

Surana Singh Rathi And Co.

Chartered Accountants

15-A, Laxmi Narayan Mukherjee Road, Kolkata - 700 006
Tel. : 033 - 2259 4182



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Limited Review Report

Review Report to
The Board of Directors
V2 Retail Limited

1. We have reviewed the accompanying statement of unaudited financial results of V2 Retail Limited ('The Company') for the quarter ended 30th June, 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This 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 these financial statements based on our review.
2. We conducted our review 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We further report that *Deferred Taxes Assets amounting to Rs. 158.75 lakhs has been recognized during the quarter though the company has incurred losses in the current quarter and previous years and there exists no convincing evidence as to virtual certainty of future income to recover the deferred tax asset as required by Accounting Standard 22 "Accounting for Taxes on Income"*.
4. Based on our review conducted as above and subject to our observations in paragraph 3 above, the consequential effect of which on relevant assets, liabilities and loss for the period is not quantifiable, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [notified pursuant to the companies (Accounting Standards) Rules, 2006] and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi
Date: 16th August, 2011



For Surana Singh Rathi And Co.
Chartered Accountants
Firm Reg. No. 317119E


S.K. Surana
Partner

Membership No. 053271

Surana Singh Rathi And Co.

Chartered Accountants

15/A, Lakshmi Narayan Mukherjee Road, Kolkata - 700 006
Tel : 033 - 2259 4187



Limited Review Report

Review Report to
The Board of Directors
V2 Retail Limited

1. We have reviewed the accompanying statement of unaudited financial results of V2 Retail Limited ('The Company') for the quarter ended 31st March, 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This 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 these financial statements based on our review.
2. We conducted our review 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We further report that:
 - a. We have not been provided adequate or appropriate documentary evidence, for charges included in 'other income' amounting Rs. 167.53 Lakhs and recognized in the Profit & Loss Account for the quarter.
 - b. Deferred Taxes Assets amounting to Rs. 28463.77 Lakhs has been recognised though the company has incurred losses in the current year and previous years and there exists no convincing evidence as to virtual certainty of future income to recover the deferred tax asset as required by Accounting Standard 22 "Accounting for Taxes on Income".
 - c. We have not been provided the basis of accounting for Capital Reserve amounting to Rs. 60537.49 Lakhs on account of restructuring of business of the company during the year.
 - d. There is deviation in published unaudited results to the tune of Rs.- 608.26 lakhs majorly on account of decrease in deferred tax assets which was earlier not provided for in unaudited published results for the quarter amounting to Rs. 1261.46 lakhs. Further there is a write off of payables amounting Rs. 703.23 Lakhs and increase in expenditure by Rs. 61.66 Lakhs. Increase in expenditure is on account of write off of inventory amounting Rs. 202.14 Lakhs and reversal of provisions amounting Rs. 140.48 lakhs.
 - e. There is increase in extra ordinary item by Rs. 2034.72 lakhs on account of regrouping of reversal of interest as extra ordinary item earlier shown under finance cost.
 - f. Our audit report on the financial statements for the year ended March 31, 2011 was qualified in respect of the matters stated in paragraphs 3(a) to (e) above.



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Tel. : 033 - 2259 4182



Chartered Accountants

- A. Based on our review conducted as above and subject to our observations in paragraph 3 above, the consequential effect of which on relevant assets, liabilities and loss for the period is not quantifiable, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [notified pursuant to the companies (Accounting Standards) Rules, 2006] and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi
Date: 16th August, 2011

For Surana Singh Rathi And Co.
Chartered Accountants
Firm Reg. No. 317119E



S.K. Surana
S.K. Surana
Partner
Membership No. 053271