

- 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;
- Note 49 - Acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration) and fair value of assets acquired and liabilities assumed, measured on a provisional basis.
- 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.

### 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 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:

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;
- Note 47 - financial instruments; and
- Note 49 - acquisition of subsidiary.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### f. Current and non-current classification

Based on the time involved 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 for determining current and non - current classification of assets and liabilities in the balance sheet.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (including step down subsidiaries) as at 31 March 2024, which are as follows:

Name of the subsidiaries	Country of incorporation	% Holding as at 31 March 2024	% Holding as at 31 March 2023
<b>Direct subsidiaries:</b>			
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%
Vaibhav Global Employee Stock Option Welfare Trust, India	India	100%	100%
<b>Step down Subsidiaries:</b>			
Shop TJC Limited	United Kingdom	100%	100%
Shop LC Global Inc.	USA	100%	100%
Mindful Souls BV *	Netherlands	100%	-
Pt. STS Bali	Indonesia	100%	100%
STS (Guangzhou) Trading Limited Company	China	100%	100%

\* Acquired on 26 September 2023

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

### 3. MATERIAL 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.

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; and
- 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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 initially at their proportionate share of acquiree's identifiable net assets at the date of acquisition.

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

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.

The group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

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 in the OCI and accumulated in

equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity 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. 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 carrying amount. 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.

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.

Any contingent consideration is measured at fair value at the date of acquisition. If any obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not measured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in statement of profit and loss.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

If the initial accounting for a business combination is incomplete by the end of the reporting in which the business combination occurs, the Group reports in its financial statements provisional amounts for the item for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts for the items for which the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

### 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 investments in equity shares not held for trading, where the Group has opted to present in Other Comprehensive Income the changes in the fair, are recognised in Other Comprehensive Income.

#### 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 (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### ii. Classification and subsequent measurement

#### Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI - equity investment;
- FVOCI - debt 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).

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.
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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.
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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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.
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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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 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

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in-progress) 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. Transition to Ind AS

The cost property, plant and equipment at 1 April 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

#### iii. 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 and the cost of the item can be measured reliably.

#### iv. 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. 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 not 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 reporting date and adjusted if appropriate.

#### v. Leased assets

Leasehold improvements are amortised over their useful life or the lease period, whichever is lower. 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



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

constructed on leasehold lands are amortised over the primary lease period of the lands.

### f. Goodwill, other intangible assets and intangible assets under development

#### i. Recognition and measurement

##### Goodwill

For measurement of goodwill that arises on a business combination (see Note 3(b)). Subsequent measurement is at cost less any accumulated impairment losses.

##### Research and development

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised as part of the cost of the resulting intangible assets only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the assets. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

##### Other intangible assets

Intangible assets (including intangible assets under development) acquired separately are measured on initial recognition at cost. The cost of Intangible assets acquired in business combination is recognised at fair value at the date of acquisition. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Following initial recognition, other intangible assets, including those acquired by Group in a business combination and have finite useful lives are 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, and the cost can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

#### iii. 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
Customer relationships	5

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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.

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

At each reporting date, the Group reviews the carrying amount of its non-financial assets (other than inventories, contract assets and deferred tax assets) 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.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. 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.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less cost of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are 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 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 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. 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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 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.

### 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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.

### I. 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 unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. 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 that depend on an index or a rate, initially measured using the index or rate as at the commencement date, amounts expected to be payable under a residual value guarantee, 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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

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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 recognise the right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment's. The Group recognises the lease payments associated with these leases as an expense in profit or loss 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.

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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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 Tax / Value Added Taxes (VAT) / Goods and Services Tax (GST)

Expenses and assets are recognised net of the amount of sales tax / 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 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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

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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. Contingent liability

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize

a contingent liability but discloses its existence in the consolidated financial statements.

### Contingent assets

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may not never be realised. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### w. 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.

### x. Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendment to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

### y. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 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
<b>Cost</b>										
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
<b>Balance at 31 March 2023</b>		<b>11,325.13</b>	<b>3,276.49</b>	<b>3,369.19</b>	<b>14,989.84</b>	<b>1,917.98</b>	<b>1,647.80</b>	<b>3,972.67</b>	<b>404.67</b>	<b>40,903.77</b>
Balance at 01 April 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
Additions		-	56.25	226.66	611.50	222.64	202.04	233.57	65.09	1,617.75
Disposals		-	(42.85)	(0.14)	(27.79)	(48.83)	(27.54)	(32.17)	(37.13)	(216.45)
Exchange differences on translation of foreign operations		142.72	141.15	2.84	56.55	36.61	38.10	62.55	1.82	482.34
<b>Balance at 31 March 2024</b>		<b>11,467.85</b>	<b>3,431.04</b>	<b>3,598.55</b>	<b>15,630.10</b>	<b>2,128.40</b>	<b>1,860.40</b>	<b>4,236.62</b>	<b>434.45</b>	<b>42,787.41</b>
<b>Accumulated depreciation</b>										
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	36	-	449.73	117.92	1,622.82	151.12	479.60	459.88	34.24	3,315.31
Impairment loss		-	-	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations		-	242.59	4.22	296.91	130.15	71.08	241.91	5.84	992.70
<b>Balance at 31 March 2023</b>		<b>-</b>	<b>2,762.23</b>	<b>608.63</b>	<b>5,971.86</b>	<b>1,415.86</b>	<b>1,443.07</b>	<b>3,180.73</b>	<b>223.42</b>	<b>15,605.80</b>
Balance at 01 April 2023		-	2,762.23	608.63	5,971.86	1,415.86	1,443.07	3,180.73	223.42	15,605.80
Depreciation	36	-	329.99	132.55	1,937.40	149.15	279.88	408.76	41.13	3,278.86
Disposals		-	-	-	(2.52)	(48.48)	(1.33)	(25.27)	(31.14)	(108.74)
Impairment loss	52	-	-	-	237.44	10.00	10.00	-	-	257.44
Exchange differences on translation of foreign operations		-	71.93	0.51	108.97	31.32	27.50	55.99	0.72	296.94
<b>Balance at 31 March 2024</b>		<b>-</b>	<b>3,164.15</b>	<b>741.69</b>	<b>8,253.15</b>	<b>1,557.85</b>	<b>1,759.12</b>	<b>3,620.21</b>	<b>234.13</b>	<b>19,330.30</b>
<b>Carrying amounts</b>										
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
At 31 March 2024		11,467.85	266.89	2,856.86	7,376.95	570.55	101.28	616.41	200.32	23,457.11

\* Refer note 43 for assets hypothecated as security against bank borrowings.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(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 2024	31 March 2023
<b>Opening balance</b>	<b>389.37</b>	<b>110.69</b>
Additions during the year	29.85	793.12
Impairment loss	(391.78)	-
Capitalisation during the year	(29.75)	(521.18)
Exchange differences on translation of foreign operations	2.31	6.74
<b>Closing balance</b>	<b>-</b>	<b>389.37</b>

#### Ageing of Capital work-in-progress:

As at 31 March 2024	Amount in Capital work in progress for a period of				Total
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-

As at 31 March 2023	Amount in Capital work in progress for a period of				Total
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	310.86	78.51	-	-	389.37

Capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan is ₹ Nil (31 March 2023: Nil)

### 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	Building	Total
<b>As at 31 March 2024</b>				
<b>Balance as at 1 April 2023</b>		<b>827.17</b>	<b>7,295.64</b>	<b>8,122.81</b>
Depreciation charge for the year	36	(20.60)	(2,502.42)	(2,523.02)
Additions to right-of-use assets		-	6,115.94	6,115.94
Exchange differences on translation of foreign operations		0.40	121.01	121.41
<b>Balance as at 31 March 2024</b>		<b>806.97</b>	<b>11,030.17</b>	<b>11,837.14</b>
<b>As at 31 March 2023</b>				
<b>Balance as at 1 April 2022</b>		<b>849.24</b>	<b>5,523.46</b>	<b>6,372.70</b>
Depreciation charge for the year	36	(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
<b>Balance as at 31 March 2023</b>		<b>827.17</b>	<b>7,295.64</b>	<b>8,122.81</b>

#### Amount recognised in profit or loss

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on lease liability	35	239.14	264.48
Expenses relating to short-term leases	37	1,461.74	1,677.06

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 6 RIGHT-OF-USE ASSETS (Contd..)

#### Amounts recognised in statement of cash flows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Total cash outflow for leases	4,714.78	4,576.21

The following is the movement in lease liabilities during the year:

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>7,869.32</b>	<b>6,526.09</b>
Additions during the year		6,051.32	3,348.68
Interest expenses for the year	35	239.14	264.48
Payment of lease liability during the year		(3,253.04)	(2,899.15)
Exchange differences on translation of foreign operations		310.27	629.22
<b>Closing Balance</b>		<b>11,217.01</b>	<b>7,869.32</b>
Current		2,286.98	2,405.81
Non - current		8,930.03	5,463.51

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.

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.

### 7 INTANGIBLE ASSETS

#### Reconciliation of carrying amount

Particulars	Note	Softwares (a)	Brands (b)	Broadcast rights (c)	Other intangible assets (a) + (b) +(c)	Goodwill on consolidation
<b>Cost</b>						
<b>Balance at 01 April 2022</b>		<b>11,407.82</b>	-	<b>9,102.66</b>	<b>20,510.48</b>	<b>3,049.32</b>
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	-
<b>Balance at 31 March 2023</b>		<b>17,036.78</b>	-	<b>9,315.34</b>	<b>26,352.12</b>	<b>3,049.32</b>
<b>Balance at 01 April 2023</b>		<b>17,036.78</b>	-	<b>9,315.34</b>	<b>26,352.12</b>	<b>3,049.32</b>
Additions		552.33	2,337.52	683.11	3,572.96	8,885.56
Written off / disposals		-	-	-	-	-
Exchange differences on translation of foreign operations		291.05	17.57	300.43	609.05	-
<b>Balance at 31 March 2024</b>		<b>17,880.16</b>	<b>2,355.09</b>	<b>10,298.88</b>	<b>30,534.13</b>	<b>11,934.88</b>
<b>Accumulated amortisation</b>						
<b>Balance at 01 April 2022</b>		<b>7,374.26</b>	-	<b>1,611.90</b>	<b>8,986.16</b>	-
Amortisation	36	1,696.46	-	820.25	2,516.71	-
Impairment loss	52	-	-	-	-	-
Exchange differences on translation of foreign operations		605.94	-	61.73	667.67	-
<b>Balance at 31 March 2023</b>		<b>9,676.66</b>	-	<b>2,493.88</b>	<b>12,170.54</b>	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 7 INTANGIBLE ASSETS (Contd..)

Particulars	Note	Softwares (a)	Brands (b)	Broadcast rights (c)	Other intangible assets (a) + (b) +(c)	Goodwill on consolidation
<b>Balance at 01 April 2023</b>		<b>9,676.66</b>	<b>-</b>	<b>2,493.88</b>	<b>12,170.54</b>	<b>-</b>
Amortisation	36	2,384.79	234.13	917.47	3,536.39	181.00
Impairment loss	52	-	-	-	-	-
Exchange differences on translation of foreign operations		179.02	1.76	70.10	250.88	-
<b>Balance at 31 March 2024</b>		<b>12,240.47</b>	<b>235.89</b>	<b>3,481.45</b>	<b>15,957.81</b>	<b>181.00</b>
<b>Carrying amounts</b>						
<b>At 31 March 2023</b>		<b>7,360.12</b>	<b>-</b>	<b>6,821.46</b>	<b>14,181.58</b>	<b>3,049.32</b>
<b>At 31 March 2024</b>		<b>5,639.69</b>	<b>2,119.20</b>	<b>6,817.43</b>	<b>14,576.32</b>	<b>11,753.88</b>

Goodwill is allocated to the acquisition of below subsidiaries:

Particulars	31 March 2024	31 March 2023
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
Mindful Souls BV, Netherlands	8,853.32	-
<b>Total</b>	<b>11,902.64</b>	<b>3,049.32</b>

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 2024	31 March 2023
Discount rate	17.81%	17.00%
Terminal value growth rate	2.00%	3.00%
Budgeted EBITDA growth rate	6.00% to 20.00%	6.00% to 20.00%

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 2024	31 March 2023
<b>Opening balance</b>	<b>99.09</b>	<b>2,555.20</b>
Additions during the year	828.88	2,175.12
Capitalisation during the year	(360.01)	(4,741.08)
Exchange differences on translation of foreign operations	0.91	109.85
<b>Closing balance</b>	<b>568.87</b>	<b>99.09</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 8 INTANGIBLE ASSET UNDER DEVELOPMENT (Contd..)

#### Ageing for Intangible asset under development:

As at 31 March 2024	Amount in Intangible asset under development for a period of				
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	568.87	-	-	-	568.87

As at 31 March 2023	Amount in Intangible asset under development for a period of				
	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	96.09	3.00	-	-	99.09

### 9 FINANCIAL ASSETS - INVESTMENTS

Particulars	31 March 2024	31 March 2023
<b>A Non-current investments</b>		
<b>Unquoted</b>		
<b>Investment in equity instruments at FVTPL</b>		
1,000 (31 March 2023: 1,000) equity shares of Yen 50 each Asahi Shinkin Bank Stock	0.28	0.31
<b>Total unquoted non current investments</b>	<b>0.28</b>	<b>0.31</b>
<b>Note:</b>		
Aggregate amount of unquoted non-current investments	0.28	0.31
Aggregate amount of impairment in value of non-current investments	-	-
<b>B Current investments</b>		
<b>Unquoted investments at FVTPL</b>		
<b>Investment in liquid mutual funds:</b>		
AGI Heritage Sel 3801 - 11,993,769.68 units (31 March 2023 - 62,787.87 units)	10,004.21	51.66
Goldman FS TR OB INS 468 - 21,03,815.24 units (31 March 2023 - 12,361.32 units)	1,753.95	10.17
JP Morgan Prime MM C3605 - 1,84,860.87 units (31 March 2023 - 93,505.59 units)	154.18	76.92
Goldman FS MM Inst 474 - 14,938.46 units (31 March 2023 - 14,183.80 units)	12.46	11.67
Other deposits	0.22	-
<b>Investment in corporate bonds:</b>		
NTPC Limited FGN 3.75% - 1,000,000 units (31 March 2023 - 1,000,000 units)	833.66	810.67
Advantage Bank Deposit FDIC- 18,758.8 units (31 March 2023 - Nil units)	15.64	-
Indian Oil Corp 5.75% - Nil units (31 March 2023 - 1,620,000 units)	-	1,334.20
ONGC Videsh Ltd 3.75% - Nil units (31 March 2023 - 1,380,000 units)	-	1,133.42
<b>Total current investments at FVTPL</b>	<b>12,774.32</b>	<b>3,428.71</b>
<b>Note:</b>		
Aggregate amount of unquoted current investments	12,774.32	3,428.71
Aggregate amount of impairment in value of current investments	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 10 OTHER FINANCIAL ASSETS

Particulars	31 March 2024	31 March 2023
<b>Non- current</b>		
Balance with bank to the extent held as security *	36.02	53.09
Security deposits, unsecured, considered good	796.58	771.12
Other receivables	-	-
	<b>832.60</b>	<b>824.21</b>
<b>Current</b>		
Interest accrued on deposits with banks	139.56	237.38
Export incentives receivables	126.80	-
Forward contract receivables	8.45	-
	<b>274.81</b>	<b>237.38</b>

\* Pledged with custom authority, vendor against the procurement of raw material and bank for credit card and short term borrowing.

### 11 TAX ASSETS (net)

Particulars	31 March 2024	31 March 2023
<b>Non-current</b>		
Deposits with tax authorities	383.24	1,135.89
	<b>383.24</b>	<b>1,135.89</b>
<b>Current</b>		
Deposits with tax authorities	364.00	-
	<b>364.00</b>	<b>-</b>

### 12 OTHER NON- CURRENT ASSETS

Particulars	31 March 2024	31 March 2023
Capital advances	361.64	25.52
Prepaid expenses	186.45	34.08
	<b>548.09</b>	<b>59.60</b>

### 13 INVENTORIES\*

Particulars	31 March 2024	31 March 2023
Raw materials (including gemstone inventory of ₹ 10,066.80 lacs (31 March 2023: ₹ 8,269.35 lacs)	12,538.61	10,962.77
Work-in-progress	619.03	316.70
Finished goods **	44,442.77	51,050.16
Stores and consumables	221.83	164.19
Right to recover returned goods ***	1,794.61	1,757.61
<b>Total inventories</b>	<b>59,616.85</b>	<b>64,251.43</b>

\* Refer note 43 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 14 TRADE RECEIVABLES\*

Particulars	31 March 2024	31 March 2023
<b>Trade receivables</b>		
Trade receivables considered good - unsecured **	31,284.79	24,038.46
Trade receivables - credit impaired	2,067.10	1,934.51
Total trade receivables	33,351.89	25,972.97
Less: Loss allowance	(2,067.10)	(1,934.51)
<b>Net trade receivables</b>	<b>31,284.79</b>	<b>24,038.46</b>

\* Refer note 43 for current assets hypothecated as security against bank borrowings.

\*\* Also includes uncleared payment provider receipts of ₹ 4,074.62 lacs, which are typically due within 2 - 4 business days (31 March 2023: ₹ 2,009.54 lacs)

### Ageing of trade receivables

As at 31 March 2024	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	21,281.54	7,714.01	2,194.35	94.89	-	-	31,284.79
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	451.92	847.80	767.38	2,067.10
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

As at 31 March 2023	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
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

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables are included in Note 48.

### 15 CASH AND CASH EQUIVALENTS \*

Particulars	31 March 2024	31 March 2023
Balances with bank		
On current account **	6,117.73	5,241.63
Deposits with original maturity of less than three months ***	-	5,764.71
Cash on hand	29.85	35.78
Funds-in-transit	-	15.88
<b>Cash and cash equivalents in the balance sheet and cash flows</b>	<b>6,147.58</b>	<b>11,058.00</b>

\* Refer note 43 for current assets hypothecated as security against bank borrowings.

\*\* includes bank balance of ₹ 259.38 lacs (previous year: ₹ 226.14 lacs) in Vaibhav Global Employee Stock Option Welfare Trust.

\*\*\* Deposits of ₹ Nil (Previous year: 1,300 Lacs) pledged with bank for short term borrowings.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS \*

Particulars	31 March 2024	31 March 2023
Deposits with banks with original maturity of more than three months but less than twelve months**	4,335.94	12,851.34
Unpaid dividend account***	17.93	12.73
	<b>4,353.87</b>	<b>12,864.07</b>

\* Refer note 43 for current assets hypothecated as security against bank borrowings.

\*\* Deposits of ₹ 3,512.05 lacs (31 March 2023: ₹ 2,757.29 lacs) 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 2024	31 March 2023
<b>Current</b>		
Other receivables - Advance to employees	146.88	141.87
	<b>146.88</b>	<b>141.87</b>

\* Refer note 43 for current assets hypothecated as security against bank borrowings.

### 18 OTHER CURRENT ASSETS \*

Particulars	31 March 2024	31 March 2023
<b>Unsecured, considered good</b>		
<b>Advances other than capital advances</b>		
Advances to suppliers	1,381.76	1,719.74
<b>Others</b>		
Balances with government authorities	2,694.15	1,617.51
Prepaid expenses	2,593.85	2,985.22
Forward contracts receivable	-	30.01
Other receivables	244.48	519.16
	<b>6,914.24</b>	<b>6,871.64</b>

\* Refer note 43 for current assets hypothecated as security against bank borrowings.

### 19 EQUITY SHARE CAPITAL

Particulars	31 March 2024	31 March 2023
<b>Authorized</b>		
205,000,000 equity shares of ₹ 2 each (31 March 2023: 205,000,000 equity shares of ₹ 2 each)	4,100.00	4,100.00
4,500,000 (31 March 2023: 4,500,000) unclassified equity shares of ₹ 100 each	4,500.00	4,500.00
	<b>8,600.00</b>	<b>8,600.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
165,533,429 equity shares of ₹ 2 each (31 March 2023: 164,882,085 equity shares of ₹ 2 each)	3,310.65	3,297.63
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>3,310.65</b>	<b>3,297.63</b>

#### 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 2024		31 March 2023	
		No. of shares	Amount	No. of shares	Amount
At the commencement of the period		164,882,085	3,297.63	163,798,614	3,275.96
Shares issued on exercise of employee stock options		767,639	15.35	1,216,960	24.34
		165,649,724	3,312.98	165,015,574	3,300.30
Less: Treasury shares	41	116,295	2.33	133,489	2.67
<b>At the end of the period</b>		<b>165,533,429</b>	<b>3,310.65</b>	<b>164,882,085</b>	<b>3,297.63</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 19 EQUITY SHARE CAPITAL (Contd..)

#### 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 2023 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 holding company

Particulars	31 March 2024		31 March 2023	
	Number	Amounts	Number	Amounts
Equity shares of ₹ 2 each fully paid up held by holding company (Brett Enterprises Private Limited)	92,343,516	1,846.87	92,042,991	1,840.86

#### e) Particulars of shareholders holding more than 5% shares of a class of shares:

Name of the shareholder	31 March 2024		31 March 2023	
	% of Holding	No. of shares	% of Holding	No. of shares
Brett Enterprises Private Limited *	55.75%	92,343,516	55.78%	92,042,991
Nalanda India Fund Limited	9.26%	15,343,090	10.18%	16,798,565
Motilal Oswal Fund	2.13%	3,524,982	5.50%	9,071,323
Malabar India Fund Limited	5.49%	9,098,677	5.39%	8,898,677

\* Holding Company

#### f) Shares reserved for issue under options

Particulars	31 March 2024			31 March 2023		
	No of shares	WAEP	Amount	No of shares	WAEP	Amount
Vaibhav Global Limited, Employee Stock Options Plan - 2006	2,880,552	153.44	57.61	3,379,950	153.02	67.60
Vaibhav Global Limited Restricted Stock Unit Plan - 2019	1,252,488	2.00	25.05	672,327	2.00	13.45
Vaibhav Global Limited, Employee Stock Options Plan - 2021	172,604	265.80	3.45	131,483	273.40	2.63
Vaibhav Global Limited, Management Stock Options Plan - 2021	86,321	2.00	1.73	32,470	2.00	0.65

#### 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 19 EQUITY SHARE CAPITAL (Contd..)

#### h) Shareholding of promoters

As at 31 March 2024

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	92,042,991	300,525	92,343,516	55.75%	0.33%
Deepti Agrawal	2,093,000	45,000	2,138,000	1.29%	2.15%
Sunil Agrawal	140,700	-	140,700	0.08%	0.00%
Sheela Agarwal	113,200	-	113,200	0.07%	0.00%
Hursh Agrawal	50,000	(45,000)	5,000	0.00%	-90.00%
Sanjeev Agrawal	42,100	-	42,100	0.03%	0.00%
<b>Total</b>	<b>94,481,991</b>	<b>300,525</b>	<b>94,782,516</b>	<b>57.22%</b>	<b>0.32%</b>

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%
<b>Total</b>	<b>95,252,516</b>	<b>(770,525)</b>	<b>94,481,991</b>	<b>57.26%</b>	<b>-0.81%</b>

\* During previous 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.

### 20 OTHER EQUITY - RESERVES AND SURPLUS

#### A. Movement in reserves and surplus

Particulars	Note	31 March 2024	31 March 2023
Securities premium	i	37,768.91	35,430.62
Share based payment reserve	ii	1,550.63	1,511.40
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	69,295.24	66,688.09
<b>Total reserves and surplus</b>		<b>115,352.58</b>	<b>110,367.91</b>

#### i. Securities premium:

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>35,430.62</b>	<b>32,937.41</b>
Share options exercised		2,482.85	2,668.59
Treasury shares	41	(144.56)	(175.38)
<b>Closing balance</b>		<b>37,768.91</b>	<b>35,430.62</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 20 OTHER EQUITY - RESERVES AND SURPLUS (Contd..)

#### ii. Share based payment reserve

Particulars	Note	31 March 2024	31 March 2023
<b>Opening balance</b>		<b>1,511.40</b>	<b>1,160.22</b>
Equity settled share based payments	34	1,677.66	1,361.90
Transfer to securities premium		(1,638.43)	(1,010.72)
<b>Closing balance</b>		<b>1,550.63</b>	<b>1,511.40</b>

#### iii. Capital redemption reserve

Particulars	31 March 2024	31 March 2023
<b>Opening balance</b>	<b>4,486.57</b>	<b>4,486.57</b>
Movement during the year	-	-
<b>Closing balance</b>	<b>4,486.57</b>	<b>4,486.57</b>

#### iv. Capital reserve

Particulars	31 March 2024	31 March 2023
<b>Opening balance</b>	<b>954.76</b>	<b>954.76</b>
Movement during the year	-	-
<b>Closing balance</b>	<b>954.76</b>	<b>954.76</b>

#### v. General reserve

Particulars	31 March 2024	31 March 2023
<b>Opening balance</b>	<b>1,296.47</b>	<b>1,296.47</b>
Movement during the year	-	-
<b>Closing balance</b>	<b>1,296.47</b>	<b>1,296.47</b>

#### vi. Retained earnings

Particulars	31 March 2024	31 March 2023
<b>Opening balance</b>	<b>66,688.09</b>	<b>66,501.09</b>
Profit for the year	12,791.46	10,496.21
Other comprehensive income / (loss) for the year	(21.80)	(83.31)
Dividends	(9,921.18)	(9,879.57)
Dividend distribution tax	(241.33)	(346.33)
<b>Closing balance</b>	<b>69,295.24</b>	<b>66,688.09</b>

### 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 20 OTHER EQUITY - RESERVES AND SURPLUS (Contd..)

#### 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.

#### 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	Period ended 31 March 2024	Period ended 31 March 2023
₹ 1.5 per equity share as final dividend for the year ended 31 March 2023	2,477.38	-
₹ 1.5 per equity share as interim dividend for the year ended 31 March 2024	2,478.83	-
₹ 1.5 per equity share as second interim dividend for the year ended 31 March 2024	2,481.25	-
₹ 1.5 per equity share as third interim dividend for the year ended 31 March 2024	2,483.73	-
₹ 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
<b>Total</b>	<b>9,921.19</b>	<b>9,879.57</b>

On 23 May 2024, the Board of Directors of the Company have proposed a final dividend of ₹ 1.5/- per equity share for the year ended 31 March 2024 subject to the approval of the shareholders at the Annual General Meeting. The dividends have not been recognised as liabilities.

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
₹ 1.5 per equity share having face value of ₹ 2/- each (31 March 2023: ₹ 1.5 per equity share having face value of ₹ 2/- each)	2,484.75	2,475.23

\* calculated on the basis of number of equity shares outstanding (including treasury shares) as on 31 March 2024 i.e., 165,649,724 shares (face value of ₹ 2/- per share) (31 March 2023: 165,015,574 shares (face value of ₹ 2/- per share))

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 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 2024	31 March 2023
<b>Opening balance</b>	<b>6,463.86</b>	<b>2,064.76</b>
Movement during the year	639.07	4,399.10
<b>Closing balance</b>	<b>7,102.93</b>	<b>6,463.86</b>

#### 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.

### 22 NON-CONTROLLING INTEREST

The following table summarizes the information relating to the Group's subsidiary that has material non-controlling interest, before any intra-group eliminations.

Particulars	Encase Packaging Private Limited	
	31 March 2024	31 March 2023
NCI percentage	40.00%	40.00%
Non-current assets	700.88	681.66
Current assets	343.27	314.63
Non-current liabilities	(352.05)	(323.77)
Current liabilities	(560.66)	(246.20)
<b>Net assets</b>	<b>131.44</b>	<b>426.32</b>
<b>Net assets attributable to NCI</b>	<b>52.58</b>	<b>170.53</b>
Revenue for the year	808.06	996.55
(Loss)/Profit for the year	(294.88)	43.89
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(294.88)</b>	<b>43.89</b>
Profit allocated to NCI	(117.95)	17.56
OCI allocated to NCI	-	-
Cash flows from / (used in) operating activities	(147.54)	(1.47)
Cash flows from / (used in) investment activities	(47.19)	(84.27)
Cash flows from / (used in) financing activities (dividends to NCI: Nil)	191.36	17.95
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(3.37)</b>	<b>(67.79)</b>

### 23 PROVISIONS

Particulars	Note	Non-Current		Current	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Provision for employee benefits</b>					
Provision for gratuity	40	439.64	280.64	366.11	298.75
Provision for compensated absences	40	246.33	214.07	140.48	112.89
<b>Total provisions for employee benefits (A)</b>		<b>685.97</b>	<b>494.71</b>	<b>506.59</b>	<b>411.64</b>
<b>Other provision</b>					
Provision for expected sales return (B)		-	-	4,302.06	3,738.83
<b>Total provisions (A+B)</b>		<b>685.97</b>	<b>494.71</b>	<b>4,808.65</b>	<b>4,150.47</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 24 BORROWINGS

Particulars	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Loan repayable on demand from banks:</b>				
Pre-shipment credit (secured)	-	-	5,655.16	6,461.26
Post-shipment credit (secured)	-	-	4,635.75	4,679.15
<b>Term loans:</b>				
From Bank				
Secured bank loan	141.40	231.25	50.15	91.58
From others	-	-	-	-
<b>Total borrowings</b>	<b>141.40</b>	<b>231.25</b>	<b>10,341.06</b>	<b>11,231.99</b>

#### Notes:

#### a) Nature of security for pre-shipment and post-shipment credit (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 and vehicles) situated at K-6A & K-6B, Adarsh Nagar and E-68, E-69 Sitapura Industrial Area, and E-1 & E-2, SEZ-II, 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
- (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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 25 GOLD ON LOAN

Particulars	31 March 2024	31 March 2023
<b>Secured</b>		
Payable to banks ^	118.34	-
	<b>118.34</b>	<b>-</b>

#### ^ Nature of security:-

- (i) First Pari Passu charge on all Current Assets and Movable Fixed Assets of the Borrower (both present and future)
- (ii) First Pari Passu charge by way of Equitable Mortgage on collateral properties located as mentioned below:
  - a) 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
- (iii) Unconditional and irrevocable Personal guarantee of Mr. Sunil Agrawal, Managing Director of the Company

### 26 TRADE PAYABLES

Particulars	31 March 2024	31 March 2023
Trade payables	22,435.16	25,682.87
	<b>22,435.16</b>	<b>25,682.87</b>

#### Trade payables ageing schedule

Particulars	Unbilled dues	Trade payables which are not due	Outstanding for following periods from due date of payment as at 31 March 2024				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed	5,427.11	6,589.26	10,252.65	69.12	94.49	2.53	22,435.16
Disputed	-	-	-	-	-	-	-
<b>Total trade payables</b>	<b>5,427.11</b>	<b>6,589.26</b>	<b>10,252.65</b>	<b>69.12</b>	<b>94.49</b>	<b>2.53</b>	<b>22,435.16</b>

#### Trade payables ageing schedule

Particulars	Unbilled dues	Trade payables which are not due	Outstanding for following periods from due date of payment as at 31 March 2023				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	-	-	-	-	-	-	-
<b>Total trade payables</b>	<b>4,763.00</b>	<b>9,609.24</b>	<b>11,015.66</b>	<b>115.87</b>	<b>33.37</b>	<b>145.73</b>	<b>25,682.87</b>

### 27 OTHER FINANCIAL LIABILITIES

Particulars	Note	31 March 2024	31 March 2023
<b>Non- current</b>			
Purchase consideration payable	49	140.08	-
		<b>140.08</b>	<b>-</b>
<b>Current</b>			
Purchase consideration payable	49	1,113.88	-
Employee benefit payables		1,321.11	683.09
Capital creditors		18.51	552.50
Unclaimed dividend		17.93	12.73
Interest accrued but not due on borrowings		-	12.58
Other payables		21.70	42.32
		<b>2,493.13</b>	<b>1,303.22</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 28 OTHER CURRENT LIABILITIES

Particulars	31 March 2024	31 March 2023
Statutory dues payable	3,581.69	2,261.86
Advance from customers	2,308.43	2,296.14
Other liabilities	3,059.04	2,593.05
	<b>8,949.16</b>	<b>7,151.05</b>

### 29 REVENUE FROM OPERATIONS

#### A. Revenue streams

Group generates revenue primarily from sales of fashion jewelry and lifestyle products. Other sources of revenue comprises amount related to subscription income from customers and restocking fees etc.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	302,088.20	267,878.92
Other operating revenues		
- Subscription income	1,079.45	851.25
- Restocking fees	469.89	120.70
- Other miscellaneous operating revenues	458.92	240.57
<b>Total revenue from operations</b>	<b>304,096.46</b>	<b>269,091.44</b>

#### B. Major products lines

In the following table, revenue from contracts with customers is disaggregated by major product lines:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Jewellery and Gemstone	215,056.04	198,137.01
Non Jewellery Products	87,032.16	69,741.91
<b>Revenue from contracts with customers</b>	<b>302,088.20</b>	<b>267,878.92</b>

#### C. Primary geographical markets

In the following table, revenue from contracts with customers is disaggregated by primary geographical market:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Primary geographical markets</b>		
United States of America	182,462.95	177,327.42
United Kingdom	80,541.21	71,105.44
Europe (excluding United Kingdom)	26,610.67	12,020.81
India	10,619.36	5,528.48
Rest of world	1,854.01	1,896.77
<b>Revenue from contracts with customers</b>	<b>302,088.20</b>	<b>267,878.92</b>

#### D. Timing of revenue recognition

In the following table, revenue from contracts with customers is disaggregated by timing of revenue recognition:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
- Products transferred at a point in time	302,088.20	267,878.92

#### E. Reconciliation of revenue recognized with the contracted price is as follows

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contracted price	<b>315,558.08</b>	<b>278,660.92</b>
Reductions towards variable consideration components (discounts and rebates)	(13,469.88)	(10,782.00)
<b>Revenue recognised</b>	<b>302,088.20</b>	<b>267,878.92</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 30 OTHER INCOME

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
Interest income on bank deposits		875.16	670.91
Gain on sale of property plant and equipment (net)		-	0.97
Net gain on foreign currency transactions		938.22	1,256.17
Liabilities no longer required written back		23.27	39.45
Remeasurement of fair value for contingent consideration		722.54	-
Miscellaneous income		104.00	795.21
		<b>2,663.19</b>	<b>2,762.71</b>

### 31 COST OF MATERIALS CONSUMED

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Inventory of materials at the beginning of the year	13	10,944.35	9,956.40
Add: Purchases		33,459.07	27,288.08
		<b>44,403.42</b>	<b>37,244.48</b>
Less: Inventory of materials at the end of the year	13	(12,538.61)	(10,964.65)
<b>Cost of materials consumed</b>		<b>31,864.81</b>	<b>26,279.83</b>

### 32 PURCHASES OF STOCK-IN-TRADE

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
Purchases of stock-in-trade		68,086.66	69,964.17
		<b>68,086.66</b>	<b>69,964.17</b>

### 33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>Inventory at the beginning of the period</b>			
Work in progress	13	316.70	326.95
Finished goods * #	13	53,361.01	51,496.72
<b>Inventory at the end of the period</b>			
Work in progress	13	619.03	316.70
Finished goods *	13	46,237.38	52,805.89
Loss on translation of stock at average rate		810.83	3,439.84
		<b>7,632.13</b>	<b>2,140.92</b>

\* Finished goods includes goods purchased for re-sale, as both are stocked together.

# Includes inventory amounting to ₹ 542.07 lacs on account of acquisition made during the year (refer note 49)

### 34 EMPLOYEE BENEFITS EXPENSE

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	40	47,711.74	42,767.35
Contribution to provident and other funds	40	4,860.97	4,163.39
Share-based payments	41	1,677.66	1,387.90
Staff welfare expenses		2,970.72	3,193.51
		<b>57,221.09</b>	<b>51,512.15</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 35 FINANCE COSTS

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>Interest expense on</b>			
Financial liabilities measured at amortised cost		745.47	374.58
Lease liabilities	6	239.14	264.48
Gold on loan		10.00	-
Other finance costs		176.83	180.62
		<b>1,171.44</b>	<b>819.68</b>

### 36 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment	4	3,279.41	3,315.31
Depreciation of right-of-use assets	6	2,523.02	1,943.27
Amortisation of intangible assets	7	3,536.39	2,516.71
		<b>9,338.82</b>	<b>7,775.29</b>

### 37 OTHER EXPENSES

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>a. Manufacturing and direct expenses</b>		
Job work charges	6,399.30	4,739.81
Stores and consumables	765.13	642.75
Power and fuel	442.44	367.78
Repairs and maintenance - machinery	29.67	21.58
Other manufacturing and direct	347.39	552.34
	<b>7,983.93</b>	<b>6,324.26</b>
<b>b. Administrative and selling expenses</b>		
Rent	1,461.74	1,677.06
Rates and taxes	369.31	581.48
Insurance	735.98	662.65
Travelling and conveyance	1,505.49	1,366.46
Legal and professional fees (refer below note (i))	775.21	1,271.36
Repairs and maintenance - others	1,018.49	505.34
Advertising and sales promotion	4,403.90	4,818.51
Packing and forwarding	2,467.58	2,915.16
Postage and telephone	437.20	442.32
Printing and stationery	182.29	161.85
Security	294.87	285.18
Directors' remuneration *	-	174.15
Directors' sitting fees *	-	35.63
Charitable contribution	714.57	693.09
Impairment losses on financial assets (Allowances for / write off doubtful debts and advances)	3,289.31	2,571.99
Loss on sale/write off of property, plant and equipments	4.52	-
Content and broadcasting	50,172.40	41,504.08
Call handling and collection	9,705.37	9,013.96
Packing and distribution	22,173.56	19,771.80
Information technology	2,733.56	2,252.15
Miscellaneous	2,013.80	2,203.17
	<b>104,459.15</b>	<b>92,907.39</b>
	<b>112,443.08</b>	<b>99,231.65</b>

\* Remuneration and sitting fees paid to Non-Executive directors for the year ended 31 March 2024 has been clubbed under Employee benefits expense (refer note 34)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 37 OTHER EXPENSES (Contd..)

#### Note (i) : Payment to auditors

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As auditor	206.19	199.50
For taxation matters	23.21	39.10
For reimbursement of expenses	21.10	23.97
	<b>250.50</b>	<b>262.57</b>

### 38 TAX EXPENSE

#### (a) Amounts recognised in profit or loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax expense</b>		
Current year	5,683.30	3,967.30
<b>Deferred tax expense</b>		
Attributable to original and reversal of temporary differences	(161.34)	(350.61)
	<b>5,521.96</b>	<b>3,616.69</b>

#### (b) Amounts recognised in other comprehensive income

Particulars	31 March 2024		
	Before tax	Tax (expense)	Net of tax benefit
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit liability	(49.18)	13.69	(35.49)
<b>Items that are or may be reclassified subsequently to profit or loss</b>			
Foreign operations - foreign currency translation differences	639.07	-	639.07
Particulars	31 March 2023		
	Before tax	Tax (expense)	Net of tax benefit
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit liability	(171.99)	44.34	(127.65)
<b>Items that are or may be reclassified subsequently to profit or loss</b>			
Foreign operations - foreign currency translation differences	4,399.10	-	4,399.10

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 38 TAX EXPENSE (Contd..)

#### (c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	%	Amount	%	Amount
<b>Profit before tax</b>		<b>18,195.47</b>		<b>14,130.46</b>
Tax using the Company's domestic tax rate	34.94%	6,358.23	34.94%	4,937.76
Effect of change in tax rates from Parent Company's tax rates	-20.76%	(3,776.75)	-20.59%	(2,909.04)
Tax effects of:				
- Net tax impact on deduction/ disallowances in ascertaining taxable income as per Income Tax Act 1961	0.35%	62.81	-0.52%	(73.91)
- Net of timing difference reversed within tax exemption period and prior period deferred taxation	-0.05%	(9.75)	-0.51%	(72.35)
- Current-year losses for which no deferred tax asset is recognised #	18.47%	3,360.07	14.66%	2,071.63
- Non recognition of deferred tax against foreign tax credit due to absence of reasonable certainty	3.66%	665.70	9.88%	1,396.13
- Deferred tax against foreign tax credit for Financial year 2021 - 22 *	-5.25%	(955.58)	-9.96%	(1,407.95)
- Tax-exempt income (Section 10AA of income tax exemption)	-1.00%	(182.77)	-2.41%	(340.43)
- Other adjustments	0.00%	-	0.11%	14.86
	<b>30.35%</b>	<b>5,521.96</b>	<b>25.59%</b>	<b>3,616.69</b>

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 2038.

# 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).

#### (d) MAT credit entitlement

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Opening balance</b>	<b>2,020.33</b>	<b>2,020.33</b>
Add: MAT credit entitlement during the year	-	-
<b>Closing balance</b>	<b>2,020.33</b>	<b>2,020.33</b>

#### (e) Movement in deferred tax balances

Particulars	31 March 2024	31 March 2023
Deferred tax assets	3,065.01	2,799.74
Deferred tax liabilities	(796.21)	(213.19)
<b>Deferred tax balance</b>	<b>2,268.80</b>	<b>2,586.55</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 38 TAX EXPENSE (Contd..)

Particulars	Property, plant and equipment and intangible assets	Provision for employee benefits	MAT credit entitlement and tax losses carried forward	Other items	Total
<b>Balance as at 01 April 2022</b>	<b>(1,817.90)</b>	<b>133.98</b>	<b>2,020.33</b>	<b>1,855.19</b>	<b>2,191.60</b>
Recognised in profit and loss	(46.88)	87.55	-	309.94	350.61
Recognised in OCI	-	44.34	-	-	44.34
MAT credit entitlement	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>(1,864.78)</b>	<b>265.87</b>	<b>2,020.33</b>	<b>2,165.13</b>	<b>2,586.55</b>
<b>Balance as at 01 April 2023</b>	<b>(1,864.78)</b>	<b>265.87</b>	<b>2,020.33</b>	<b>2,165.13</b>	<b>2,586.55</b>
Recognised in profit and loss	(34.72)	35.55	-	160.51	161.34
Recognised pursuant to business combination	(518.68)	-	-	-	(518.68)
Recognised in OCI	-	13.69	-	-	13.69
MAT credit entitlement	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	-	25.90	25.90
<b>Balance as at 31 March 2024</b>	<b>(2,418.18)</b>	<b>315.11</b>	<b>2,020.33</b>	<b>2,351.54</b>	<b>2,268.80</b>

#### (f) Unrecognised deferred tax assets

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	31 March 2024	31 March 2023
Deductible temporary differences and tax losses	6,964.52	3,604.45
MAT credit entitlement	3,252.36	2,586.66

#### (g) Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

Particulars	31 March 2024	Expiry date	31 March 2023	Expiry date
Tax losses of Shop LC GmbH, Germany	5,518.21	Indefinite	3,409.23	Indefinite
Tax losses of Other Subsidiaries	256.17	31 March 2030	48.04	31 March 2030
Tax losses of Other Subsidiaries	413.12	31 March 2031	147.18	31 March 2031
Tax losses of Other Subsidiaries	777.02	31 March 2032	-	Not applicable
MAT Credit of Vaibhav Global Limited, India	3,252.36	2029 - 2038	2,586.66	2029 - 2037
<b>Total</b>	<b>10,216.88</b>		<b>6,191.11</b>	

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 39 EARNINGS PER SHARE (“EPS”)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Basic earnings per share</b>		
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	12,791.46	10,496.21
ii. Weighted average number of equity shares (basic)		
Opening balance *	164,882,085	163,798,614
Effect of share options exercised	338,678	518,738
<b>Weighted average number of equity shares for the year *</b>	<b>165,220,763</b>	<b>164,317,352</b>
iii. <b>Basic earnings per share</b>	<b>7.74</b>	<b>6.39</b>
<b>B. Diluted earnings per share</b>		
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	12,791.46	10,496.21
ii. Weighted average number of equity shares for (diluted)		
Weighted-average number of equity shares (basic)	165,220,763	164,317,352
Effect of share options on issue	3,243,467	2,488,194
Weighted average number of equity shares (diluted) for the year *	168,464,230	166,805,546
iii. <b>Diluted earnings per share</b>	<b>7.59</b>	<b>6.29</b>

\* Excludes treasury shares (refer note 41)

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.

### 40 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 2024	Year ended 31 March 2023
Employer's contribution to Employee's Provident Fund	237.19	239.91
Employer's contribution to Employee's State Insurance	34.82	37.75
Employer's contribution to National Pension Scheme	14.09	14.07
<b>Total</b>	<b>286.10</b>	<b>291.73</b>

The Group has contributed ₹ 2,498.44 lacs (previous year: ₹ 2,170.08 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:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 40 EMPLOYEE BENEFITS (Contd..)

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 2024	Year ended 31 March 2023
Current service cost	186.84	161.84
Interest cost on benefit obligation	33.31	20.13
<b>Net benefit expenses</b>	<b>220.16</b>	<b>181.97</b>

#### (b) Position of the assets and obligation

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Defined benefit obligation	(1,317.99)	(1,159.34)
Fair value of plan assets	512.24	579.95
<b>Liability recognised in balance sheet</b>	<b>(805.75)</b>	<b>(579.39)</b>

#### (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 2024		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
<b>Opening balance</b>	<b>1,159.34</b>	<b>579.95</b>	<b>579.39</b>
<b>Gratuity cost charged to profit or loss</b>			
Service cost	186.84	-	186.84
Net interest expense	75.62	42.31	33.31
Benefits paid	(139.21)	(105.79)	(33.42)
<b>Remeasurement gains/(losses) in other comprehensive income</b>	<b>-</b>		
Return on plan assets (excluding amounts included in net interest expense)	-	(4.23)	4.23
Actuarial changes arising from changes in demographic assumptions	(11.25)	-	(11.25)
Actuarial changes arising from changes in financial assumptions	41.68	-	41.68
Experience adjustments	4.97	-	4.97
<b>Contributions by employer</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing balance</b>	<b>1,317.99</b>	<b>512.24</b>	<b>805.75</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 40 EMPLOYEE BENEFITS (Contd..)

Particulars	Year ended 31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
<b>Opening balance</b>	<b>1,021.26</b>	<b>576.99</b>	<b>444.27</b>
<b>Gratuity cost charged to profit or loss</b>			
Service cost	161.84	-	161.84
Net interest expense	54.64	34.51	20.13
Benefits paid	(200.66)	(150.77)	(49.89)
<b>Remeasurement gains/(losses) in other comprehensive income</b>			
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
<b>Contributions by employer</b>	<b>-</b>	<b>124.61</b>	<b>(124.61)</b>
<b>Closing Balance</b>	<b>1,159.34</b>	<b>579.95</b>	<b>579.39</b>

(d) The major categories of plan assets of the fair value of the total plan assets are as follows :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
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 2024	Year ended 31 March 2023
Discount rate	7.15% - 7.20%	7.28% - 7.50%
Future salary increases	3.00% - 10.86%	3.00% - 9.88%
Retirement age (years)	60.00	60.00
Mortality rates inclusive of provision for disability (2012-14)	100% of IALM	100% of IALM
Employee turnover Withdrawal Rate (%)		
All ages	6.23% - 30.55%	6.23% - 27.77%

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 2024 and 31 March 2023 are shown as below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Impact on defined benefit obligation</b>		
<b>Discount rate</b>		
Increase by 1%	(36.87)	(34.52)
Decrease by 1%	39.32	36.95
<b>Future salary</b>		
Increase by 1%	35.67	33.99
Decrease by 1%	(34.42)	(32.55)



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 40 EMPLOYEE BENEFITS (Contd..)

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 2024 are ₹ 1537.40 lacs. The expected maturity analysis of defined benefit plan is as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Year		
- Within the next 12 months (next annual reporting period)	366.32	298.79
- Above 1 to 5 years	780.45	675.38
- More than 5 years	390.64	407.26
<b>Total expected payments</b>	<b>1,537.40</b>	<b>1,381.43</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 3 - 9 years (31 March 2023: 3-9 years)

#### (ii) Leave obligations

The amount of the provision of ₹ 386.81 lacs (31 March 2023: ₹ 326.96 lacs) is presented as current and non current. The Company has provided for the liability on the basis of actuarial valuation.

### 41 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.

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>3,375,180</b>	<b>153.03</b>	<b>4,794,256</b>	<b>121.90</b>
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(384,935)	186.09
Exercised during the year	(494,628)	150.61	(1,034,141)	144.12
<b>Outstanding at the end of the year</b>	<b>2,880,552</b>	<b>153.44</b>	<b>3,375,180</b>	<b>107.77</b>
Exercisable at 31 March	2,880,552	153.44	2,754,099	142.82

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 41 SHARE-BASED PAYMENTS (Contd..)

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 4.09 years (31 March 2023: 4.6 years)

The weighted average fair value of options granted during the year was ₹ 294.09 (31 March 2023: Not applicable).

The range of exercise prices for options outstanding at the end of the year was ₹ 4.13 to ₹ 528.80 (31 March 2023: ₹ 4.13 to ₹ 528.80)

#### b) Vaibhav Global Limited Restricted Stock Unit Plan - 2019

During the preceding 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 819,945 RSU (previous year: 579,055).

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>672,327</b>	<b>2.00</b>	<b>236,797</b>	<b>2.00</b>
Granted during the year	819,945	2.00	579,055	2.00
Forfeited during the year	(97,681)	2.00	(101,695)	2.00
Exercised during the year	(142,103)	2.00	(41,830)	2.00
<b>Outstanding at the end of the year</b>	<b>1,252,488</b>	<b>2.00</b>	<b>672,327</b>	<b>2.00</b>
Exercisable at 31 March	117,373	2.00	25,273	2.00

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 0.12 years (31 March 2023: 0.02 years)

The weighted average fair value of options granted during the year was ₹ 303.63 (31 March 2023: ₹ 359.83).

Exercise prices for options outstanding at the end of the year is ₹ 2 (31 March 2023: ₹ 2).

#### c) Vaibhav Global Limited, Employee Stock Options Plan - 2021

During the preceding 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 56,475 options (previous year: 121,970) under the ESOP Plan 2021.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 41 SHARE-BASED PAYMENTS (Contd..)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>131,483</b>	<b>273.40</b>	<b>65,678</b>	<b>562.00</b>
Granted during the year	56,475	270.79	121,970	238.02
Forfeited during the year	(15,354)	349.27	(56,165)	534.06
Exercised during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>172,604</b>	<b>265.80</b>	<b>131,483</b>	<b>273.40</b>
Exercisable at 31 March	<b>116,537</b>	<b>263.60</b>	-	-

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 6.48 years (31 March 2023: 4.45 years)

The weighted average fair value of options granted during the year was ₹ 162.36 (31 March 2023: ₹ 169.42).

The range of exercise prices for options outstanding at the end of the year was ₹ 2.00 to ₹ 562.00 (31 March 2023: ₹ 170.00 to ₹ 263.56).

#### d) Vaibhav Global Limited, Management Stock Options Plan - 2021

During the preceding 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 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 options 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 63,594 (previous year: 25,374) stock options.

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Number of options	WAEP	Number of options	WAEP
<b>Outstanding at beginning of the year</b>	<b>32,470</b>	<b>2.00</b>	<b>18,689</b>	<b>2.00</b>
Granted during the year	63,594	2.00	25,374	2.00
Forfeited during the year	-	-	(11,593)	2.00
Exercised during the year	(9,743)	2.00	-	-
<b>Outstanding at the end of the year</b>	<b>86,321</b>	<b>2.00</b>	<b>32,470</b>	<b>2.00</b>
Exercisable at 31 March	<b>1,788</b>	<b>2.00</b>	-	-

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 6.14 years (31 March 2023: 6.58 years)

The weighted average fair value of options granted during the year was ₹ 288.10 (31 March 2023: ₹ 349.84).

Exercise prices for options outstanding at the end of the year is ₹ 2 (31 March 2023: ₹ 2).

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 41 SHARE-BASED PAYMENTS (Contd..)

#### B. Share options granted during the year

The following tables list the inputs to the models used for the plans for the years ended 31 March 2024:

Series	31 March 2024						
	AX	AY	AZ	BA	BB	BC	BD
Stock price of option as on grant date	320.40	350.90	391.50	529.75	350.90	320.40	391.50
Exercise price of option	2.00	2.00	2.00	2.00	2.00	2.00	329.00
Risk free rate	6.99% to 7.08%	6.8% to 7%	7.0% to 7.2%	6.8% to 7%	7.05%	7.04%	7.21%
Volatility	37.9% to 43.1%	32.5% to 43.4%	33.8% to 42.6%	32.5% to 43.4%	41.2%	42.6%	42.6%

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%

#### C. The expense recognised for employee services received during the year is shown in the following table:

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Expense arising from equity-settled share-based payment transactions	1,677.66	1,387.90

There were no cancellations or modifications to the awards during the year ended 31 March 2024 or 31 March 2023.

#### D. A summary of movement of treasury shares is as follows:

Particulars	Number of shares	Amount
<b>Opening balance as on 01 April 2022</b>	<b>194,963</b>	<b>3.90</b>
Add: Shares allotted by Company	1,021,997	20.44
Less: Shares exercised by employee	(1,083,471)	(21.67)
<b>Closing balance as on 31 March 2023</b>	<b>133,489</b>	<b>2.67</b>
<b>Opening balance as on 01 April 2023</b>	<b>133,489</b>	<b>2.67</b>
Add: Shares allotted by Company	634,150	12.68
Less: Shares exercised by employee	(651,344)	(13.03)
<b>Closing balance as on 31 March 2024</b>	<b>116,295</b>	<b>2.33</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 42 CONTINGENT LIABILITIES AND COMMITMENTS

#### a) Contingent liabilities:

Particulars	31 March 2024	31 March 2023
(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	2.71	7.51
- Demand / show cause notice received under Goods and services Act	333.90	333.90
(b) Guarantees provided by the Parent Company		
(i) Guarantee given by the bank on behalf of the Parent Company to vendors/ government departments	450.00	500.00
(ii) Corporate guarantee to bank by Parent Company for borrowing of subsidiaries for working capital loan	971.00	971.00
(c) Claims against the Group not acknowledged as debt:	Not quantifiable	Not quantifiable

- A In earlier years, the Parent Company received notices from the Income Tax Department (“ITD”) under Section 148 of the Act for Assessment Year 2012-13 to Assessment Year 2015-16. During the current quarter, the Honorable High Court of Rajasthan has quashed the proceedings for Assessment Year 2013 - 14 to Assessment 2015 - 16 on technical grounds. For Assessment Year 2012 - 13, the Honorable High Court of Rajasthan has granted stay order on the Parent Company’s petition. Based upon the nature and external expert opinion obtained by the Parent Company, the management does not expect any liability to arise out of these proceedings. Amount is not quantifiable at this point in time.
- B In earlier year, the Income Tax Department (“the ITD”) conducted a Survey proceeding under section 133A of the Act at the premises of the Parent Company. 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, the management of the Parent Company 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, 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. Group also believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Group.

#### b) Commitments

Particulars	31 March 2024	31 March 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances of ₹ 361.96 lacs (31 March 2023: ₹ 25.52 lacs)) and not provided for	153.81	9.90

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 43 ASSETS HYPOTHECATED AS SECURITY

Particulars	31 March 2024	31 March 2023
<b>Current assets</b>	39,285.36	40,473.78
<b>Non-current assets</b>		
Property, plant and equipment	5,168.15	5,925.99
Right-of-use assets	452.26	363.58
Other financial assets - bank deposits	33.31	64.23
<b>Total non-current assets hypothecated as security</b>	<b>5,653.72</b>	<b>6,353.80</b>
<b>Total assets hypothecated as security</b>	<b>44,939.08</b>	<b>46,827.58</b>

- (i) The Parent Company has filed quarterly return/statement of current assets with the banks. Summary of reconciliation and reasons for material discrepancies as mentioned below:

Quarter	Name of bank	Particulars of securities provided	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Whether return/statement subsequently rectified
March 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	11,635.59	10,511.29	(1,124.31)	Yes*
		Trade receivables	13,443.99	12,688.71	(755.28)	Yes*
		Trade payables	6,022.06	4,511.14	(1,510.92)	Yes*
June 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	13,195.63	12,515.75	(679.88)	Yes*
		Trade receivables	16,038.10	16,585.31	547.20	Yes*
		Trade payables	7,254.53	6,071.12	(1,183.42)	Yes*
September 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	14,189.81	13,452.08	(737.73)	Yes*
		Trade receivables	16,176.17	16,030.36	(145.81)	Yes*
		Trade payables	8,502.49	6,854.22	(1,648.27)	Yes*
December 2023	Punjab National Bank, State Bank of India, HDFC Bank Ltd. and Yes Bank Ltd.	Inventories	13,807.05	13,871.08	64.03	Yes*
		Trade receivables	11,830.69	11,644.74	(185.96)	Yes*
		Trade payables	6,192.27	5,177.27	(1,015.00)	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 done as per the bank sanction letter. Further, the Company submit Quarterly Review Statements (QRS) to PNB which is tallied with the books of accounts and which could be different from DP statement submitted provisionally. In financial year 2023-24, the actual utilization of working capital remained within the bank sanction/DP limits.

- (ii) Vaibhav Lifestyle Limited (Wholly Owned Subsidiary) has filed quarterly return/statement of current assets with the banks. Summary of reconciliation and reasons for material discrepancies as mentioned below:

Quarter	Name of bank	Particulars of securities provided	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Whether return/statement subsequently rectified
June 2023	HDFC Bank	Inventories	628.63	534.10	(94.53)	No
		Trade receivables	112.69	411.00	298.31	No
		Trade payables	37.32	184.63	147.31	No
September 2023	HDFC Bank	Inventories	553.14	538.73	(14.41)	No
		Trade receivables	105.51	369.41	263.90	No
		Trade payables	65.31	157.05	91.74	No

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 43 ASSETS HYPOTHECATED AS SECURITY (Contd..)

Quarter	Name of bank	Particulars of securities provided	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Whether return/statement subsequently rectified
December 2023	HDFC Bank	Inventories	683.66	680.86	(2.80)	No
		Trade receivables	49.81	473.44	423.63	No
		Trade payables	81.42	371.03	289.61	No
March 2024	HDFC Bank	Inventories	825.34	691.19	(134.15)	No
		Trade receivables	22.79	328.66	305.87	No
		Trade payables	93.61	340.07	246.46	No

(iii) Encase Packaging Private Limited (Subsidiary) has filed quarterly return/statement of current assets with the banks. Summary of reconciliation and reasons for material discrepancies as mentioned below:

Quarter	Name of bank	Particulars of securities provided	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Whether return/statement subsequently rectified
June 2023	ICICI Bank	Inventories	244.13	82.07	(162.06)	No
		Trade receivables	49.32	56.51	7.19	No
		Trade payables	5.00	68.37	63.37	No
September 2023	ICICI Bank	Inventories	321.94	73.90	(248.04)	No
		Trade receivables	71.93	72.35	0.42	No
		Trade payables	9.84	69.88	60.04	No
December 2023	ICICI Bank	Inventories	323.69	126.06	(197.63)	No
		Trade receivables	94.15	71.32	(22.83)	No
		Trade payables	13.52	136.20	122.68	No
March 2024	ICICI Bank	Inventories	310.63	72.14	(238.49)	No
		Trade receivables	117.66	116.04	(1.62)	No
		Trade payables	18.99	154.34	135.35	No

### 44 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	Year ended 31 March 2024	Year ended 31 March 2023
a) United States of America	196,934.00	188,446.95
b) United Kingdom	82,150.74	72,774.97
c) India	51,658.92	44,542.93
d) Europe (excluding United Kingdom)	26,727.15	12,049.54
e) Rest of world	34,053.11	27,004.88
Less: Intersegment eliminations	(87,427.46)	(75,727.83)
<b>Total</b>	<b>304,096.46</b>	<b>269,091.44</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 44 SEGMENT REPORTING (Contd..)

B. Segment results profit/(loss) before tax, interest and exceptional items	Year ended 31 March 2024	Year ended 31 March 2023
a) United States of America	16,417.57	13,253.04
b) United Kingdom	8,871.05	8,319.33
c) India	7,710.19	10,585.25
d) Europe (excluding United Kingdom)	(5,189.23)	(5,257.79)
e) Rest of world	6,989.16	9,229.03
Less: Intersegment eliminations	(14,625.68)	(21,178.72)
<b>Subtotal</b>	<b>20,173.06</b>	<b>14,950.14</b>
Add/(less): Exceptional items		
a) United States of America	(391.78)	-
b) United Kingdom	-	-
c) India	(2,767.21)	-
d) Europe (excluding United Kingdom)	-	-
e) Rest of world	-	-
Less: Intersegment eliminations	2,352.84	-
Less: Finance cost	(1,171.44)	(819.68)
<b>Total profit before tax</b>	<b>18,195.47</b>	<b>14,130.46</b>
<b>C. Segment assets</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
a) United States of America	110,437.07	102,790.34
b) United Kingdom	178,960.97	170,555.58
c) India	80,700.81	83,361.86
d) Europe (excluding United Kingdom)	13,606.47	11,110.07
e) Rest of world	175,355.77	174,172.10
Less: Intersegment eliminations	(370,161.21)	(363,138.50)
<b>Total assets</b>	<b>188,899.88</b>	<b>178,851.45</b>
<b>D. Segment liabilities</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
a) United States of America	44,681.16	45,859.45
b) United Kingdom	27,568.42	22,194.48
c) India	21,301.10	21,420.73
d) Europe (excluding United Kingdom)	30,904.53	22,267.47
e) Rest of world	6,193.12	6,192.95
Less: Intersegment eliminations	(67,567.19)	(59,383.56)
<b>Total liabilities</b>	<b>63,081.14</b>	<b>58,551.52</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 45 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. The Group's adjusted net debt to equity ratio as at 31 March 2024 is as follows:

Particulars	Note	31 March 2024	31 March 2023
Borrowings	24	10,482.46	11,463.24
Cash and cash equivalents	15	(6,147.58)	(11,058.00)
Bank balances other than cash and cash equivalents	16	(4,353.87)	(12,864.07)
Balance with bank to the extent held as security	10	(36.02)	(53.09)
<b>Net debt</b>		<b>(55.01)</b>	<b>(12,511.92)</b>
Equity share capital	19	3,310.65	3,297.63
Other equity - Reserves and surplus	20	115,352.58	110,367.91
Other equity - Items of Other comprehensive income	21	7,102.93	6,463.86
<b>Total equity</b>		<b>125,766.16</b>	<b>120,129.40</b>
<b>Net debt to equity ratio</b>		<b>-0.04%</b>	<b>-10.42%</b>

### 46 RELATED PARTY TRANSACTIONS

#### A. List of related parties :

##### 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 (upto 06 February 2024)

Ms. Stephanie Renee Spong

Mr. Santiago Rocas (upto 27 July 2022)

Mr. Harsh Bahadur (upto 25 September 2022)

Mr. Jason Charles Goldberg (w.e.f 17 October 2023)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 46 RELATED PARTY TRANSACTIONS (Contd..)

#### Close member of Key Management Personnel ('KMP')

Name of close member 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 Agarwal
Mr. Mukul Raniwala	Daughter's husband of Mrs. Sheela Agarwal
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

#### Others (significant influence) where transactions have taken place

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 2024	Year ended 31 March 2023
<b>Remuneration:</b>		
Mr. Sunil Agrawal	582.63	498.72
Mr. Nitin Panwad	66.01	28.76
Mr. Vineet Ganeriwala	-	55.62
Mr. Sushil Sharma	23.32	20.11
Mr. Harsh Bahadur	23.50	22.80
Mr. James Patrick Clarke	40.18	52.64
Ms. Stephanie Renee Spong	41.28	40.49
Mr. Santiago Rocés	-	6.81
Mr. Jason Charles Goldberg	18.88	-
<b>Rent paid:</b>		
Mr. Nitin Panwad	23.10	7.41
<b>Share based payment to KMP</b>		
Mr. Nitin Panwad	16.26	12.34
Mr. Vineet Ganeriwala	-	16.77
Mr. Sushil Sharma	3.96	3.49
<b>Dividend paid</b>		
Brett Enterprises Private Limited	5,527.01	5,505.30
Stone Age Private Limited	0.06	0.06
Mr. Sunil Agrawal	8.44	8.44
Mr. Nitin Panwad	0.42	0.02
Mr. Vineet Ganeriwala	-	0.69
Mr. Sushil Sharma	0.02	0.01
Other directors	9.32	27.32
<b>Dividend paid to close members of KMP</b>		
Relatives of Mr. Sunil Agrawal	128.58	128.58
Relatives of other directors	0.26	17.19
<b>Directors sitting fees</b>		
Mr. Harsh Bahadur	6.50	7.20
Mr. Sunil Goyal	8.40	7.90
Other directors	8.40	25.25

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 46 RELATED PARTY TRANSACTIONS (Contd..)

#### C. Details of closing balances with related parties:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Payable at year end</b>		
Mr. James Patrick Clarke		13.33
Ms. Stephanie Renee Spong	10.38	10.25
Mr. Harsh Bahadur	5.25	7.25
Mr. Sunil Goyal	-	0.90
Mr. Jason Charles Goldberg	10.38	-
Vaibhav Global Limited Employee's Gratuity Fund	662.76	451.48

#### Note 1:

Working capital borrowings of the Parent Company are secured by the personal guarantee of Mr. Sunil Agrawal, Managing Director of the Company.

#### 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.

### 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 on 31 March 2024	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
<b>Financial assets</b>					
Investments	9	12,774.60	-	-	12,774.60
Trade receivables	14	-	-	31,284.79	31,284.79
Cash and cash equivalents	15	-	-	6,147.58	6,147.58
Bank balances other than cash and cash equivalents	16	-	-	4,353.87	4,353.87
Loans	17	-	-	146.88	146.88
Other financial assets	10	-	-	1,107.41	1,107.41
<b>Total financial assets</b>		<b>12,774.60</b>	<b>-</b>	<b>43,040.53</b>	<b>55,815.13</b>
<b>Financial liabilities</b>					
Borrowings	24	-	-	10,482.46	10,482.46
Gold on Loan	25	-	-	118.34	118.34
Lease liabilities	6	-	-	11,217.01	11,217.01
Trade payables	26	-	-	22,435.16	22,435.16
Other financials liabilities	27	-	-	2633.21	2633.21
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>46886.18</b>	<b>46886.18</b>

As on 31 March 2023	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
<b>Financial assets</b>					
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
<b>Total financial assets</b>		<b>3,429.02</b>	<b>-</b>	<b>49,163.99</b>	<b>52,593.01</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 47 FAIR VALUE MEASUREMENTS (Contd..)

As on 31 March 2023	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
<b>Financial liabilities</b>					
Borrowings	24	-	-	11,463.24	11,463.24
Gold on Loan	25	-	-	-	-
Lease liabilities	6	-	-	7,869.32	7,869.32
Trade payables	26	-	-	25,682.87	25,682.87
Other financials liabilities	27	-	-	1,303.22	1,303.22
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>46,318.65</b>	<b>46,318.65</b>

#### (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	31 March 2024		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
Investments (unquoted)	9	-	12,774.32	0.28
<b>Total</b>		<b>-</b>	<b>12,774.32</b>	<b>0.28</b>

Financial Instruments	Note	31 March 2023		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
Investments (Unquoted)	9	-	3,428.71	0.31
<b>Total</b>		<b>-</b>	<b>3,428.71</b>	<b>0.31</b>

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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 48 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 material 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.

#### 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 48 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd..)

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	31 March 2024			
		< 1 Year	1 - 3 Year	>3 Year	Total
<b>Current</b>					
Borrowings	24	10,482.46	-	-	10,482.46
Gold on Loan	25	118.34	-	-	118.34
Lease liabilities	6	2,286.98	8,930.03	-	11,217.01
Trade payables	26	22,435.16	-	-	22,435.16
Other financials liabilities	27	2,493.13	140.08	-	2633.21
<b>Total</b>		<b>37,816.07</b>	<b>9070.11</b>	<b>-</b>	<b>46886.18</b>

Financial Liabilities	Note	31 March 2023			
		< 1 Year	1 - 3 Year	>3 Year	Total
<b>Current</b>					
Borrowings	24	11,463.24	-	-	11,463.24
Gold on Loan	25	-	-	-	-
Lease liabilities	6	2,405.81	5,463.51	-	7,869.32
Trade payables	26	25,682.87	-	-	25,682.87
Other financials liabilities	27	1,303.22	-	-	1,303.22
<b>Total</b>		<b>40,855.14</b>	<b>5,463.51</b>	<b>-</b>	<b>46,318.65</b>

#### 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/ depreciates against these foreign currencies.

The summary of exposure of financial assets and liabilities to the currency risk is as follows:

Particulars	Financial assets	
	31 March 2024	31 March 2023
HKD to USD	204.95	240.97
INR to USD	868.20	623.14
EURO to USD	106.08	100.91
EURO to GBP	4.30	4.09
GBP to EURO	51.63	34.46
GBP to USD	124.27	160.89
THB to USD	446.20	143.35

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 48 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd..)

Particulars	Financial liabilities	
	31 March 2024	31 March 2023
INR to USD	753.04	432.04
GBP to USD	304.51	282.54
GBP to EURO	25.84	26.10

#### 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 2024 and 2023 by ₹ 518.42 lacs and ₹ 344.89 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 2024	31 March 2023
Floating rate financial liabilities	10,600.80	11,463.24

#### 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	Year ended
	31 March 2024	31 March 2023
0.50%	53.00	57.32
1.00%	106.01	114.63
1.50%	159.01	171.95

#### (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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 48 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd..)

#### 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 2024 is ₹ 13,992.87 lacs; 31 March 2023 is ₹ 4,539.15 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 Pound 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 account of cash flow hedging derivatives amounting to ₹ 8.45 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 2024		31 March 2023	
	Assets	Liabilities	Assets	Liabilities
<b>Derivatives not designated as hedging instruments</b>				
Foreign exchange contracts in an assets / liability position	8.45	-	30.01	-
<b>Net assets/ liability</b>	<b>8.45</b>	<b>-</b>	<b>30.01</b>	<b>-</b>

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 FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 49 BUSINESS COMBINATIONS

#### (a) Acquisitions during the year ended 31 March 2024

On 26 September 2023, Shop TJC Limited, UK had acquired 100% stake in Mindful Souls BV, Netherlands. The acquiree is engaged in the business of selling subscription boxes comprising fashion jewellery, gemstone, and lifestyle products. This acquisition will help Group in creating synergies through the deep sourcing and manufacturing abilities and will also strengthen the digital business.

#### (b) Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred.

Particulars	Consideration Transferred
Cash	7,866.77
Deferred consideration	1,490.33
Contingent consideration	1,048.90
<b>Total consideration</b>	<b>10,406.00</b>

##### i. Deferred consideration

The Group has agreed to pay the selling shareholders an additional consideration of ₹ 1,490.33 lacs in two year's time.

##### ii. Contingent consideration

The Group has agreed to pay the selling shareholders an additional consideration of ₹ 1,048.90 lacs in a year's time subject to growth in quarterly revenue of Mindful Souls BV, Netherlands. Company has reversed an amount of ₹ 722.54 lacs due to non-fulfillment of contractual terms and condition.

#### (c) Identifiable assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Mindful Souls BV, Netherlands as at the date of acquisition were:

Particulars	Fair value recognised on acquisition
<b>Assets</b>	
Other intangible assets	2,010.40
Other non current financial assets	1.03
Inventories	542.07
Cash and cash equivalents	1,399.31
Other assets	104.28
<b>Total assets</b>	<b>4,057.09</b>
<b>Liabilities</b>	
Trade payables	1,290.15
Other current liabilities	315.64
Other liabilities	298.46
Current tax liabilities	113.70
<b>Total liabilities</b>	<b>2,017.95</b>
<b>Net assets</b>	<b>2,039.14</b>
<b>% Holding by Parent Company</b>	<b>100%</b>
<b>Total identifiable net assets at fair value</b>	<b>2,039.14</b>
Goodwill (excluding deferred tax) (A)	8,366.88
<b>Purchase consideration transferred</b>	<b>10,406.02</b>
<b>Deferred tax recognised on difference between carrying value and fair value (DTL) (B)</b>	<b>518.68</b>
<b>Goodwill (including deferred tax impact) (A+B)</b>	<b>8,885.56</b>

From the date of acquisition, Mindful Souls BV, Netherlands has contributed ₹ 7,534.40 lacs of revenue and ₹ 954.43 lacs to the profit of the Group for the year ended 31 March 2024. However, Revenue and profit of the combined entity for the current reporting period as if the combination had taken place at the beginning of the year is impracticable to determine, as the financial year of the of Mindful Soul BV Netherlands before acquisition is different from the Group.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

- 50** During current year, Shop TJC Limited, UK (Wholly owned step down subsidiary of Vaibhav Global Limited) acquired assets from Ideal World Ltd against the payment of ₹ 1,183.00 lacs (equivalent GBP 1,125,000). Details of assets are as below:

Particulars	Value of assets acquired
Broadcast rights	763.32
Brand	344.70
Plant and equipment	74.98
<b>Total</b>	<b>1,183.00</b>

### 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:
- 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
  - 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:
- 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;
  - 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 2024	Year ended 31 March 2023
Impairment of Capital Work in Progress in Shop LC Global Inc., USA*	5	391.78	-
Impairment of Property, plant and equipment in Vaibhav Lifestyle Limited, India**	4	160.00	-
Impairment of Property, plant and equipment in Encase Packaging Private Limited, India*	4	97.44	-
Impairment of Goodwill for Encase Packaging Private Limited, India***	7	156.93	-
		<b>806.15</b>	<b>-</b>

\* Exceptional item represents impairment of capital work in progress amounting to Rs. 391.78 lacs in Shop LC USA (wholly owned step-down subsidiary) associated with proposed construction of building on its own land. Management has evaluated various factors including but not limited to financial viability, market dynamics, and strategic alignment and determined that the project is currently no longer beneficial to the group.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 52 EXCEPTIONAL ITEMS (Contd..)

•• The Parent Company is of the view that the operations of its subsidiary Vaibhav Lifestyle Limited represent single cash-generating unit ('CGU'). Management performed an impairment assessment as at 31 March 2024, basis business plan which includes 5 year cash flow forecast. The recoverable value was determined by Value in Use ('VIU') model. The recoverable amount was lower than the carrying value of the CGU and this resulted in an impairment charge of Rs. 160.00 lacs recognised within 'Exceptional items' for the year ended 31 March 2024.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Terminal growth rate	4.00%	-
Weighted average cost of capital	16.90%	-

••• The Parent Company is of the view that the operations of its subsidiary Encase Packgaing Private Limited represent a single cash-generating unit ('CGU'). Management performed an impairment assessment as at 31 March 2024, basis business plan which includes 5 year cash flow forecast. The recoverable value was determined by Value in Use ('VIU') model. The recoverable amount was lower than the carrying value of the CGU including associated goodwill and this resulted in an impairment charge of Rs. 254.37 lacs (Rs. 156.93 lacs towards impairment of goodwill and Rs. 97.44 lacs towards impairment of property, plant and equipment) recognised within 'Exceptional items' for the year ended 31 March 2024.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Terminal growth rate	4.00%	-
Weighted average cost of capital	16.90%	-

### 53 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 2024:

Name of the entity in the group	Net assets		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
<b>Parent</b>								
Vaibhav Global Limited	18.76%	58,673.68	27.50%	7,391.03	116.93%	(25.49)	27.43%	7,365.54
<b>Subsidiaries</b>								
STS Jewels Inc., USA	1.88%	5,892.60	4.20%	1,129.58	0.00%	-	4.21%	1,129.58
STS Global Limited, Thailand	0.87%	2,734.87	0.98%	263.17	0.00%	-	0.98%	263.17
STS Global Supply Limited, Hong Kong	1.90%	5,939.32	2.60%	698.20	0.00%	-	2.60%	698.20
STS Global Limited, Japan	-0.02%	(49.07)	-0.11%	(30.50)	0.00%	-	-0.11%	(30.50)
VGL Retail Ventures Limited, Mauritius	49.82%	155,805.40	18.42%	4,949.94	0.00%	-	18.43%	4,949.94
Vaibhav Vistar Limited, India	0.26%	824.81	-0.12%	(32.52)	0.00%	-	-0.12%	(32.52)
Vaibhav Lifestyle Limited, India	-0.04%	(136.71)	-2.67%	(718.39)	-16.93%	3.69	-2.66%	(714.70)
Shop LC GmbH, Germany	-5.85%	(18,284.85)	-26.20%	(7,042.46)	0.00%	-	-26.22%	(7,042.46)
Encase Packaging Private Limited, India	0.03%	78.86	-0.80%	(215.38)	0.00%	-	-0.80%	(215.38)
Minority interest in Encase Packaging	0.02%	52.58	-0.30%	(79.50)	0.00%	-	-0.30%	(79.50)
<b>Step down subsidiaries</b>								
Pt. STS Bali, Indonesia	0.61%	1,895.22	1.00%	269.12	0.00%	-	1.00%	269.12
Shop TJC Limited, United Kingdom	11.40%	35,648.85	26.52%	7,127.97	0.00%	-	26.54%	7,127.97
Mindful Soul B.V	0.32%	986.79	3.55%	954.43	0.00%	-	3.55%	954.43
Shop LC Global Inc., United States of America	19.14%	59,863.31	43.36%	11,652.54	0.00%	-	43.39%	11,652.54
STS (Guangzhou) Trading Limited, China	0.91%	2,832.20	2.08%	558.66	0.00%	-	2.08%	558.66
<b>Subtotal</b>	<b>100.00%</b>	<b>312,757.86</b>	<b>100.00%</b>	<b>26,875.89</b>	<b>100.00%</b>	<b>(21.80)</b>	<b>100.00%</b>	<b>26,854.09</b>
Less: Adjustments on account of consolidation		(186,939.12)		(14,202.38)		639.07		(13,563.31)
<b>Net of adjustments</b>		<b>125,818.74</b>		<b>12,673.51</b>		<b>617.27</b>		<b>13,290.78</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

### 53 STATUTORY GROUP INFORMATION (Contd..)

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
<b>Parent</b>								
Vaibhav Global Limited	14.43%	61,208.25	32.06%	9,990.18	99.10%	(82.56)	31.88%	9,907.62
<b>Subsidiaries</b>								
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
<b>Step down subsidiaries</b>								
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
<b>Subtotal</b>	<b>100.00%</b>	<b>424,054.87</b>	<b>100.00%</b>	<b>31,162.66</b>	<b>100.00%</b>	<b>(83.31)</b>	<b>100.00%</b>	<b>31,079.35</b>
Less: Adjustments on account of consolidation		(303,754.94)		(20,648.89)		4,399.10		(16,249.79)
<b>Net of adjustments</b>		<b>120,299.93</b>		<b>10,513.77</b>		<b>4,315.79</b>		<b>14,829.56</b>

#### 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.

**54** During previous year, there was 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 results on accounts of this incident. The Business operations of the group are continuing in the normal manner post the cyber incident.

**55** "The Ministry of Corporate Affairs introduced Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, which requires the Holding Company and Indian subsidiaries to have a feature of recording audit trail (edit log) facility for its accounting softwares used for maintaining its books of account and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Group is in process of enabling the audit trail (edit log) feature for its accounting softwares on the Holding Company and two of its Indian subsidiaries. Group will also ensure that the audit trail (edit log) once enable can not be changed.

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

For another Indian subsidiary (Encase Packaging Private Limited), the feature of recording audit trail (edit log) was not enabled for the period 01 April 2023 to 16 April 2023. The audit trail (edit log) facility for the remaining periods was enabled and operated for the accounting software and there were no instances of the audit trail feature being tampered with.

- 56** As per Rule 3(5) of Companies (Accounts) Fourth Amendment Rules, 2022, Companies incorporated in India are required to maintain backup of the books of accounts and other relevant books and papers in an electronic mode on servers physically located in India on a daily basis, even in cases where such backups are maintained at a place outside India. The Company and its Indian subsidiaries are maintaining proper backups as required by law, however, due to certain connectivity issues, the daily backup got disable for a few days in the parent company, which was subsequently corrected.
- 57** Subsequent to the year end, the Board of Directors of the Parent Company at its meeting held on 23 May 2024 has inter-alia considered and approved the scheme of amalgamation of Vaibhav Lifestyle Limited (“Transferor Company”), a wholly-owned subsidiaries of the Parent Company, with Vaibhav Vistar Limited (“Transferee Company”), a wholly-owned subsidiaries of the Parent Company on a going concern basis under the provisions of Section 230 to 232 of the Companies Act, 2013 and the rules made thereunder. The above scheme of arrangement shall be subject to the approval of the National Company Law Tribunal (NCLT) of relevant jurisdiction, creditors etc. of the Subsidiary Companies and other Regulatory Authorities, if any. Accounting effect of proposed scheme will be given post receipt of requisite approvals.

### **Signatures to notes 1 to 57**

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: Gurugram

Date: 23 May 2024

For and on behalf of the Board of Directors of

**Vaibhav Global Limited**

**Sunil Agrawal**

Managing Director

DIN: 00061142

Place: Jaipur

Date: 23 May 2024

**Sheela Agarwal**

Director

DIN: 00178548

Place: Jaipur

Date: 23 May 2024

**Nitin Panwad**

Group CFO

Place: Jaipur

Date: 23 May 2024

**Sushil Sharma**

Company Secretary

ICSI Membership No: F6535

Place: Jaipur

Date: 23 May 2024







**Vaibhav Global Limited**

CIN: L36911RJ1989PLC004945

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