

UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDING ON DECEMBER 31ST 2011

							Rs.in Lacs
S.No.	Particulars	Quarter ended 31st December 2011	Quarter ended 30th September 2011	Quarter ended 31st December 2010	Year to date 31st December 2011	Year to date 31st December 2010	Year ended 31st March 2011
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
a.	Net Sales/Income from Operations	1,602.88	1,011.09	30,270.63	2,787.70	90,676.41	106,464.63
b.	Other Operating Income	-	-	-	-	-	-
c.	Total	1,602.88	1,011.09	30,270.63	2,787.70	90,676.41	106,464.63
2	Expenditure						
a.	(Increase)/decrease in stock in trade and work in progress	(384.45)	(153.98)	(903.91)	(1,635.87)	2,027.01	-
b.	Consumption of raw materials			23,139.97		66,844.29	83,315.06
c.	Purchase of traded goods	1,625.36	861.11	-	3,710.16	-	-
d.	Employees cost	181.39	136.19	2,150.23	375.73	6,598.40	7,949.94
e.	Depreciation	76.53	103.34	911.39	192.15	2,714.15	3,431.74
f.	Other expenditure	318.64	371.24	5,831.84	906.09	16,924.56	20,737.37
g.	Total	1,817.47	1,317.90	31,129.52	3,548.26	95,108.41	115,434.11
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	(214.59)	(306.81)	(858.89)	(760.56)	(4,432.00)	(8,969.48)
4	Other Income	54.51	47.58	259.81	153.20	872.99	1,040.52
5	Profit before Interest & Exceptional Items (3+4)	(160.08)	(259.23)	(599.08)	(607.36)	(3,559.01)	(7,928.96)
6	Interest	181.46	169.50	2,270.17	640.82	6,667.91	10,706.30
7	Profit after Interest but before Exceptional Items (5-6)	(341.54)	(428.73)	(2,869.25)	(1,248.18)	(10,226.92)	(18,635.26)
8	Exceptional Items	(15.36)	39.88	40.15	(133.98)	(183.81)	232.32
9	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	(356.90)	(388.85)	(2,909.40)	(1,382.16)	(10,410.73)	(18,402.94)
10	Tax expense	139.20	(1,849.34)	972.19	(1,551.38)	3,454.08	2,192.99
11	Net Profit (+)/Loss(-) from Ordinary Activities after tax (9+10)	(217.70)	(2,238.19)	(1,937.21)	(2,933.54)	(6,956.65)	(16,209.95)
12	Extraordinary Item	-	-	-	-	-	(9,692.78)
13	Net Profit (+)/Loss(-) for the period (11-12)	(217.70)	(2,238.19)	(1,937.21)	(2,933.54)	(6,956.65)	(6,517.16)
14	Paid-up equity share capital	2,239.89	2,239.89	2,239.89	2,239.89	2,239.89	2,239.89

	(Equity Shares of Rs. 10/- each)	10/-	10/-	10/-	10/-	10/-	10/-
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						17,134.96
16	Earnings Per Share (EPS)						
a.	Basic EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.97)	(9.99)	(8.65)	(13.10)	(31.06)	(72.37)
a(i).	Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.97)	(9.99)	(8.65)	(13.10)	(31.06)	(72.37)
b.	Basic EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.97)	(9.99)	(8.65)	(13.10)	(31.06)	(29.10)
b(i).	Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.97)	(9.99)	(8.65)	(13.10)	(31.06)	(29.10)
17	Public shareholding						
a.	Number of shares	9585998	9585998	9585998	9585998	9585998	9585998
b.	Percentage of shareholding	42.80%	42.80%	42.80%	42.80%	42.80%	42.80%
18	Promoters and Promoter Group Shareholding **						
a.	Pledged / Encumbered						
-	Number of shares	953770	953770	953770	953770	953770	953770
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%
-	Percentage of shares (as a % of the total share capital of the company)	4.26%	4.26%	4.26%	4.26%	4.26%	4.26%

b.	Unencumbered						
-	Number of shares	11859101	11859101	11859101	11859101	11859101	11859101
-	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	92.56%	92.56%	92.56%	92.56%	92.55%	92.56%
-	Percentage of shares (as a % of the total share capital of the company)	52.94%	52.94%	52.94%	52.94%	52.94%	52.94%



Notes:-

1. The above Unaudited Quarterly Financial Results have been reviewed and taken note by the Board of Directors in the meeting held on February 14th 2012.
2. The Company has opted to publish Standalone Results in Financial Year 2011-12 instead of Consolidated Results.
3. The performance of subsidiaries is as given below:

Name of the Subsidiary	%age of Holding	Turnover	Profit / (Loss) for the Period
VRL Fashion Limited	100%	NIL	NIL
VRL Foods Limited	100%	NIL	NIL
VRL Movers Limited	50%	NIL	NIL
VRL Consumer Goods Limited	100%	NIL	NIL
VRL Infrastructure Limited	50%	NIL	NIL
VRL Knowledge Process Limited	50%	NIL	NIL
VRL Retail Ventures Limited	50%	NIL	NIL

4. The Company has only one business and geographical segment viz retail sales of garments, textile & accessories in India. In view of this no further disclosure is required to be made as per Accounting Standard-17 on Segment Reporting.
5. The weighted average number of Equity Shares outstanding during the period has been considered for calculating the Earning per Share in terms of Accounting Standard-20.
6. The amount of raw material under Para 2(b) of financial results for the Quarter Ending December 31st 2010 and for the year to date 31st December 2010 includes the amount of traded goods.
7. Details of number of Investor Complaints/Queries for the Quarter ended 31st December 2011; Pending at the beginning NIL, Received during the quarter NIL, Resolved during the quarter NIL, Pending at closing NIL.
8. Exceptional items includes prior period items amounting Rs. (15.36) lacs for the quarter ended 31st December 2011, 40.15 for the quarter ended 31st December 2010, Rs. 232.32 for the year to date 31st March 2011.
9. The Company has opened 1 new store and closed two stores during the period and the total area is measuring 31,900 Sq. Ft.
10. Previous quarter / year figures have been regrouped / reclassified where ever necessary.

Dated: 14th February 2012
Place: New Delhi



For V2 Retail Limited

Ram Chandra Agarwal
Chairman & Managing Director



A K G V G & ASSOCIATES
Chartered Accountants

**Limited Review Report on
V2 Retail Limited, New Delhi
For the Quarter ended 31st December, 2011**

To,
The Board of Directors,
V2 Retail Limited.

1. We have reviewed the accompanying un-audited statement of account of V2 Retail Limited (The Company) New Delhi for the quarter ended on 31st December, 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which has been traced from disclosure made by the management and have not been audited by us. These financial statements are responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We have 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 financial statements are free of material misstatement. A review is limited primarily to inquiring from person responsible financial and accounting matters. It is an analytical procedure applied to financial data and thus, provides less assurance than audit. We have performed the review accordingly and we do not express an audit opinion.
3. We further report that;
 - a) *Secured loan and unsecured loan balances are subject to confirmations.*
 - b) *Sundry Creditors balances are subject to confirmations and further the Management has not provided the segregation of creditors into due to MSME (Micro, Small & Medium Enterprises) and others. So we are unable to comment on provision for Interest due to MSME.*
 - c) *The Company has Contingent Liabilities to the tune of Rs. 7181.99 Lacs which include Rs. 507.07 Lakhs for which as per management assessment have been completed but we have not been provided any document to support the said amount. All other Contingent Liabilities are under appeal with different authorities at different levels. At the moment Company is not able to reliably ascertain estimated amount of such liability so the provision as required in accordance to the Indian Accounting Standard-29 has not been made in books of accounts.*
 - d) *The Company has incurred substantial losses and its net worth has been eroded. However, having regard to improvement in the economic sentiment, rationalization measures adopted by the Company, Opening of new stores and the implementation of the debt recast package with*



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the lenders and promoters, these interim financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

- e) Deferred Tax Asset amounting to Rs.26,907.65 Lacs has been recognized though the company has incurred losses in the current year and previous years and there exist no convincing evidence as to virtual certainty of future income to recover the deferred asset as required by AS-22 on Accounting for Taxes on Income.*
 - f) Non-compliance with Accounting Standard 2 "Valuation of Inventories" The cost for valuation of inventories does not include Octroi, Freight Inward & Discount received on purchase. The impact of such deviation from AS-2 is currently unascertainable.*
 - g) The Company has not made any provision for shrinkages, pilferages, Obsolete and damaged goods.*
 - h) We have not been provided the basis of accounting for Capital reserves amounting to Rs.60523.24 Lacs created during the F/y 2010-11 on account of restructuring of Business of the company.*
 - i) Credit Card Receivables are subject to reconciliation. Due to which financial impact of the same could not be ascertained.*
 - j) As according to the management and minutes of Boards of Director, Regular Internal audit is conducted, while no Internal Audit report for quarter ended 31st December, 2011 have been provided us, due to which we cannot comment on the regularity of Internal Audit .*
 - k) The matters as stated above in paragraph 3(a) to (j) are our observations and qualifications on Financial Statements for the period ending on December 31st 2011. .*
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 cause to believe that the accompanying un-audited financial statements, prepared in accordance with accounting standards and other recognized practices and policies recognition, asset classification, provisioning and other related matters, have not disclosed the required information including the manner in which it is to be disclosed in term of clause 41 of the Listing Agreement and they contain material misstatement.

Place : New Delhi
Dated: 14th Feburary,2012

For A K G V G & Associates
Chartered Accountants
FRN: 018598N

Manoj Kumar
Manoj Kumar
Partner
M. No. 514461

