



PRICE "LESS" FASHION

1<sup>st</sup> November, 2019

Ref. No. CS/S/L-385/2019-20

To,

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](mailto:cmlist@nse.co.in)

To:  
The Corporate Relationship Department  
**THE BSE LIMITED**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001  
**Scrip code: 534976**  
Fax: 022-22723121  
Email: [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

**Sub: Presentation to Analysts/Investors**

Sir,

Please find enclosed herewith the presentation being forwarded to Analysts/Investors on unaudited financial results of the Company for the second quarter and half year ended 30<sup>th</sup> September, 2019.

The above presentation is also available on the company's website: <http://www.vmart.co.in>.

Request you to kindly take the same on record.

Thanking you,

Yours truly  
For V-Mart Retail Limited

  
Meera Tandon  
Company Secretary  
Memb: no. A35532

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](mailto:info@vmart.co.in) • Website : [www.vmart.co.in](http://www.vmart.co.in)  
Registered Office : 610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, New Delhi - 110092

# Review of Financial Result Q2 FY'20

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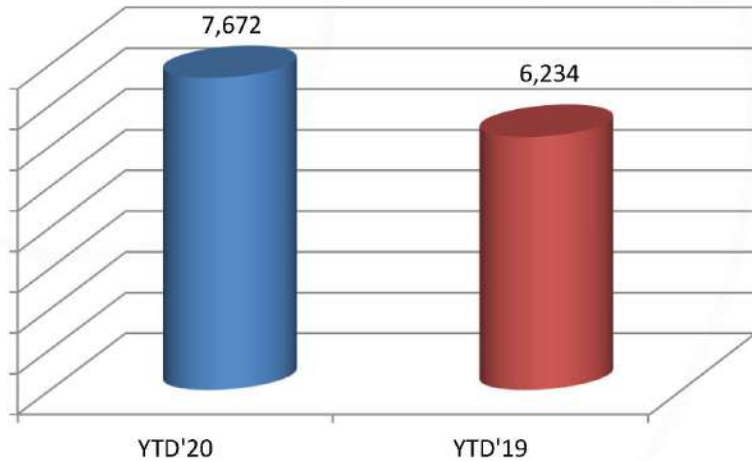
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## Key highlights : Apr-Sep FY'20 vs FY'19 results

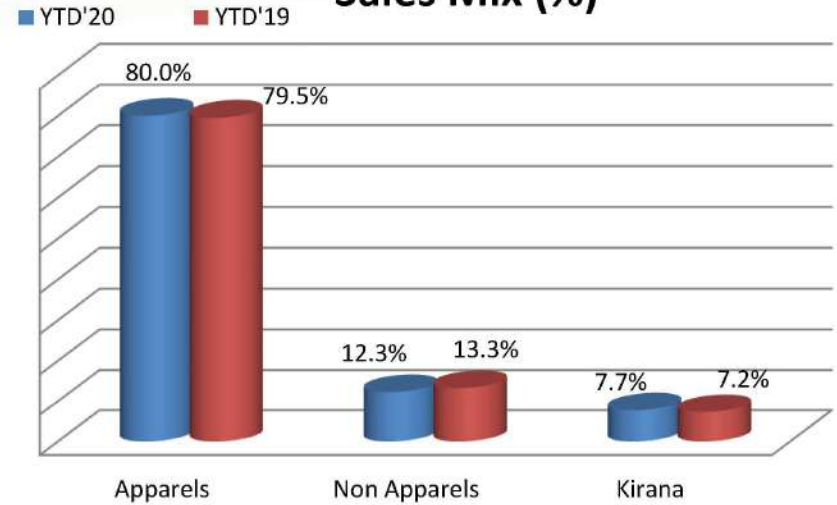
- **Number of Stores increases to 239 (add : 27 close : 0)**
- **Revenue grows by 23%**
- **Same Store Sales growth : Company 3%, Volume 0%**
- **Sales per sq. feet (per month) : Rs. 728**
- **Contribution of segment to total revenue :**
  - **Fashion 92%**
  - **Kirana 8%**
- **Net profit/(loss) of Rs. (4) million**
- **Ind-AS 116 adoption implemented w.e.f. April 1, 2019**
- **Net impact on PBT higher than rental value as notional interest cost accrued on notional RoU liability created (Rs. 148 Mn.)**

# Financial Parameters : Apr-Sep FY'20 vs FY'19

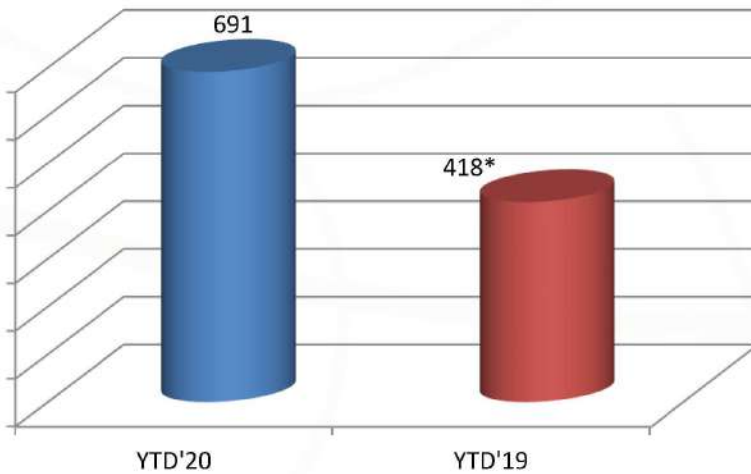
### Sales (Rs. Mn)



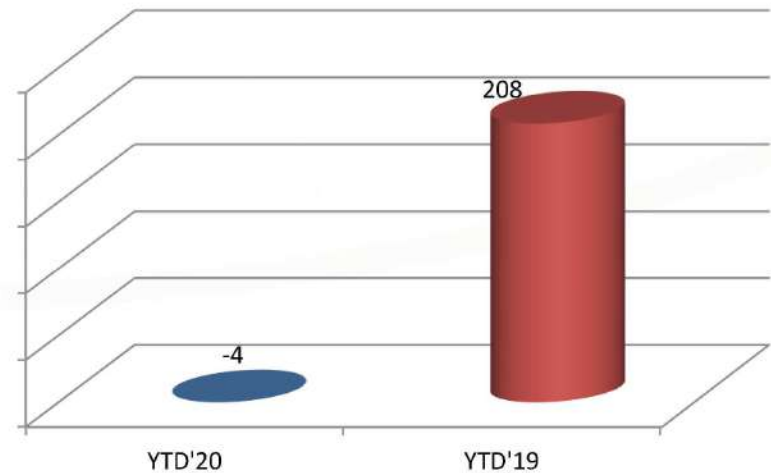
### Sales Mix (%)



### EBITDA (Rs. Mn)



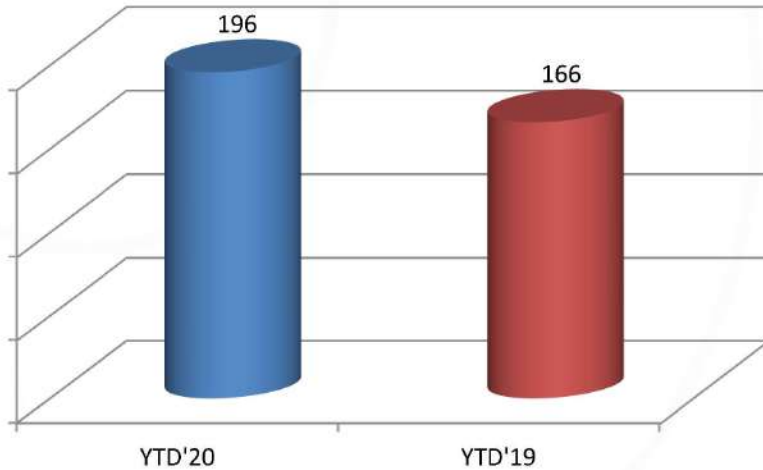
### PAT (Rs. Mn)



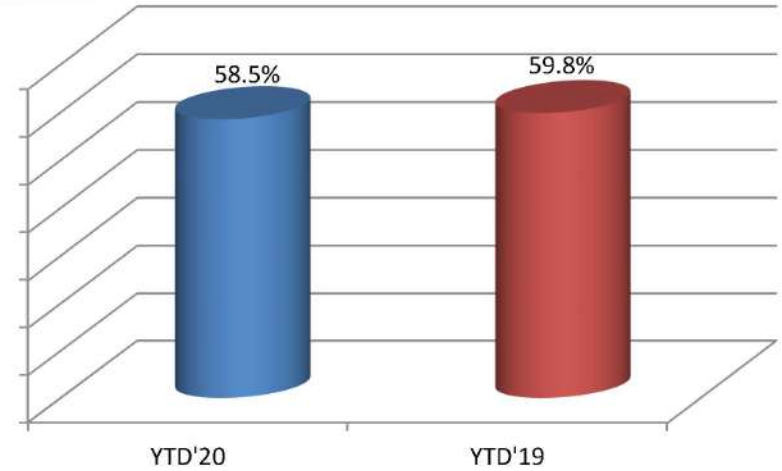
FY'20 numbers are adjusted on account of IND-AS 116  
 \*FY'19 EBITDA reclassified on account of exceptional item

# Operational Parameters : Apr-Sep FY'20 vs FY'19

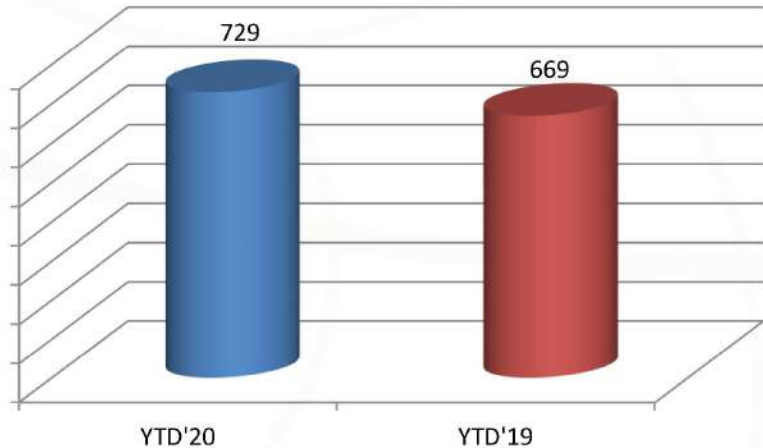
### Footfall (lakhs)



### Conversion Rate (%)

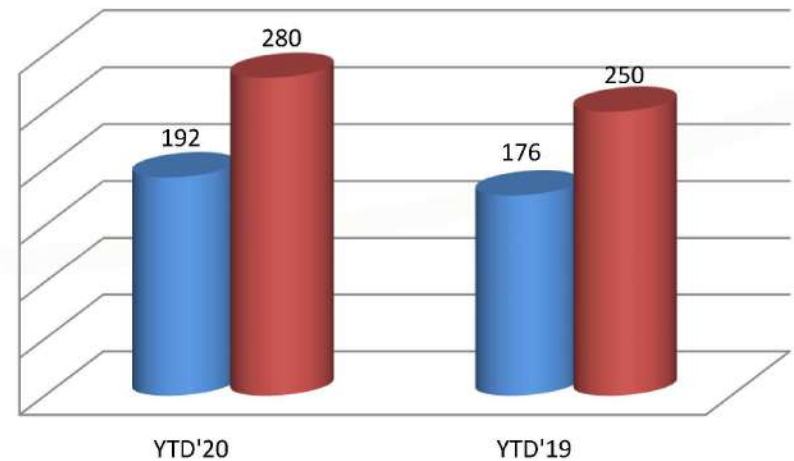


### Transaction size (Rs.)



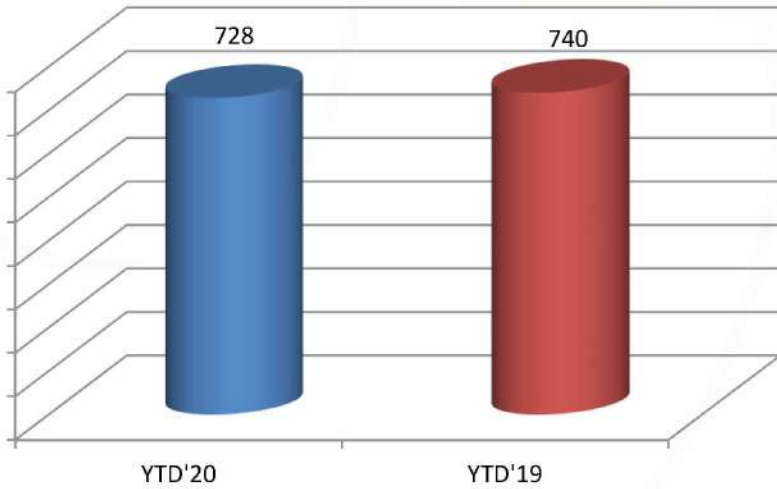
■ Total ■ Apparel

### Average Selling Price (Rs)

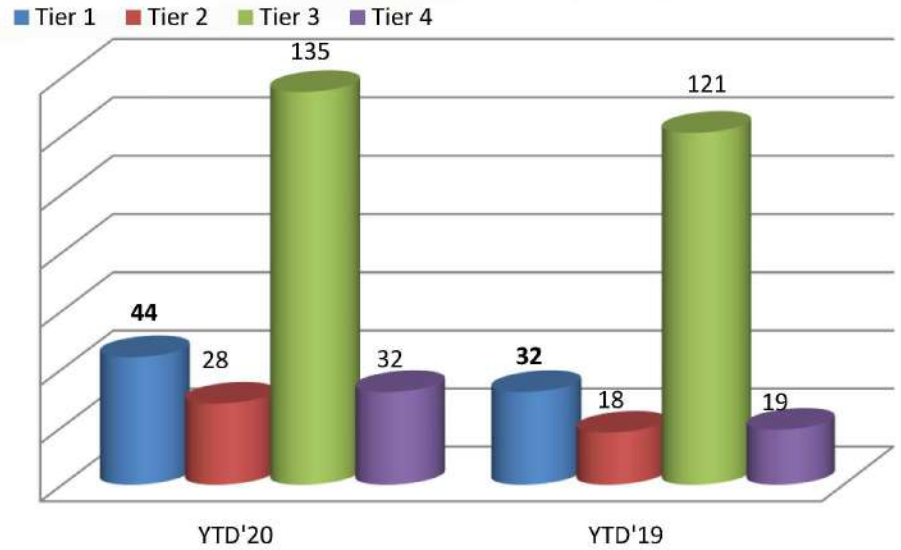


# Operational Parameters : Apr-Sep FY'20 vs FY'19

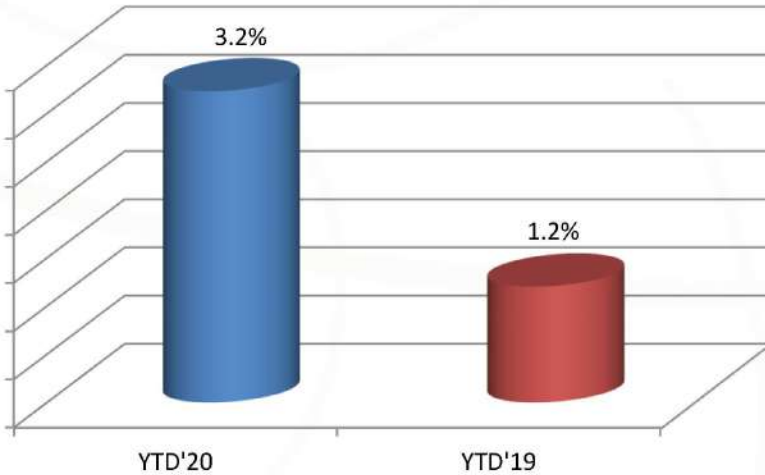
### Sales per sq feet (per month)



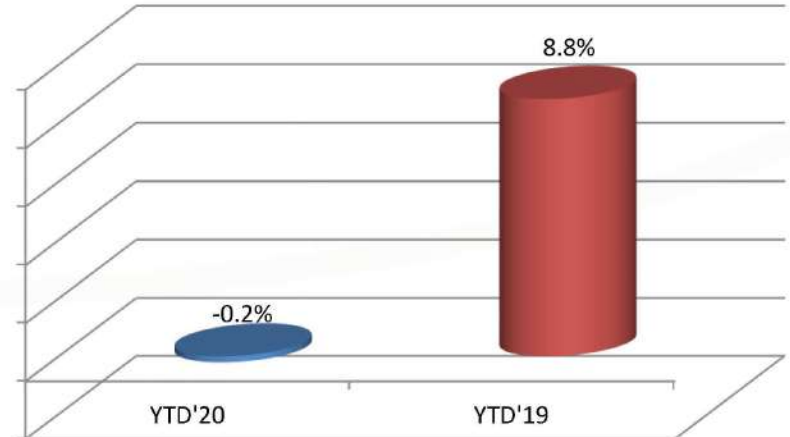
### Store Count (Nos)



### Same Store Sales Growth (%)

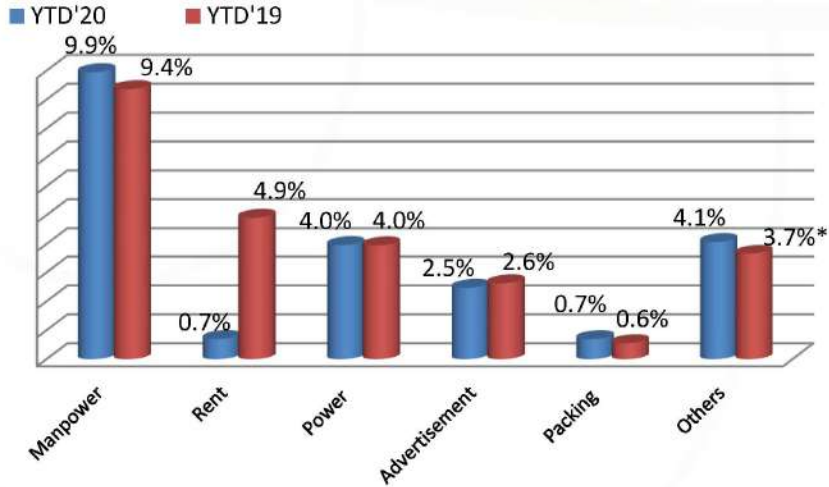


### Same Store Volume Growth (%)

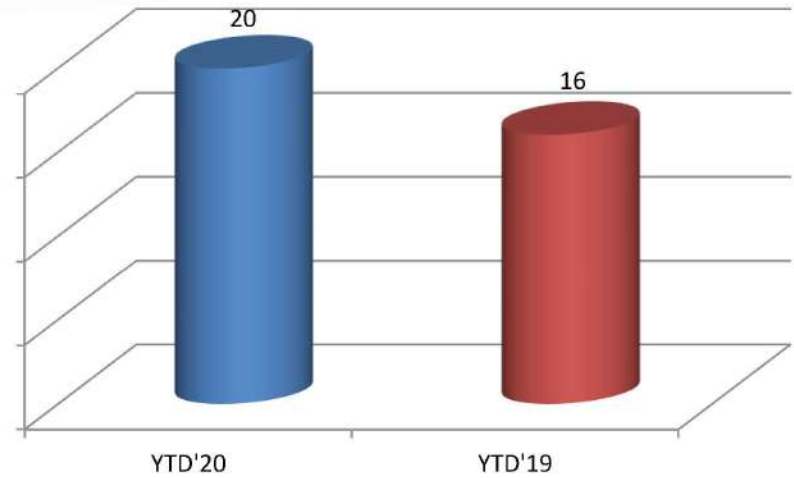


# Operational Parameters : Apr-Sep FY'20 vs FY'19

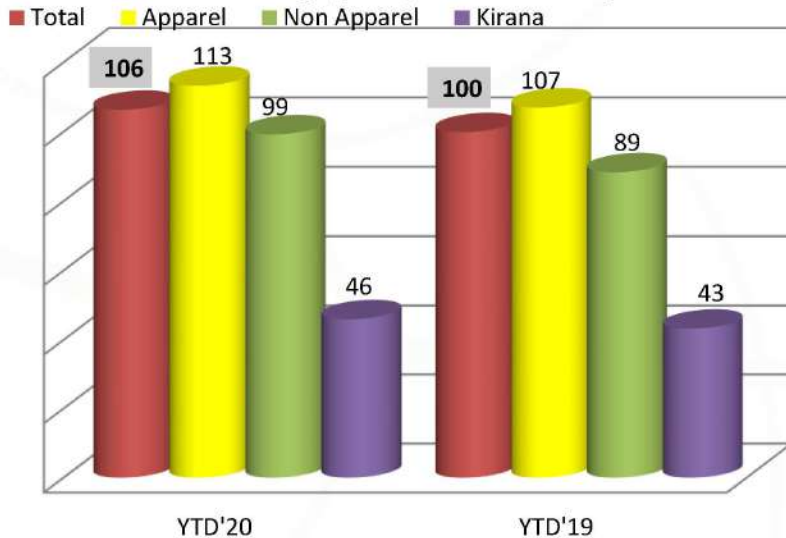
## Expenses (% of Sales)



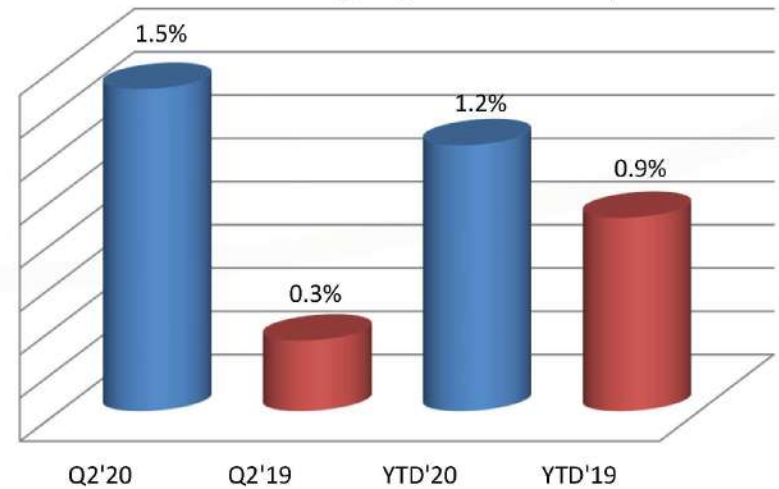
## Retail Space (lakhs Sq feet)



## Inventory (Days of Sales)



## Shrinkage (% of Sales)



Rent YTD\_FY'20 adjusted on account of IND-AS 116

\*FY'19 Other expense reclassified on account of exceptional item



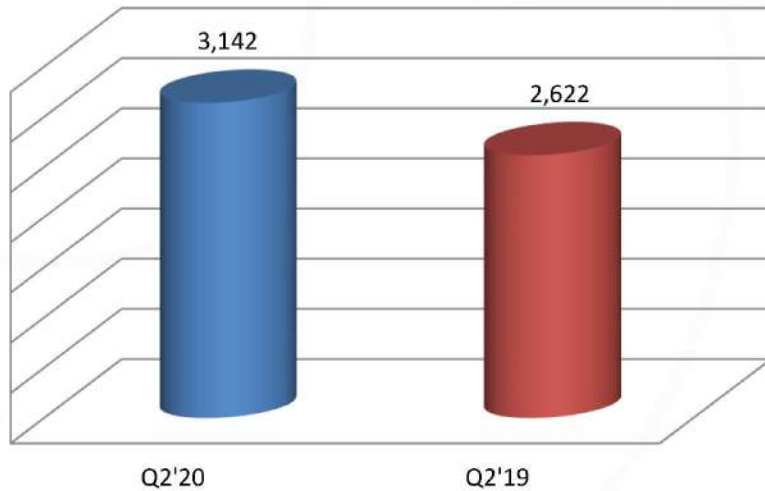
## Key highlights of Q2 FY'20 vs FY'19 results



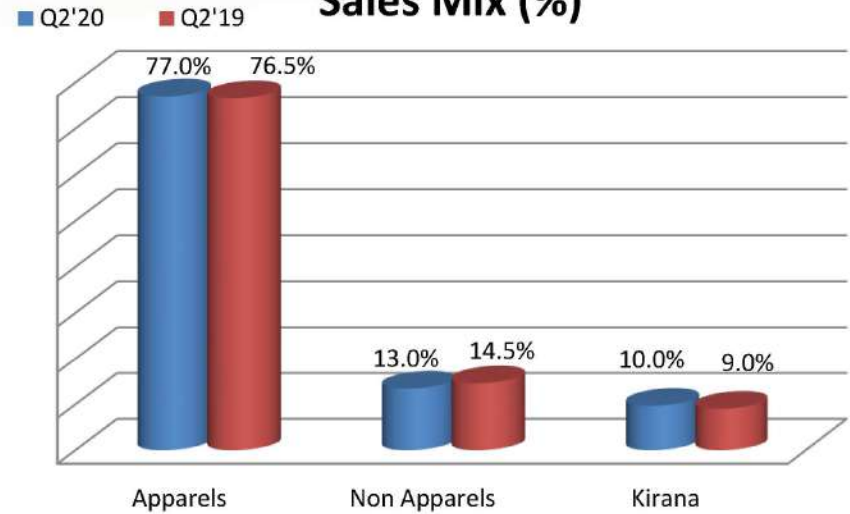
- **Revenue grows by 20%**
- **Same Store Sales growth : Company 1%, Volume (8%)**
- **Sales per sq. feet (per month) : Rs. 590**
- **Stores count increases to 239 (add : 14 close : 2)**
- **Contribution of segment to total revenue**
  - **Fashion 90%**
  - **Kirana 10%**
- **Net profit/(loss) of Rs. (180) millions**
- **Net impact on PBT higher than rental value as notional interest cost accrued on notional RoU liability created (Rs. 74 Mn.)**
- **Increase in expense in current quarter :**
  - **Higher expenses incurred on opening of new stores before Diwali**
  - **Festival shift by 12 days as compared to last year leading to higher marketing spend and other expenses in the current quarter**
  - **Inventory build up for upcoming festival season and 15 new stores opened in October 2019**

# Financial Parameters – Q2 FY'20 vs FY'19

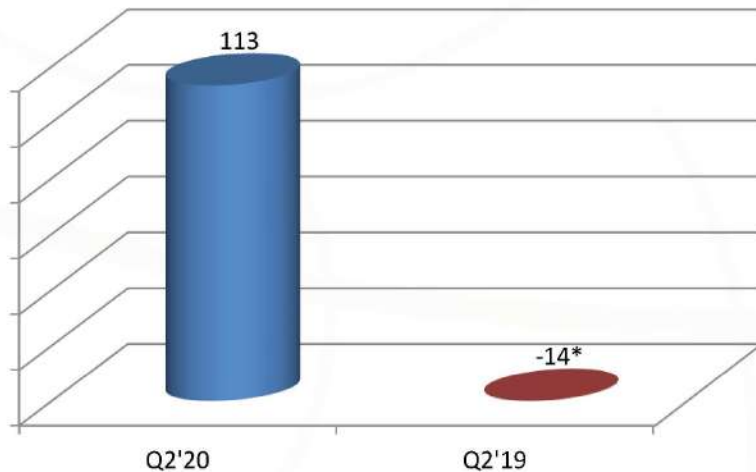
## Sales (Rs. Mn)



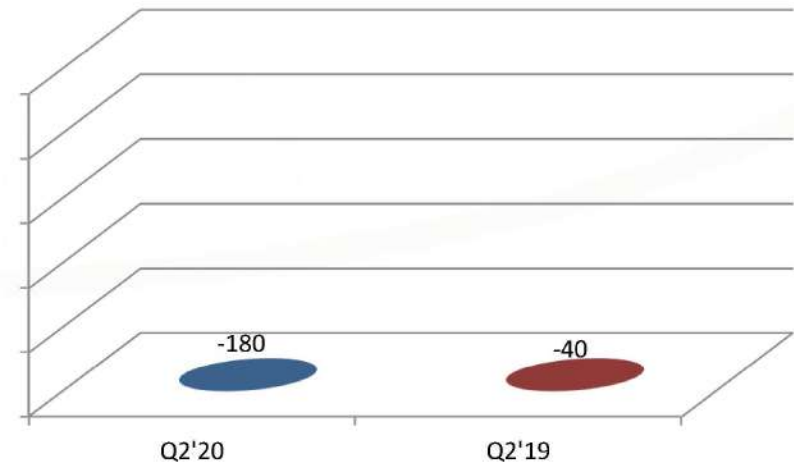
## Sales Mix (%)



## EBITDA (Rs. Mn)



## PAT (Rs. Mn)

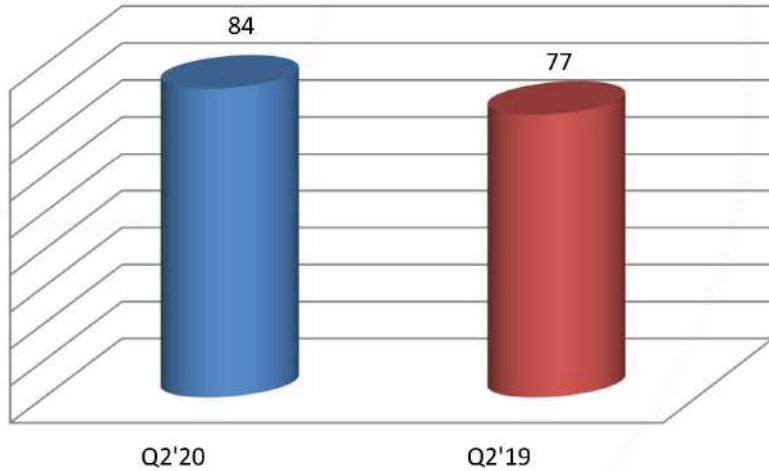


FY'20 numbers are adjusted on account of IND-AS 116  
 \*FY'19 EBITDA reclassified on account of exceptional item

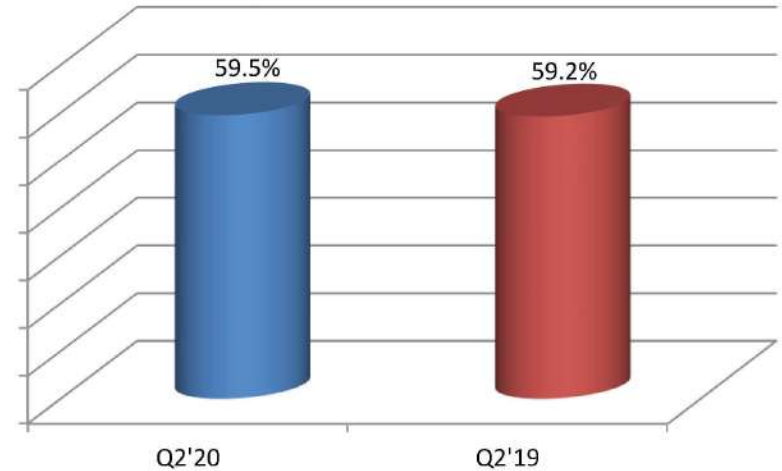
# Operational Parameters – Q2 FY'20 vs FY'19



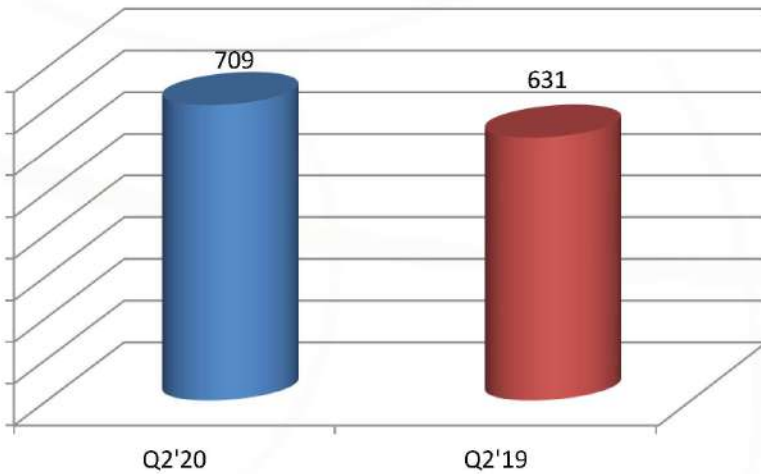
### Footfall (lakhs)



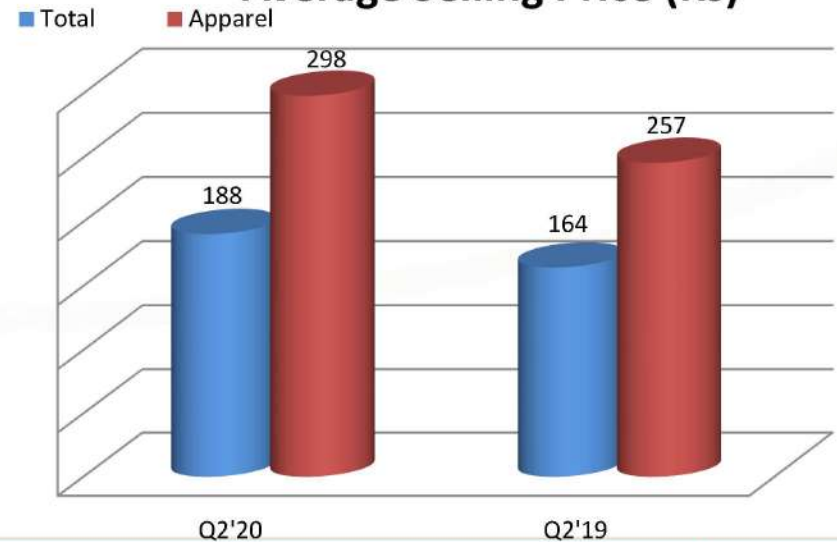
### Conversion Rate (%)



### Transaction size (Rs.)



### Average Selling Price (Rs)



## Ind-AS 116 – Leases

### Introduction

MCA has mandated a new Accounting Standard IND-AS 116 for Accounting for Leases with effect from April 1, 2019

### Impact

- Requires lessee to recognize on Balance Sheet measured at present value of minimum lease payments to be made over the lease period, as Right of Use Asset (ROU)
- Interest is added, payments are reduced from lease liability for the future period
- ROU is depreciated over the lease period on SLM basis
- Rentals are replaced by Depreciation & Interest expense, thereby:
  - increasing EBITDA (to the extent of rentals) (Rs. 381 Mn.)
  - increasing Depreciation (future rentals depreciated on SLM) (Rs. 285 Mn.)
  - increasing Interest Expense (for interest on future rental liability) (Rs. 240 Mn.)
- Net impact on PBT higher than rental value as notional interest cost accrued on notional RoU liability created (Rs. 148 Mn.)