



PRICE "LESS" FASHION

Ref. No. CS/S/L-488/2021-22

28<sup>th</sup> May, 2021

To: The Listing Department <b>NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b> "Exchange Piazza" Bandra-Kurla Complex Bandra (E), Mumbai - 400 051 <b>Scrip Code: VMART</b> Fax: 022-26598120 Email: cmlist@nse.co.in	To: The Corporate Relationship Department <b>THE BSE LTD</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 <b>Scrip Code: 534976</b> Fax: 022-22723121 Email: corp.relations@bseindia.com
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Dear Sir/Madam,

**Sub: Outcome of the Meeting of the Board of Directors of the Company held on 28<sup>th</sup> May, 2021**

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 Audited Financial Results of the Company for the fourth quarter and year ended 31<sup>st</sup> March, 2021 as considered, approved and taken on record by the Board of Directors of the Company along with the Audit Report issued by the Statutory Auditors as in its meeting held today, 28<sup>th</sup> May, 2021.

The Board meeting commenced at 12:15 P.M. and concluded at 4:15 P.M.

In terms of SEBI Circular CIR/CFD/56/2016 dated May 27, 2016, we hereby declare and confirm that the Statutory Auditors of the Company, S.R. Batliboi & Co. LLP Chartered Accountants (Firm registration no. 301003 E/E300005), have issued an Unmodified Audit Report on Standalone financial statements of the Company for the year ended March 31, 2021.

We would also like to inform you that the Board of Directors, in the aforesaid meeting, inter alia has considered and approved the requests received from Mr. Hemant Agarwal, Hemant Agarwal HUF, Ms. Smiti Agarwal, for reclassifying them from 'Promoter/Promoter Group' to 'Public Category'. The approval of the Board towards reclassification is subject to the approval of the shareholders of the Company and other regulatory authorities, if any, in terms of Regulation 31A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amendments thereof.

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 below

**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 Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
V-Mart Retail Limited**

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date financial results of V-Mart Retail Limited (the "Company") and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 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 is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to note no. 9 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 opinion is not modified in respect of this matter.

**Management's Responsibilities for the Financial Results**

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in



accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting 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 financial results 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

#### **Other Matter**

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

  
per **Vikas Mehra**  
Partner  
Membership Number: 094421



UDIN: 21094421AAAABW9969

Place of Signature: New Delhi  
Date: May 28, 2021

(Amount in Rs. lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2021 (Audited) refer note 7	December 31, 2020 (Unaudited)	March 31, 2020 (Audited)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
<b>Income:</b>					
I. Revenue from operations	35,187.30	47,001.96	33,266.25	1,07,546.06	1,66,202.33
II. Other income (refer note 10)	434.35	28.76	78.55	2,103.98	447.96
<b>III. Total Income (I + II)</b>	<b>35,621.65</b>	<b>47,030.72</b>	<b>33,344.80</b>	<b>1,09,650.04</b>	<b>1,66,650.29</b>
<b>IV. Expenses:</b>					
Purchase of stock-in-trade	37,749.85	23,074.42	27,418.06	67,395.47	1,27,520.03
Changes in inventories of stock-in-trade	(13,049.14)	6,677.84	(3,644.99)	4,961.50	(14,893.83)
Employee benefits expense	3,554.09	3,245.08	3,675.16	11,688.09	15,362.51
Finance costs	1,463.58	1,502.75	1,386.67	5,894.53	5,478.39
Depreciation and amortization expense	2,555.58	2,537.61	2,521.18	10,297.14	9,392.28
Other expenses	3,576.74	3,620.90	3,033.70	10,379.79	16,837.89
<b>Total expenses (IV)</b>	<b>35,850.70</b>	<b>40,658.60</b>	<b>34,389.78</b>	<b>1,10,616.52</b>	<b>1,59,697.27</b>
<b>V. (Loss) / profit before tax (III- IV)</b>	<b>(229.05)</b>	<b>6,372.12</b>	<b>(1,044.98)</b>	<b>(966.48)</b>	<b>6,953.02</b>
<b>VI. Income tax expense:</b>					
- Current tax	176.23	393.19	(121.53)	569.42	2,436.35
- Deferred tax charge /(credit)	(257.81)	1,191.65	(79.95)	(915.60)	(417.86)
<b>Total tax expense (VI)</b>	<b>(81.58)</b>	<b>1,584.84</b>	<b>(201.48)</b>	<b>(346.18)</b>	<b>2,018.49</b>
<b>VII. (Loss) / profit for the period (V - VI)</b>	<b>(147.47)</b>	<b>4,787.28</b>	<b>(843.50)</b>	<b>(620.30)</b>	<b>4,934.53</b>
<b>VIII. Other comprehensive (loss) /income</b>					
Items that will not be reclassified to statement of profit or loss					
(i) Remeasurement of net defined benefit obligations	27.88	(55.73)	38.37	(41.07)	(1.52)
(ii) Income tax on above	(7.01)	14.02	(9.66)	10.34	0.38
<b>Total other comprehensive (loss)/ income</b>	<b>20.87</b>	<b>(41.71)</b>	<b>28.71</b>	<b>(30.73)</b>	<b>(1.14)</b>
<b>IX. Total comprehensive (loss) / income for the period (VII + VIII)</b>	<b>(126.60)</b>	<b>4,745.57</b>	<b>(814.79)</b>	<b>(651.03)</b>	<b>4,933.39</b>
<b>X. Paid - up equity share capital (face value of Rs.10 each)</b>	<b>1,970.61</b>	<b>1,817.55</b>	<b>1,815.55</b>	<b>1,970.61</b>	<b>1,815.55</b>
<b>XI. (Loss)/ Earning per share (Nominal value of Rs.10 each )</b>					
(a) Basic (Rs.)	(0.77)	26.34	(4.65)	(3.37)	27.18
(b) Diluted (Rs.)	(0.77)	26.30	(4.65)	(3.37)	27.17



V-Mart Retail Limited

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

Notes to audited financials results for the quarter and year ended March 31, 2021

1 Statement of Assets and Liabilities:

(Amount in Rs. lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	(Audited)	(Audited)
<b>I ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,578.55	17,127.15
Right-of-use assets	51,799.87	49,211.06
Capital work-in-progress	219.04	246.69
Intangible assets	275.74	365.87
<b>Financial assets</b>		
Investments	361.95	331.54
Loans	1,283.38	1,188.50
Other financial assets	143.02	125.22
Deferred tax assets (net)	2,527.17	1,601.23
Other non-current assets	272.59	408.62
	<b>74,461.31</b>	<b>70,605.88</b>
<b>Current assets</b>		
Inventories	42,830.74	47,792.24
<b>Financial assets</b>		
Investments	31,536.41	457.47
Loans	54.05	3.44
Cash and cash equivalents	2,379.95	489.59
Other financial assets	7,049.10	-
Other bank balances	367.29	9.26
Other current assets	3,975.23	3,006.90
	<b>88,192.77</b>	<b>51,758.90</b>
<b>Total Assets</b>	<b>1,62,654.08</b>	<b>1,22,364.78</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	1,970.61	1,815.55
Other equity	80,552.06	44,077.64
	<b>82,522.67</b>	<b>45,893.19</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Lease liability	53,078.46	43,783.81
Employee benefit obligations	734.27	612.26
	<b>53,812.73</b>	<b>44,396.07</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	-	104.65
Lease liability	3,701.90	7,782.64
Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	5,588.69	5,043.66
b) total outstanding dues of creditors other than micro enterprises and small enterprises	13,579.51	14,635.31
Other financial liabilities	1,020.25	2,608.14
Employee benefit obligations	320.66	254.92
Liabilities for current tax (net)	1,211.78	967.05
Other current liabilities	895.89	679.15
	<b>26,318.68</b>	<b>32,075.52</b>
<b>Total Equity and Liabilities</b>	<b>1,62,654.08</b>	<b>1,22,364.78</b>



## 2 Cash Flow Statement for the the year ended March 31, 2021

(Amount in Rs. lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Operating activities</b>		
Profit before Income tax	(966.48)	6,953.02
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	10,297.14	9,392.28
Finance costs	5,894.53	5,478.39
Loss on sale / write-off of fixed assets/ Capital work-in-progress	116.23	118.08
Provision against doubtful advances	22.77	142.50
Balances written off	7.88	18.15
Employee stock option expense	149.47	271.26
Interest income	(271.14)	(100.74)
Profit on sale of investments (net)	(55.59)	(184.86)
Rent Concession on lease rentals (refer note)	(1,573.84)	-
Income on investment designated at FVTPL	(132.72)	(32.51)
Liabilities written back	(26.86)	(98.06)
<b>Operating profit before working capital changes</b>	<b>13,461.39</b>	<b>21,957.51</b>
<b>Changes in working capital :</b>		
(Increase) / decrease in financial assets	(189.66)	627.40
(Increase) in other assets	(993.11)	(850.16)
Decrease / (increase) in inventories	4,961.50	(14,893.83)
(Decrease) / increase in trade payables	(483.91)	4,951.03
(Decrease) in other financial liabilities	(1,476.01)	(1,072.10)
(Decrease) / increase in other liabilities	(149.55)	180.46
Increase in provisions	146.68	143.25
<b>Cash flow from operations</b>	<b>15,277.33</b>	<b>11,043.56</b>
Taxes paid (net of refunds)	(348.16)	(2,413.72)
<b>Net cash flow from operating activities (A)</b>	<b>14,929.17</b>	<b>8,629.84</b>
<b>B. Investing activities</b>		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(4,101.86)	(6,141.59)
Proceeds from sale of fixed assets	44.80	(23,793.91)
Purchase of investments	(54,828.37)	29,290.04
Proceeds from sale of investments	23,907.73	679.08
Interest received	110.88	6.68
Movement in fixed deposits (including earmarked balances with bank net of liabilities)	(7,008.78)	10.98
<b>Net cash (used in) / from investing activities (B)</b>	<b>(41,875.60)</b>	<b>51.28</b>
<b>C. Financing activities</b>		
Proceeds from issue of equity shares including securities premium (net of share issue expenses)	37,131.05	133.55
Repayment of long term borrowings	(2.60)	(29.65)
Repayment of short term borrowings	(104.65)	-
Proceeds from short term borrowings (net)	-	104.65
Equity dividend paid	-	(308.61)
Corporate dividend tax paid	-	(63.44)
Lease payments (net off lease concession)	(2,440.70)	(3,789.89)
Finance charges paid	(5,894.67)	(5,478.61)
<b>Net cash from / (used in) financing activities (C)</b>	<b>28,688.43</b>	<b>(9,432.00)</b>
<b>D. Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,742.00</b>	<b>(750.88)</b>
<b>E. Cash and cash equivalents at the beginning of the period</b>	<b>480.83</b>	<b>1,231.71</b>
<b>F. Cash and cash equivalents at the end of the period (D+E)</b>	<b>2,222.83</b>	<b>480.83</b>



**V-Mart Retail Limited**

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

**Notes to audited financials results for the quarter and year ended March 31, 2021**

- 3 These financials 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.
- 4 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 28, 2021. The statutory auditors of the Company have conducted audit of these financial results pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5 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.
- 6 During the quarter, as per the Employee Stock Option Scheme 2012 ("Scheme") and Employee Stock Option Scheme 2020 ("Scheme")
  - a) The Company has allotted Nil 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
  - b) An amount of Rs. 149.47 lakhs has been recorded as employee benefit expense for the quarter, as the proportionate cost of employee Stock option granted.
- 7 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.
- 8 During the quarter ended, the Company has issued 1,530,612 equity shares of Rs. 10 each at an issue price of Rs. 2,450 per share, aggregating to Rs. 37,499.99 lakhs (including securities premium of Rs.37,346.93). The issue was made through eligible Qualified Institutional Placement (QIP) in terms of Chapter VI of the Security and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended ("the SEBI Regulations"), Section 42 and other relevant provisions of the Companies Act, 2013.
- 9 Subsequent to the March 31, 2021, the because of rise in number of cases due to COVID-19 pandemic, recently various state governments have again started imposing certain restrictions in various states of the country. Consequent to the uncertainties caused due to continuation of pandemic, 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, factored assumptions used in annual impairment testing of fixed assets using the various internal and external information up to the date of approval of these 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 opinion that provision for markdown and shrink is sufficient and appropriate to cover any loss that may arise due to various un-certainties 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 is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of the COVID-19. However, the Company will continue to closely monitor any material changes to future economic conditions, required, if any

- 10 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 on Ind AS 116 for rent concessions which are granted due to COVID-19 pandemic. Accordingly, it has accounted Rs. 529.13 lakhs (Rs. 372.99 lakhs netted from rent expenses and Rs 156.14 lakhs recognised under head other income) and Rs. 2,776.40 lakhs (Rs. 1,202.56 lakhs netted from rent expenses and Rs. 1,573.84 lakhs recognised under head other income) for the year ended March 31, 2021 with respect to unconditional rent concessions confirmed in writing by the landlord.
- 11 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 22, 2021, 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.

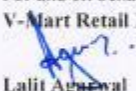
During the current year, the Company has incurred losses which in the view of management is largely on account of COVID-19 Pandemic and could not have been anticipated at the time of obtaining the special resolution as mentioned above.

While the management continues to pay the remuneration as per the resolution passed in case of profits, due to the current situation of losses, the remuneration paid to two executive directors exceeds the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by Rs. 36.64 lakh. The management considers that it is prudent to obtain fresh approval from shareholders in the ensuing general meeting. While it is confident that, it shall obtain the necessary approvals, it has obtained confirmation from the executive directors that the excess amount so paid will be refunded by them if the necessary approvals are not obtained in forthcoming Annual General Meeting and the excess amount is charged to Statement of Profit and Loss.

- 12 The Indian Parliament has approved the Code on Social Security 2020, which would impact Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the 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 related rules are published.

For and on behalf of the Board of Directors of

**V-Mart Retail Limited**

  
**Lalit Agarwal**  
Managing Director  
Place: Gurugram  
Date: May 28, 2021

