



Ref. No. CS/S/L-512/2021-22

PRICE "LESS" FASHION

10th August, 2021

To: The Listing Department NATIONAL STOCK EXCHANGE OF INDIA LIMITED "Exchange Plaza" Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Scrip Code: VMART Fax: 022-26598120 Email: cmlist@nse.co.in	To: The Corporate Relationship Department THE BSE LTD Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 534976 Fax: 022-22723121 Email: corp.relations@bseindia.com
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Sub: Outcome of the Meeting of the Board of Directors of the Company held on 10th August, 2021

Dear Sir/Madam,

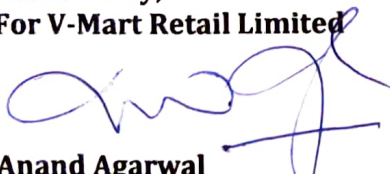
Pursuant to Regulations 30 & 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we furnish herewith the Unaudited Financial Results of the Company along with the Limited Review Report issued by the Statutory Auditors for the first quarter ended on 30th June, 2021 as considered, approved and taken on record by the Board of Directors of the Company in its meeting held today, 10th August, 2021.

The Board meeting commenced at 1:15 P.M. and concluded at 4:35 P.M.

We request you to kindly take the above information on record.

Thanking you,

**Yours Truly,
For V-Mart Retail Limited**


**Anand Agarwal
Chief Financial Officer**



Encl: As above

V-MART RETAIL LTD.

CIN- L51909DL2002PLC163727

Corporate Office : Plot No. 862, Udyog Vihar, Industrial Area Phase V, Gurgaon - 122 016 (Haryana)
Tel. : 0124-4640030, Fax No. : 0124-4640046 • Email : info@vmart.co.in • Website : www.vmart.co.in
Registered Office : 610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, New Delhi - 110092

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
V-Mart Retail Limited**

1. We have reviewed the accompanying statement of unaudited financial results of V-Mart Retail Limited (the "Company") for the quarter ended June 30, 2021 from April 1, 2021 to June 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of matter

5. We draw attention to note no. 6 to the financial results, which describes the uncertainties and impact of COVID-19 pandemic on the Company's operations and results as assessed by the management. Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005**VIKAS
MEHRA**Digitally signed by VIKAS MEHRA
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o=Personal,
email=vikas.mehra@srb.in
Date: 2021.08.10 16:38:37 +05'30'**per Vikas Mehra**

Partner

Membership No.: 094421

UDIN: 21094421AAAADF2421

Place: New Delhi

Date: August 10, 2021

(Amount in Rs. lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2021 (Unaudited)	March 31, 2021 (Audited refer note 5)	June 30, 2020 (Unaudited)	March 31, 2021 (Audited)
Income:				
I. Revenue from operations	17,741.03	35,187.30	7,806.21	107,546.06
II. Other income (refer note 7)	450.57	434.35	139.42	2,103.98
III. Total Income (I + II)	18,191.60	35,621.65	7,945.63	109,650.04
IV. Expenses:				
Purchase of stock-in-trade	5,916.95	37,749.85	492.64	67,395.47
Changes in inventories of stock-in-trade	6,322.83	(13,049.14)	4,908.91	4,961.50
Employee benefits expense	3,343.07	3,554.09	1,887.40	11,688.09
Finance costs	1,558.64	1,463.58	1,461.15	5,894.53
Depreciation and amortization expense	2,547.33	2,555.58	2,630.12	10,297.14
Other expenses	2,354.12	3,576.74	1,101.40	10,379.79
Total expenses (IV)	22,042.94	35,850.70	12,481.62	110,616.52
V. (Loss) before tax (III- IV)	(3,851.34)	(229.05)	(4,535.99)	(966.48)
VI. Tax expense:				
- Current tax	-	176.23	-	569.42
- Deferred tax charge /(credit)	(979.92)	(257.81)	(1,172.27)	(915.60)
Total tax expense (VI)	(979.92)	(81.58)	(1,172.27)	(346.18)
VII. (Loss) for the period (V - VI)	(2,871.42)	(147.47)	(3,363.72)	(620.30)
VIII. Other comprehensive (loss) /income				
Items that will not be reclassified to statement of profit or loss				
(i) Remeasurement of net defined benefit obligations	(10.27)	27.88	(6.75)	(41.07)
(ii) Income tax on above	2.58	(7.01)	1.70	10.34
Total other comprehensive (loss) /income	(7.69)	20.87	(5.05)	(30.73)
IX. Total comprehensive (loss) for the period (VII + VIII)	(2,879.11)	(126.60)	(3,368.77)	(651.03)
X. Paid - up equity share capital (face value of Rs.10 each)	1,971.11	1,970.61	1,816.59	1,970.61
XI. (Loss) per share (Nominal value of Rs.10 each)				
(a) Basic (Rs.)	(14.57)	(0.77)	(18.52)	(3.37)
(b) Diluted (Rs.)	(14.57)	(0.77)	(18.52)	(3.37)

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V-Mart Retail Limited

Regd. Office : 610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, New Delhi – 110092

Notes to un-audited financials results for the quarter ended June 30, 2021

- 1 These financials results have been prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments thereafter.
- 2 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 10, 2021. The statutory auditors of the Company have conducted "Limited Review" of these financial results pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- 3 In line with the provision 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.
- 4 During the quarter, as per the Employee Stock Option Scheme 2012 ("Scheme") and Employee Stock Option Scheme 2020 ("Scheme")
 - a) The Company has allotted 4,973 equity shares of face value of Rs. 10 each to the eligible employees of the Company on account of exercise of vested stock options and has granted 8,322 equity shares of face value of Rs. 10 each to employees; and
 - b) An amount of Rs. 204.26 lakhs (net) has been recorded as employee benefit expense for the quarter, as the proportionate cost of employee Stock option granted.
- 5 The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures in respect of full financial year up to March 31, 2021 and the unaudited published year to date figures up to December 31, 2020, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 6 On account of continuance of COVID-19 pandemic and rise in number of cases during the current quarter, various state governments again started imposing certain restrictions on commercial activities. Consequent to uncertainties caused as described above, the Company has prepared a cash flow projections for next 12 months and also assessed recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventories and other financial and non-financial assets. It also factored assumptions used in impairment testing of property, plant and equipment using various internal and external information up to the date of approval of these un-audited financial results.

Further, the Company has re-assessed valuation and recoverability of inventory. In its assessment the management has considered projected sales, purchase, discounts, promotion schemes, other logistic costs, etc. It has carried out sensitivity analysis and based on the same it is of the view that provision for markdown and shrink is sufficient and appropriate to cover any loss that may arise due to various uncertainties involved.

On the basis of this evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and non-financial assets. The situation may though change rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of the COVID-19. The Company will continue to closely monitor any material changes required, if any, due to future economic conditions.

- 7 The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021 on Ind AS 116 for rent concessions which are granted due to COVID-19 pandemic. Accordingly, it has accounted Rs.176.58 lakhs which is netted from rent expenses for the quarter ended June 30, 2021 (June 30, 2020 : Rs. 259.56) with respect to unconditional rent concessions confirmed in writing by the landlord.
- 8 The Remuneration of executive directors was approved by the shareholders by way of special resolution dated August 2, 2019 for the period effective from April 1, 2019 to May 30, 2022, by taking into account the net profits of the Company computed under Section 198 of the Companies Act, 2013. Further, it was approved that in case of loss, the executive directors will be paid remuneration, subject to the overall limit as specified in the Schedule V to the Companies Act, 2013.

During financial year 2020-21, the Company incurred losses which in the view of management were largely on account of COVID-19 pandemic and could not have been anticipated at the time of obtaining the special resolution as mentioned above.

However, the management continued to pay the remuneration as per the resolution as mentioned above and as a result, the remuneration paid / payable to two executive directors exceeded the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by Rs.36.64 lakhs. The management considers that it is prudent to obtain fresh approval from shareholders in the forthcoming Annual General Meeting. While it is confident that it shall obtain the necessary approvals forthcoming Annual General Meeting, it also obtained a confirmation from both the executive directors that the excess amount so paid will be refunded by them if the necessary approvals are not obtained. The excess amount has been charged to Statement of Profit and Loss in the financial year 2020-21. During the current quarter, the management continues to pay the remuneration as per the resolution as mentioned above.

- 9 The Indian Parliament has approved the Code on Social Security 2020, which would impact 'Employees Provident Fund and Miscellaneous Provisions Act, 1952' and 'Payment of Gratuity Act, 1972', etc. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The impact of the changes will be assessed and recognised post notification of the relevant provision and as the related rules are published.

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Notes to un-audited financials results for the quarter ended June 30, 2021

- 10 Subsequent to the quarter ended June 30, 2021, the Company has entered into an Asset Transfer Agreement dated July 22, 2021 with Arvind Lifestyle Brands Limited ("ALBL"), a wholly owned subsidiary of Arvind Fashion Limited ("AFL") to acquire fixed assets, inventory, leases, assigned trademark and goodwill and other assets situated at its 74 retail stores and 1 warehouse across South and West India operating under the brand 'Unlimited' for an approximate purchase consideration of Rs. 15,000 lakhs, subject to completion of certain terms and conditions. The Board of Directors of the Company in its meeting held on July 21, 2021 has approved the acquisition of such assets. No impact is required to be given in un-audited financial results for the quarter ended June 30, 2021.

For and on behalf of the Board of Directors of

V-Mart Retail Limited

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Lalit Agarwal

Managing Director

Place: Gurugram

Date: August 10, 2021