



V2 Retail Limited

September 12, 2017

To,

National Stock Exchange of India Limited Exchange Plaza, C-1, Block -G, Bandra-Kurla Complex, Bandra (E), Mumbai- 400051, NSE: V2RETAIL	Bombay Stock Exchange Limited, "Phiroze Jeejeebhoy Towers", Dalal Street, Mumbai-400001 Code :- BSE: 532867
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SUB: OUTCOME OF BOARD MEETING HELD ON SEPTEMBER 12, 2017

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that Board of Directors in their meeting held today i.e. Tuesday, 12th September, 2017 at registered office of the company i.e. Khasra No. 928, Extended Lal Dora Abadi Village Kapashera, Tehsil Vasant Vihar, New Delhi - 110037, from 4:00 p.m. and concluded at 6:15 p.m., take the following decisions:

- 1) Subject to the approval by the shareholders of the company and any other statutory and regulatory approvals, To offer, issue and allot, on Preferential Allotment basis, Equity Shares not exceeding 20,00,000 (Twenty Lakhs Only) to the member of the Non-Promoter Group at a price of Rs.380 each (including premium of Rs. 370 each) which is determined pursuant to the Regulation 76 of Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009
- 2) Extra Ordinary General Meeting of the Company will be scheduled to be held on Friday, 6th October, 2017 at Khasra No. 1138, Shani Bazar Chowk, Rajokari, New Delhi 110038 at 10.00 a.m.
- 3) Approval of unaudited standalone financial results along with limited review report for the quarter ending 30th June, 2017. (Please find attached the Copy of Unaudited Standalone Financial Results of the Company along with Limited Review Report for the quarter ending 30th June, 2017)

Kindly take same on your records.

THANKING YOU,

FOR V2 RETAIL LIMITED


(RAM CHANDRA AGARWAL)
(Chairman and Managing Director)
DIN: 00491885



Khasra No. 919,921,926,928, Extended Lal Dora Abadi Village Kapashera Teshil Vasant Vihar,
South West Delhi -110037 Land Mark:- Fun N Food Village Amusement Park • Tel.: 011-41771850

• E-mail : customercare@vrl.net.in, cs@vrl.net.in • Website: www.v2retail.com • CIN : L74999DL2001PLC147724



AKGVG & ASSOCIATES

CHARTERED ACCOUNTANTS

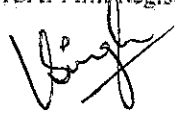
The Board of Directors
V2 Retail Limited
Khasra No. 928,
Extended Lal Dora Abadi Village,
Kapashera Teshil Vasant Vihar,
South West Delhi – 110037

1. We have reviewed the unaudited financial results of V2 Retail Limited (the "Company") for the quarter ended June 30, 2017 which are included in the accompanying "Unaudited Financial Results for the Quarter ended June 30, 2017" (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Bases for qualified conclusion:-
 - a. Included in capital reserve amounting to Rs. 60,523.24 lacs, is Rs. 42,942.24 lacs arising out of transfer of asset and liabilities to the acquiring companies in earlier years for which necessary reconciliation/information to the tune of Rs. 372.24 lacs is not available with the Company. Accordingly in the absence of the same, we are unable to comment on the appropriateness of capital reserve including consequential impact, if any, arising out of the same on these financial results.
 - b. The Company has recognized Rs. 23,484.27 lacs as deferred tax assets at the quarter-end for which it does not have reasonable certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realized in accordance with principles of Ind AS - 12 "Income Taxes". Had the Company not recognized deferred tax asset, impact on profit and loss account would have been decrease in profit during the quarter by Rs. 23,484.27 lacs and decrease in accumulated balances of Reserves and Surplus by Rs. 23,484.27 lacs.
 - c. As stated in note 9 in the financial results, the Company has disclosed contingent liabilities on account of appeals with various statutory authorities at different levels amounting to Rs. 4,556.99 lacs for which necessary information is not available with the Company to reliably ascertain estimated amount of such liabilities and consequential impact thereof on these financial results in accordance with Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets". Hence, we are unable to comment on the same.



5. Based on our review conducted as above, subject to our observations in paragraph 4 – "Basis for qualified conclusion" above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **AKGVG & Associates**
Chartered Accountants
ICAI Firm Registration No.: 018598N



Vishal Singh
Partner
Membership No.: 511451
Place: New Delhi
Date: September 12, 2017





STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

All amounts are in INR Lakhs (Except per share data)

S.No.	Particulars	Quarter Ended	
		30th June 2017 (Unaudited)	30th June 2016 (Unaudited) (Refer note -4)
1	Income from Operations		
	a. Revenue from operations	14,225.95	10,821.82
	b. Other Income	50.95	67.38
	Total Revenue (a+b)	14,276.90	10,889.20
2	Expenses		
	a Purchase of traded goods	10,886.24	6,882.31
	b Changes in inventories of stock in trade	(1,114.32)	815.45
	c Employee benefits expense	1,050.44	732.73
	d Finance Costs	25.72	334.90
	e Depreciation and amortisation expense	186.24	140.98
	f Other expenses	1,867.06	1,186.41
	Total Expenses (a)+(b)+(c)+(d)+(e)+(f)	12,901.38	10,092.78
3	Profit before tax (1-2)	1,375.52	796.42
4	Tax expense:		
	a Current tax	-	-
	b Deferred tax charge	507.03	327.96
	Total	507.03	327.96
5	Net Profit for the period (3-4)	868.49	468.46
6	Other comprehensive income		
	A (i) Items that will not be reclassified to profit or loss		
	Remeasurement of employee benefits	(0.10)	0.03
	Tax effect on remeasurement of employee benefits	0.04	(0.01)
	Total other comprehensive income (6)	(0.06)	0.02
	Total comprehensive income for the period (5+6)	868.43	468.48
7	Earnings Per Share (EPS) of Face Value of Rs. 10/- each (not annualised):		
	a. Basic	2.81	1.88
	b. Diluted	2.70	1.42

Notes to the unaudited financial results for the quarter ended 30 June 2017

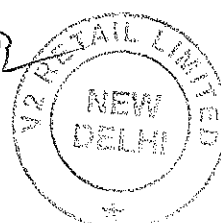
1. The above financial have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 12th September 2017 and have undergone "Limited Review" by the Statutory Auditors of the Company.
2. The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules 2015 as specified in Section 133 of the Companies Act 2013.
3. The Company has adopted Ind AS from 1 April 2017 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act 2013, read with relevant rules issued there under. The date of transition to Ind AS is 1st April 2016. The impact of the transition has been accounted for in the retained earnings as at 1st April 2016 and the comparative period results have been reinstated accordingly.
4. The financial results for the quarter ended 30th June 2016 are also Ind AS compliant. The Management has exercised necessary due diligence to ensure that the financial results give a true and fair view. This information has not been subjected to limited review or audit.
5. Reconciliation of net profit after tax as reported under previous Indian GAAP and Ind AS for the quarter ended 30th June 2016:

(Rs. in lacs)	
Particulars	For the quarter ended 30 June 2016 (Unaudited refer note 4)
Net profit for the quarter under previous Indian GAAP	404.59
Ind AS adjustments:	
Reversal of lease payments under operating leases recognised as expense on straight line basis	72.01
Rent expense recognised on account of fair valuation of interest free security deposits	(6.86)
Measurement of financial assets at amortized cost	5.04
Reversal of depreciation charged on certain properties now classified as held for sale"	18.00
Tax impact of above adjustments	(24.30)
Total comprehensive income for the quarter as per Ind AS	468.48

6. During the quarter the Company has granted 6,225 (net of 7,505 options forfeited) employee stock options ("ESOP") as per the scheme approved by "Nomination and Remuneration Committee" of the Board of Directors, at an exercise price of Rs. 10/- per option. Further out of 2,26,261 ESOP outstanding at the beginning of the period, the company has forfeited 18,200 ESOP. Total outstanding ESOP at the end of the quarter is 2,14,286. The vesting period of the ESOP is ranging from 15 months to 36 months. The granted options can be exercised after vesting at any time before the expiry of 3 months from vesting date.

An amount of Rs. 96.08 lacs has been recorded as employee benefit expenses, as the proportionate cost of Employee Stock Options granted.

7. In line with the provisions of Ind AS 108 - "Operating Segments", the Company is engaged in retail trade through chain of stores, which constitute single reportable business segment. The Company is operating only in India and there is no other significant geographical segment.
8. The weighted average number of Equity Shares outstanding during the period has been considered for calculating the Basic and Diluted Earnings Per Share (not annualised) in accordance with Ind AS - 33 "Earnings per share".



9. The Company has Contingent Liabilities to the tune to Rs. 4569.74 lacs which include Rs. 12.75 lacs relating to bank guarantee. All Contingent liabilities except bank guarantee are under appeal with different authorities at different value.
10. Management comments on auditors' qualifications / observations for the previous quarter / period are as under:-
- a) Included in Capital reserve amounting to Rs. 60,523.24 Lacs, is Rs. 42,942.24 Lacs arising out of transfer of asset and liabilities to the acquiring Companies in earlier years for which necessary reconciliation/ information to the tune of Rs 372.24 Lacs is not available with the Company. Accordingly, in the absence of the same, we are unable to comment on the appropriateness of Capital reserve including consequential impact, if any, arising out of the same on these financial results.

The Company restructured its business in F.Y. 2010-11 resulting a Capital Reserve of Rs. 60,523.24 lacs. The amount of Capital Reserve has been reconciled except Rs. 372.24 lacs for which the Company is in process to reconcile and there is no impact on Profit & Loss account.

- b) As stated in these quarterly results, the Company has recognized Rs. 24,273.18 lacs as deferred tax assets at the quarter-end for which it does not have virtual/reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized in accordance with principles of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Had the Company not recognized such deferred tax assets, impact on profit and loss account would have been decrease in profit during the quarter by Rs.24,273.18 lacs and decrease in accumulated balances of Reserves and Surplus by Rs.24,273.18 lacs.

The Company is earning profits after tax during last three years amounting Rs. 5,917.51 Lacs upto F.Y. 2016-17. Further, during the quarter ended June 30th 2017 its total comprehensive income for the period is Rs. 863.86 lacs. The Company expects to realize deferred tax assets of Rs. 24,273.18 lacs in due course of business.

- c) The Company has disclosed contingent liabilities on account of appeals with various statutory authorities at different levels amounting to Rs. 4,556.99 lacs, of which necessary Information is not available with the Company to reliably ascertain estimated amount of such liabilities and consequential impact thereof on these quarterly financial results in accordance with Accounting Standard-29, "Provisions, Contingent Liabilities and contingent assets" issued by the Institute of Chartered Accountants of India. Hence, we are unable to comment on the same.

The Contingent Liabilities of Rs. 4,556.99 lacs are under appeal with different authorities at different levels. The chances of these obligations are very remote and minimal even last year the Company has been awarded an Order in its favour by Hon'ble CIT (Appeal), Kolkata dropping the Income Tax Demand of Rs. 11,880.71 lacs. Impact on Profit & Loss account of contingent liabilities cannot be ascertained till the matter is pending with different government authorities.

For V2 Retail Limited

Dated: September 12th 2017
Place: New Delhi


NEW DELHI
Ram Chandra Agarwal
Chairman & Managing Director
DIN:-00491885

