

Auditors can strengthen e-govt systems: CAG

FE BUREAU
New Delhi, May 23

AUDITORS HAVE AN important role in strengthening e-government systems by providing inputs to the government on how it is

managing the three Ps—Privacy, Performance, and Participation, which are the touchstone of e-government systems, the Comptroller and Auditor General of India (CAG) GC Murmu said in inaugurating a virtual seminar

of the chair of International Organisation of Supreme Audit Institutions (INTOSAI) Working Group on IT Audit (WGITA) in Delhi on Monday.

“In India, we have consistently followed the principle of Antyodaya which means no one is left behind,” the CAG said.

India j bloc l

Will strengthen supply chain pillars — trust, transparency and timeliness: PM

SHUBHAJIT ROY
New Delhi, May 23

MOVING TO PROVIDE a strategic footprint in the Pacific region is the top priority for the Indian government, Prime Minister Narendra Modi said on Monday.

“In Tokyo, Prime Minister Narendra Modi met with President Joe Biden, US Prime Minister Narendra Modi and US Secretary of State Antony Blinken at the IPEF — New Delhi’s participation at the highest level played its commitment to enhance resilience and competitiveness in the Pacific region.”


“The Indo-Pacific Economic Framework is a collective effort to make the region an enabler of growth and prosperity for all. India will continue to play a leading role in this framework to strengthen the pillars of trust, transparency and timeliness in the Indo-Pacific region.”

NORMS FOR MFs go passiv

PRESS TRUST OF INDIA
New Delhi, May 23

SEBI ON MONDAY a mutual funds to launch actively managed equity savings schemes (ELSS), even the regulator said funds can have old actively managed ELSS or passively managed ones in both the categories.

“The passive ELSS should be based on one index comprising shares from top 250 companies in terms of market capitalisation, Sebi said in a move that will allow new entrants that are focusing on passive equity funds to launch actively managed ELSS funds.”



Vaibhav Global Limited

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EXTRACT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2022
(₹ in lacs, unless otherwise stated)

| S. No. | Particulars | Consolidated | | | |
|--------|---|---------------|------------|------------|------------|
| | | Quarter Ended | | Year Ended | |
| | | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 |
| | (Audited) | (Audited) | (Audited) | (Audited) | |
| 1 | Total Income from Operations (Net) | 64,518.70 | 66,348.49 | 275,243.16 | 254,007.02 |
| 2 | Other Income | 868.88 | 691.57 | 2,183.95 | 1,769.98 |
| 3 | Total Income | 69,387.67 | 67,280.06 | 277,427.11 | 255,777.00 |
| 4 | Net Profit from Ordinary Activities (before tax and exceptional items) | 2,831.94 | 7,218.04 | 24,330.43 | 34,416.77 |
| 5 | Net Profit from Ordinary Activities after tax (after exceptional items) | 2,501.10 | 7,218.04 | 27,054.59 | 34,416.27 |
| 6 | Net Profit from Ordinary Activities after tax (after exceptional items) | 2,694.19 | 5,599.96 | 33,711.16 | 27,175.34 |
| 7 | Total Comprehensive Income for the period (Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)) | 2,897.91 | 5,802.37 | 24,318.31 | 26,954.69 |
| 8 | Equity Share Capital | 3,275.96 | 3,253.67 | 3,275.96 | 3,253.67 |
| 9 | Earnings Per Share (of ₹ 7 each) (for continuing and discontinued operations) | | | | |
| | (i) Basic EPS | 1.67 | 3.46 | 14.56 | 16.77 |
| | (ii) Diluted EPS | 1.63 | 3.36 | 14.24 | 16.32 |

Notes:

- The above consolidated financial results for the quarter and year ended 31st March, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 23rd May, 2022. These financial results have been audited by the statutory auditor 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), wherever applicable, and deferred tax includes MAT credit entitlement.
 - During the year ended 31st March, 2022, the Parent Company has reassessed tax benefit under section 91 of the Income Tax Act, 1961 ("Act") based on which incremental MAT credit of ₹ 605.67 lacs is recognized for the financial year 2020-21.
 - In earlier years, the Parent Company had claimed losses incurred by its overseas subsidiary as business expenditure upto the extent of its investment in such overseas subsidiary. The Parent Company's appeal on this issue was allowed by the Income-tax Appellate Tribunal (ITAT) in earlier years, and the Honourable High Court (Rajasthan) dismissed the appeal filed by the Income-tax Department (ITD) on this issue during the current year. Accordingly, the Company has recognized income-tax credit of ₹ 671.17 lacs under current tax and MAT credit of ₹ 976.37 lacs in current year.
- Key numbers of standalone financial results of the Parent Company, i.e., Vaibhav Global Limited are as under:

| Particulars | Quarter Ended | | Year Ended | |
|----------------------------|---------------|------------|------------|------------|
| | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 |
| | (Audited) | (Audited) | (Audited) | (Audited) |
| Total Income | 13,683.06 | 13,189.92 | 50,080.56 | 46,173.52 |
| Profit before tax | 2,312.69 | 2,332.42 | 11,226.45 | 5,118.34 |
| Total Comprehensive Income | 3,224.48 | 2,065.55 | 12,957.84 | 4,649.07 |

The audited consolidated financial results include the financial results of Parent Company and the financial results of the following subsidiaries and step-down subsidiaries (collectively referred as "the Group"):

- VGL Retail Ventures Limited, Mauritius
 - Shop TJC Limited, UK
 - Shop LC Global Inc., USA
- STS Global Supply Limited, Hong Kong (formerly STS Gems Limited)
 - Pt. STS Bat, Indonesia
 - STS (Guangzhou) Trading Limited, China
- STS Jewels Inc, USA
- STS Global Limited, Thailand (formerly STS Gems Thal Limited)
- STS Global Limited, Japan (formerly STS Gems Limited)
- Vaibhav Vistar Limited, India
- Vaibhav Lifestyle Limited, India (refer note 12)
- Shop LC GmbH, Germany (refer notes 13 & 14)
- Encase Packaging Private Limited, India (acquired on 15th March, 2022) (refer note 16)

The shareholders of the Parent Company through postal ballot resolution dated 24th April, 2021 approved the subdivision of one equity share of the Parent Company from face value of ₹ 10/- each into five equity shares of ₹ 2/- each. The record date for sub-division was 10th May, 2021. All shares and per share information in the financial results reflect the effect of sub-division (split) retrospectively.

The Parent Company has allotted 65,959 and 1,114,824 equity shares having face value of ₹ 2/- each for the quarter ended 31st March, 2022 and year ended 31st March 2022 respectively, under the Parent Company's Employee Stock Option Scheme - 2006 (as amended) through Vaibhav Global Employee Stock Option Welfare Trust at exercise price ranging from ₹ 9.06-₹ 783.56 (also refer note 6).

Item exceeding 10% of total expenditure (included in other expenses — administrative and selling expenses)

| Particulars | Quarter Ended | | Year Ended | |
|-----------------------------------|---------------|------------|------------|------------|
| | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 |
| | (Audited) | (Audited) | (Audited) | (Audited) |
| Packing and distribution charges | 6,667.84 | 6,601.58 | 24,198.13 | 24,329.61 |
| Content and Broadcasting expenses | 6,629.31 | 7,215.64 | 34,750.58 | 24,639.94 |

- In earlier years, the Parent Company received notice from the Income Tax Department under Section 14B of the Act for Assessment Year 2012-13. Subsequently the Parent Company has also received similar notices for Assessment Year 2013-14 to Assessment Year 2015-16. The Honourable High Court of Rajasthan has granted stay order on the Company's petition for these Assessment Years mentioned above. Based upon the nature and external expert opinion obtained by the Company, the management does not expect any liability to arise out of these proceedings.
- The Board of Directors in their meeting dated 23rd May, 2022 have recommended final dividend of ₹ 1.50/- per fully paid-up equity shares of ₹ 2/- each, subject to approval of shareholders. In addition to the above final dividend of ₹ 1.50/- per share i.e., 75% on equity share capital, interim dividends aggregating to ₹ 4.50/- per share (₹ 1.50/- per share per quarter) were declared and paid during the year. Hence total dividend of ₹ 6.00/- per share have been declared during the current year.
- During the previous year, Shop LC Global Inc. (USA) (wholly owned step-down subsidiary of the Parent Company) had availed a loan of USD 48.07 lacs (equivalent to INR 3,530.33 lacs) at 1% interest under Paycheck Protection Program ("PPP") of US Small Business Administration (SBA) under CARES Act of USA. Under SBA guidelines, this loan was eligible for waiver subject to certain conditions, pending which it was classified as borrowings as at 31st March, 2021. During the current year, Shop LC Global Inc. has received approval for waiver of entire loan which has been disclosed as exceptional item amounting to ₹ 3,289.97 lacs (net of expenses) (equivalent to USD 44.70 lacs). Waiver of accrued interest of ₹ 32.46 lacs is netted off from finance cost. b) Group has done functional restructuring at its Parent Company, two subsidiaries (Shop LC Global Inc. and STS Global Supply Limited, (formerly STS Gems Limited)) and its step-down subsidiary STS (Guangzhou) Trading Limited, in its pursuit of bringing in more efficiency. This involved reduction in manpower and hence resulted in a one-time cost of ₹ 465.71 lacs.
- During the quarter ended 31st March, 2022, the Parent Company has agreed to acquire additional 25% stake in Vaibhav Lifestyle Limited (Subsidiary Company) for a total consideration of ₹ 13.50 lacs. Out of which, 24.99% stake has been acquired before 31st March, 2022. Parent Company now holds 89.99% in the Subsidiary Company.
- During the year, Shop TJC Limited, UK has sold its 100% investment in its wholly owned subsidiary Shop LC GmbH, Germany to its Parent Company i.e., Vaibhav Global Limited, India. This has resulted into Shop LC GmbH, Germany becoming direct wholly owned subsidiary of the Parent Company.
- Shop LC GmbH is currently in process of setting up and operationalising the business to sell products to the retail consumers via television and e-commerce websites. The wholly owned subsidiary has incurred net losses as shown below and included in audited consolidated financial results:

| Particulars | Quarter Ended | | Year Ended | |
|-------------|---------------|------------|------------|------------|
| | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 |
| | (Audited) | (Audited) | (Audited) | (Audited) |
| Net losses | 1,434.75 | 128.87 | 4,910.31 | 128.97 |

During the current year, the Group has changed the name of following subsidiaries:

| Previous Name | New Name | Effective Date |
|---------------------------------|--------------------------------------|----------------|
| STS Gems Limited, Hong Kong | STS Global Supply Limited, Hong Kong | 07 June 2021 |
| STS Gems Thal Limited, Thailand | STS Global Limited, Thailand | 16 July 2021 |
| STS Gems Limited, Japan | STS Global Limited, Japan | 03 June 2021 |

- During the quarter ended 31st March, 2022, the Parent Company has acquired 80% stake in Encase Packaging Private Limited for a total consideration of ₹ 299.30 lacs. Based on purchase price allocation, goodwill amounting to ₹ 181.00 lacs has been recognized. This acquisition will help the Group in further strengthening its supply chain network providing requisite flexibility, cost advantage and speeding up efforts to develop sustainable packaging.
- The Income Tax Department ("ITD") conducted a Survey proceeding under section 133A of the Act at the premises of the Parent Company in November 2021. Subsequently, the Parent Company provided all cooperation and necessary data / documents / information, as requested by the ITD or otherwise. The ITD issued further queries post the conclusion of survey to which the Parent Company has subsequently replied with. As on date, 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.
- The figures for the quarter ended 31st March, 2022 and 31st March, 2021 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, 2021 and 31st December, 2020. Also, the figures up to the end of the third quarter of the respective year were only reviewed and not subjected to audit.
- Group operates in single business segment i.e. Fashion Jewellery and Life Style Products.
- Above is an extract of detailed format of Quarterly Financial Results filed with stock exchanges under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results is 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/-
Sunil Agrawal
Managing Director
DIN: 00061142

Place : Jaipur
Date : 23rd May, 2022

