



AKGVG & ASSOCIATES

Chartered Accountants

Limited Review Report

Review Report to
The Board of Directors
V2 Retail Limited

1. We have reviewed the accompanying statement of un-audited financial results of V2 Retail Limited ('the Company') for the quarter ended on 30th September, 2013 (the "Statement"), 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 reviewed 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 the Statement 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 Statement is 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 an audit. We have not performed an audit and accordingly, and we do not express an audit opinion.
3. We draw attention to;
 - a) Secured loan including interest payable are subject to confirmations. During the period, company has debited interest expenses amounting to Rs.1,68,24,798/- which is included in finance cost, no documentary evidence has been provided in relation thereto,
 - b) Sundry Creditors balances are subject to confirmations and further the Management is in the process of recognition & segregation of creditors into due to MSME (Micro, Small & Medium Enterprises) and others. Currently we are unable to comment on provision for Interest due to MSME.
 - c) The Company has Contingent Liabilities to the tune of Rs.6213.82 Lacs, which 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.



Corporate Office : 307, Pearls Corporate, Sec-3, Rohini, Delhi-85. Ph. : +91-9811118031 Tel/ Fax : 011-45009323
Branch Office : Delhi : D-14/219, Sec-3, Rohini, Delhi-85. Ph. : + 91-9818330516 Tel./ Fax : 011-45680539
436C, Tower B3, 4th Floor, SPAZE I-Tech Park, Sec.-49, Sohna Road, Gurgaon
E-mail : akgvgca@gmail.com, Website : www.akgvg.com

- 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 the lenders and promoters, these 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. The accumulated losses Rs. 5,32,30,62,484/- (Rupees Five hundred Thirty Two crores thirty lacs sixty two thousand four hundred eighty four only) as at 30th September 2013 which exceed the net worth of the company.*
- e) *We have not been provided the basis of accounting for Capital reserves amounting to Rs. 60,523.24/- Lacs created during the F/y 2010-11 on account of restructuring of Business of the company. In the absence of the same, we are unable to comment on the appropriateness of the same including consequential impact, if any, arising out of the same on these financial statements.*
- f) *Other Non Current Assets, amount paid under protest to PF department amounting to Rs. 1,56,38,239/- and to Service department Rs. 75,00,000 have been shown, as according to management the case is under protest and appeals have lodged.*

Accordingly, we are unable to express an opinion at this stage in respect of these matters reported in paragraphs (a) to (f) above and their consequential effect, if any, on the unaudited quarterly financial results. The matters reported in paragraphs (a) to (f) above were the subject matter of qualification by us in the year ended March 31, 2013 and quarter ended June 30, 2013 as well.

4. Based on our review conducted as above, *subject to our observations in paragraph 3 above, the consequential effect of which on relevant assets, liabilities and loss for the quarter is not quantifiable*, nothing has come to our attention that cause to believe that the accompanying un-audited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified under the provisions of the Companies Act, 1956 and other recognized practices and policies has not disclosed the required information including the manner in which it is to be disclosed in terms of clause 41 of the Listing Agreement or that it contains any material misstatement.

Place: New Delhi
Dated: 14th November, 2013

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

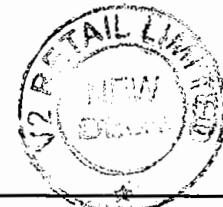
Vimal Saini
Vimal Kumar Saini
(Partner)
(Membership No. 515915)



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE PERIOD ENDING ON SEPTEMBER 30TH 2013
(Rupee in Lacs except Shares and EPS)

S.No.	Particulars	For the Quarter Ended			For the Half Year Ended		Year Ended
		30th Sept 2013	30th June 2013	30th Sept 2012	30th Sept 2013	30th Sept 2012	31st March 2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
a.	Net Sales (net of excise duty)	4,884.92	5,744.30	2,233.88	10,629.22	4,386.19	10,567.12
b.	Other Operating Income	-	-	-	-	-	-
c.	Total	4,884.92	5,744.30	2,233.88	10,629.22	4,386.19	10,567.12
2	Expenditure						
a.	(Increase)/decrease in stock in trade and work in progress	(87.67)	(879.71)	(189.73)	(967.37)	(402.31)	(2,878.26)
b.	Consumption of raw materials	-	-	-	-	-	-
c.	Purchase of traded goods	3,758.84	5,037.76	1,892.19	8,796.61	3,730.97	10,776.54
d.	Employee benefit expense	352.50	445.24	192.04	797.74	402.66	826.72
e.	Depreciation and amortisation expense	86.43	72.82	47.89	159.24	109.17	227.10
f.	Other expenses	786.87	854.23	401.45	1,641.10	702.10	1,768.58
g.	Total	4,896.97	5,530.34	2,343.84	10,427.31	4,542.59	10,720.67
3	Profit / (Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(12.05)	213.96	(109.96)	201.91	(156.40)	(153.55)
4	Other Income	54.46	52.98	54.03	107.44	104.73	209.93
5	Profit / (Loss) from ordinary activities before Finance Cost & Exceptional Items (3+4)	42.41	266.94	(55.93)	309.35	(51.67)	56.37
6	Finance Cost	199.68	188.66	153.57	388.34	319.23	652.11
7	Profit / (Loss) from ordinary activities after Finance Cost but before Exceptional Items (5-6)	(157.27)	78.28	(209.50)	(78.99)	(370.90)	(595.74)
8	Exceptional Items	0.75	16.03	-	16.78	26.93	120.19
9	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	(158.02)	62.25	(209.50)	(95.77)	(397.83)	(715.93)
10	Tax expense	62.21	15.66	67.97	77.88	120.34	(188.44)

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11	Net Profit /Loss from Ordinary Activities after tax (9+10)	(95.81)	77.91	(141.53)	(17.90)	(277.49)	(527.49)
12	Extraordinary Items (Net of Tax Expenses)	-	-	-	-	-	-
13	Net Profit /Loss for the period (11-12)	(95.81)	77.91	(141.53)	(17.90)	(277.49)	(527.49)
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	-	-	-	-	-	24,780.21
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)	(0.42)	0.42	(0.63)	(0.00)	(2.13)	(1.82)
a(i).	Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.42)	0.42	(0.63)	(0.00)	(2.13)	(1.82)
b.	Basic EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.43)	0.35	0.63	(0.08)	(2.13)	(2.35)
b(i).	Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.43)	0.35	0.63	(0.08)	(2.13)	(2.35)
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	12377194	12377194	12377194	12377194	12377194	12377194
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	96.60%	96.60%	96.60%	96.60%	96.60%	96.60%
-	Percentage of shares (as a % of the total share capital of the company)	55.25%	55.25%	55.25%	55.25%	55.25%	55.25%

b.	Unencumbered						
-	Number of shares	435677	435677	435677	435677	435677	435677
-	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	3.4%	3.4%	3.40%	3.40%	3.40%	3.4%
-	Percentage of shares (as a % of the total share capital of the company)	1.94%	1.94%	1.94%	1.94%	1.94%	1.94%

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Notes:-

1. The above Financial Results have been reviewed by Statutory Auditors and taken note by the Board of Directors in the meeting held on November 14th 2013. The Statutory Auditors of the Company has carried out a limited review of the Company's financial results for quarter and half year ended 30 September, 2013.
2. Statement of Assets & Liabilities as at 30th September 2013

Shareholders' Funds	30th September, 2013	31st March, 2013
(a) Share Capital	2,240	2,240
(b) Reserves and Surplus	24,505	24,780
Sub-total - Shareholders funds	26,745	27,020
Non-Current Liabilities		
(a) Long-term borrowings	3,941	3,155
(c) Other Long term liabilities	49	49
(d) Long term provisions	30	13
Sub-total - Non-current liabilities	4,020	3,217
Current Liabilities		
(a) Short-term borrowings		
(b) Trade payables	2,772	2,467
(c) Other current liabilities	4,631	3,998
(d) Short-term provisions	37	42
Sub-total - Current liabilities	7,440	6,507
Total Equity and Liabilities	38,205	36,744
ASSETS		
Non-current assets		
(a) <i>Fixed assets</i>		
(i) Tangible assets	1,298	834
(ii) Intangible assets	38	24
(iii) Capital work-in-progress	-	125
	1,336	983
(b) Non Current Investment	3,182	3,226
(c) Deferred tax assets (net)	27,172	27,094
(d) Long term loans and advances	182	165
(e) Other non-current assets	305	302
Sub-total Non current assets	32,177	31,770
Current Assets		
(a) Inventories	5,450	4,483
(b) Trade receivables	12	1



(c) Cash and cash equivalents	130	178
(d) Short-term loans and advances	434	310
(e) Other current assets	2	2
Sub-total Current assets	6,028	4,974
Total	38,205	36,744

3. The Company has opted to publish Standalone Results in Financial Year 2013-14 instead of Consolidated Results.
4. The performance of subsidiaries is as given below:

Name of the Subsidiary	%age of Holding	Turnover	Profit / (Loss) for the Period
VRL Movers Limited	50%	NIL	NIL
VRL Infrastructure Limited	50%	NIL	NIL
VRL Retail Ventures Limited	50%	NIL	NIL

5. 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.
6. 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.
7. Details of number of Investor Complaints/Queries for the Quarter ended 30th September 2013; Pending at the beginning NIL, Received during the quarter 05, Resolved during the quarter 05, Pending at closing NIL.
8. Exceptional items includes prior period items amounting Rs. 0.75 Lacs for the quarter ended 30th September 2013, Rs. Nil for the quarter ended 30th September 2012, Rs. 16.03 Lacs for the quarter ended 30th June 2013 and Rs. 120.19 lacs for the year to date 31st March 2013.
9. Previous quarter / year figures have been regrouped / reclassified where ever necessary.

Dated: November 14th 2013



For V2 Retail Limited

(Signature)

(RAM CHANDRA AGARWAL)
Chairman and Managing Director