



VAIBHAV GLOBAL LIMITED

Ref: VGL/CS/2020/83

Date: 29th May, 2020

National Stock Exchange of
India Limited (NSE)
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra, Mumbai – 400051
Symbol: VAIBHAVGBL

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip Code: 532156

Subject: Newspaper Advertisement

Dear Sir / Madam,

Please find enclosed copy of newspaper Advertisement for publication of Audited Financial Results for the quarter and year ended 31st March, 2020 published in Financial Express (English edition) and Nafa Nuksaan (Hindi edition) on 29th May, 2020.

This is for your information and record.

Thanking you.

Yours Truly,

For Vaibhav Global Limited


Sushil Sharma
Company Secretary



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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 • Website: www.vaibhavglobal.com

VAIBHAV GLOBAL LIMITED

Regd. Off.: K-6B, Feroz Shah, Adarsh Nagar, Jodhpur-302004;
Tel: 91-141-2801020; Fax: 91-141-2805077; CIN: L36911RJ1989PLC004945.
E-Mail: investor_relations@vaibhavglobal.com; Website: www.vaibhavglobal.com

Extract of Consolidated Audited Results for the Quarter and Year Ended 31st March 2020
(₹ in lacs, unless otherwise stated)

| S. No. | Particulars | Consolidated | | | |
|--------|---|---------------|------------|------------|------------|
| | | Quarter Ended | | Year Ended | |
| | | 31.03.2020 | 31.03.2019 | 31.03.2020 | 31.03.2019 |
| 1 | Total Income from Operations (Net) | 49,805.45 | 46,152.91 | 189,845.88 | 181,357.88 |
| 2 | Other Income | 398.05 | 510.82 | 1,453.27 | 1,417.19 |
| 3 | Total Income | 50,203.50 | 46,663.83 | 191,299.15 | 182,775.07 |
| 4 | Net Profit from Ordinary Activities Before tax and exceptional items | 4,842.43 | 3,827.20 | 23,634.18 | 18,815.74 |
| 5 | Net Profit from Ordinary Activities before tax (after exceptional items) | 4,842.43 | 3,827.20 | 23,634.18 | 18,815.74 |
| 6 | Net Profit from Ordinary Activities after tax (after exceptional items) | 3,973.54 | 3,245.50 | 16,025.73 | 15,417.03 |
| 7 | Total Comprehensive Income for the period (Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)) | 5,451.22 | 3,201.20 | 21,400.59 | 15,558.05 |
| 8 | Equity Share Capital | 3,227.50 | 3,266.24 | 3,227.50 | 3,266.24 |
| 9 | Earnings Per Share (of ₹ 10 each) (for continuing and discontinued operations): | | | | |
| a | Basic EPS | 12.75 | 9.85 | 56.85 | 47.27 |
| b | Diluted EPS | 12.10 | 9.85 | 57.82 | 45.84 |

- Notes:**
- The above consolidated financial results for the quarter and year ended 31st March, 2020 have been reviewed by the Audit Committee & approved by the Board of Directors at their respective meetings held on 27th May, 2020. The financial results for the year ended 31st March, 2020 have been audited by the Statutory Auditors of the Company.
 - These consolidated financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
 - Current tax includes minimum alternate tax (MAT) and deferred tax credits MAT credit entitlement.
 - Key numbers of standalone financial results of the Parent Company i.e. Vaibhav Global Limited are as under:

| Particulars | Quarter Ended | | Year Ended | |
|----------------------------|---------------|------------|------------|------------|
| | 31.03.2020 | | 31.03.2019 | |
| | 31.03.2020 | 31.03.2019 | 31.03.2020 | 31.03.2019 |
| Total Income | 19,808.27 | 12,849.83 | 54,286.04 | 48,912.79 |
| Profit before tax | 10,778.44 | 1,238.18 | 13,268.44 | 4,080.26 |
| Total comprehensive income | 10,728.72 | 1,206.47 | 12,755.81 | 3,334.87 |

- The audited consolidated financial results include the financial results of the Parent Company and the financial results of the following subsidiaries and step down subsidiaries (collectively referred as "the Group"):
 - A. VGL Retail Ventures Limited, Mauritius (formerly Genes Jewellers Ltd (Refer note 11))
 - a. Shop LLC Limited, UK (formerly The Jewellery Channel Limited) (Refer note 16)
 - 1. Shop LLC (Dubai) Inc., USA
 - B. STS Gems Limited, Hong Kong
 - a. Pt. STS Bhd., Indonesia
 - b. STS (Guangzhou) Trading Limited Company, China
 - C. STS Jewels Inc., USA
 - D. STS Gems Thailand Limited, Thailand
 - E. STS Gems Japan
- The Company has allotted 165,993 and 478,384 equity shares of ₹ 10/- each for the quarter ended 31st March, 2020 and year to date for the period from 01st April, 2018 to 31st March, 2020 respectively, under the Company's Employees Stock Option Scheme 2008 (As Amended through Vaibhav Global Employee Stock Option Scheme (Amendment) 2019) with exercise price ranging from ₹ 4.45-30/- to ₹ 752-80/-.
- Effective 01st April, 2018, the Group adopted Ind AS 118 "Leases", applied to all lease contracts existing on 01st April, 2018 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, as on the date of initial application. Accordingly, the Group is not required to restate the comparative information.
 - On 01st April, 2018, the Group has recognized a lease liability measured at the present value of the remaining lease payments and Right-of-Use (ROU) assets at its carrying amount as if the standard had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate as at 01st April, 2018. This has resulted in recognizing a "right of use assets" of ₹ 7,794.35 lacs and a corresponding "lease liability" of ₹ 3,223.24 lacs by adjusting retained earnings net of taxes of ₹ 453.33 lacs as on 01st April, 2018. In respect of leases that were classified as finance leases, an applying Ind AS 17, ₹ 363.57 lacs have been reclassified from Property, plant and equipment to "Right of use assets".
 - Consequently, in the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from "Rent" in previous period to "Depreciation and amortisation expense" for the right of use assets and "Finance cost" for interest accrued on lease liability. As a result the "Rent", "Depreciation and amortisation expense" and "Finance cost" of the current period is not comparable to the earlier periods. To the extent the performance of the current period is not comparable with previous period results, the reconciliation of above effect on statement of profit and loss for quarter ended 31st March, 2020 and year ended 31st March, 2020 is as under:

| Particulars | Quarter Ended | | Ind AS 118 Impact | Quarter Ended |
|--|---------------|------------|-------------------|---------------|
| | 31.03.2020 | 31.03.2019 | | |
| Other expenses - Administrative and selling expenses | 15,658.42 | (455.76) | | 15,212.66 |
| Depreciation and amortisation expenses | 520.89 | 250.01 | | 782.70 |
| Finance cost | 362.78 | 50.00 | | 413.08 |
| Profit before tax | 4,686.98 | 155.45 | | 4,842.43 |
| Less: Tax expenses | 839.12 | 29.77 | | 868.89 |
| Profit after tax | 3,847.86 | 125.68 | | 3,973.54 |

| Particulars | Year Ended | | Ind AS 118 Impact | Year Ended |
|--|------------|------------|-------------------|------------|
| | 31.03.2020 | 31.03.2019 | | |
| Other expenses - Administrative and selling expenses | 61,834.04 | (1,413.33) | | 60,420.71 |
| Depreciation and amortisation expenses | 2,215.59 | 920.62 | | 3,136.21 |
| Finance cost | 699.58 | 165.25 | | 864.83 |
| Profit before tax | 23,306.70 | 327.48 | | 23,634.18 |
| Less: Tax expenses | 4,542.17 | 66.26 | | 4,608.43 |
| Profit after tax | 18,764.53 | 261.20 | | 19,025.73 |

| Particulars | Quarter Ended | | Year Ended | |
|-----------------------------------|---------------|------------|------------|------------|
| | 31.03.2020 | 31.03.2019 | 31.03.2020 | 31.03.2019 |
| Content and Broadcasting expenses | 5,653.70 | 5,915.64 | 21,628.46 | 22,705.30 |

- Item exceeding 10% of total expenditure (included in other expenses - administrative and selling expenses)
- The shareholders approved the proposal of buyback of equity shares recommended by the Board of Directors, in its meeting held on 30th May, 2019, through the postal ballot that concluded on 05th August, 2019. The buyback was offered to all eligible equity shareholders of the Company (except promoters, promoter group and the persons in control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on 20th August, 2019 and the Company has bought back and extinguished a total of 885,675 equity shares at an average buyback price of ₹ 831.72/- per equity share, comprising 2.83% of the pre-buyback paid up equity share capital of the Company. The buyback resulted in a cash outflow of ₹ 7,199.98 lacs (including transaction costs). The Company funded the buyback from its securities premium. In accordance with section 69 of the Companies Act, 2013, as at 31st December, 2019, the Company has created "Capital Redemption Reserve" of ₹ 68.57 lacs equal to the nominal value of the shares bought back as an appropriation from securities premium. Basis external opinion obtained by the Company, provisions of Section 115DA of Income Tax Act 1961 do not apply to the Company.
- The Company has received a notice from the Income Tax Department under Section 14B of the Income Tax Act, 1961. Honourable High Court has granted stay order on the Company's petition. Based upon the nature and extent of expert opinion obtained by the Company, the management does not expect any liability to arise out of it.
- Considering business convenience and operational advantages, the Board of Directors have approved the change of domicile of existing subsidiary i.e. VGL Retail Ventures Limited (formerly Genes Jewellers Ltd) from British Virgin Island to Mauritius. During the current quarter, the subsidiary was re-registered in British Virgin Island and registered in Mauritius. The property, rights or obligations of the continuing company will not be affected nor will any proceedings by or against the continuing company.
- The figures for the quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to 31st December, 2019 and 31st December, 2018. Also the figures up to the end of the third quarter of the respective year were only reviewed and not subject to audit.
- "The Board of Directors in their meeting dated 27th May, 2020 has recommended the final dividend for the shareholders of the Company at the rate of ₹ 7/- per share i.e. 70% on equity share capital (face value of ₹ 10 each). Besides, final dividend of ₹ 50/- per share i.e. 50% on equity share capital, an interim dividend of ₹ 7/- per share i.e. 70% on equity share capital and a special interim dividend of ₹ 18.74/- per share i.e. 187.40% on equity share capital was declared and paid during the year."
- The existing rating of CARE A+ for the long term bank facilities have been reaffirmed by CARE Ratings which denotes adequate degree of safety regarding timely servicing of financial obligations. The existing rating of CARE A2+ for the short term bank facilities have been reaffirmed by CARE Ratings which denotes a high degree of safety regarding timely servicing of financial obligations.
- The Company's manufacturing units located at Aligarh (India) closed the operation on 24th March, 2020 due to outbreak of the COVID-19 pandemic and resumed operations from 27th April, 2020 pursuant to government directives. Operations have resumed at partial capacity and production will be scaled to normal level in a phased manner based on government directives. All the necessary approvals have been obtained and various directives issued by Central/State/Municipal authorities, in India, have been complied with. The Company has taken appropriate precautionary measures to ensure safety and health of all its employees.
- The global retail businesses i.e. Shop LLC in US and TJC in UK, continue to operate as usual supported by our global supply chain. Based on the latest announcement by the authorities in Texas, Shop LLC operations are a part of the "essential businesses" category and as per the UK government guidance, entire retail businesses are encouraged to remain open. Hence, business activities and revenue continues in usual course in US and UK and Company is taking necessary precautions for the safety of its employees, partners and customers. While Indian manufacturing operations are temporarily closed, we haven't witnessed any material disruption in our sourcing in US and UK. Further, we resumed operations in China on 02nd March, 2020 and our sourcing for our retail business.
- The Company has made detailed assessments of its liquidity position and of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, investments, receivables and other current assets as at the balance sheet date and on the basis of evaluation based on the current estimates has concluded that no material adjustments is required in the standalone financial results. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as required.
- During the quarter, VGL Retail Ventures Limited, Mauritius (formerly Genes Jewellers Limited) has sold its 100% investment in its wholly owned subsidiary Shop LLC (Retail Inc., USA) to its wholly owned subsidiary Shop TJC Limited, UK (formerly The Jewellery Channel Limited, UK). This has resulted into Shop LLC (Retail Inc., USA) becoming subsidiary of Shop TJC Limited, UK.
- Group operates in single business segment i.e. Fashion Jewellery & Life Style Products.
- Above is an extract of detailed format of quarter and year ended 31st March, 2020 Financial Results filed with stock exchanges under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The full format of results are available on the stock exchange websites, www.bseindia.com and www.nseindia.com and on the Company's website www.vaibhavglobal.com.

For and on behalf of the Board of Directors
Sd/-
Sundhya Agrawal
Managing Director
DIN: 00081142

Place: Austin
Date: 27th May, 2020

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