



V2 Retail Limited

November 5, 2018

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Sub: Press Release on unaudited Financial Results for Q2 FY 2018-19

Dear Sir,

Please find enclosed Press Release on unaudited standalone Financial Results for the quarter ended on September 30, 2018.

Kindly take the same on your record.

Thanking You,

For V2 Retail Limited

Umesh Kumar

Company Secretary & Compliance Officer





Press Release dated November 5, 2018

V2 Retail Limited, one of the India's fastest growing Retail Company, has declared its Unaudited Financial Results for the Quarter and Half year ended on September 30, 2018

Particulars (₹ in mn)	Q2FY19	Q2FY18	Y-O-Y	H1FY19	H1FY18	Y-O-Y	FY2018
Revenue	1,557	1,375	13%	3,434	2,798	23%	5,594
Gross Profit	463	429	8%	1,093	875	25%	1,804
Gross Margin (%)	29.8%	31.2%		31.8%	31.3%		32.2%
EBIDTA	(79)	100	-179%	120	254	-53%	517
EBIDTA Margin (%)	-5.1%	7.3%		3.5%	9.1%		9.2%
Profit Before Tax	(317)	81		(139)	219		460
Profit After Tax	(185)	50		(73)	137		311

Financials at a Glance:

Revenue:

- Revenue during the quarter grew by 13% Y-o-Y in Q2FY19 from ₹ 1,375 mn to ₹ 1,557 mn. Revenue for H1 FY19 grew by 23% Y-O-Y from ₹ 2,798 mn to ₹ 3,434 mn.
- Durga Puja and Navaratra festivals during FY18 were celebrated in September vis-à-vis in October for FY19. This has led to shift in festival demand from H1 to H2 in FY19 as compared to FY18. We have significant presence in Eastern and North eastern part wherein major demand is witnessed during festival time. Hence, the figures may not be comparable.

Gross Profit:

- Gross Profit for the quarter increased from ₹ 429 mn to ₹ 463 mn. Gross margins for the quarter declined from 31.2% to 29.8%. Gross Profit for the Half year increased from ₹ 875 mn to ₹ 1,093 mn. Gross margins for the Half year increased from 31.3% to 31.8%.

EBIDTA:

- EBIDTA for the quarter declined by 179% Y-o-Y in Q2FY19 from ₹ 100 mn to ₹ (79) mn. EBIDTA for the Half year declined by 53% Y-o-Y in H1FY19 from ₹ 254 mn to ₹ 100 mn.

Profit Before Tax:

- Profit / (Loss) Before Tax (PBT) declined from ₹ 81 mn in Q2FY18 to ₹ (317) mn in Q2 FY19. Profit / (Loss) Before Tax (PBT) for H1 FY19 declined from ₹ 219 mn to ₹ (139) mn.

Profit After Tax (PAT):

- Profit / (Loss) After Tax (PAT) declined from ₹ 50 mn in Q1FY18 to ₹ (185) mn in Q2 FY19. Profit / (Loss) After Tax (PAT) for H1 FY19 declined from ₹ 137 mn to ₹ (73) mn.
- Exceptional items amounting to ₹ 253 mn for the quarter and period ended 30 September 2018, represents one time settlement amount which the Company has agreed to pay the lenders for relinquishing their Right of Recompense (ROR) for the sacrifices made by them in Financial year 2010-2011 under the Corporate Debt Restructuring (CDR) package vide Master Restructuring Agreement (MRA) entered into in November, 2010. The Company has



vide letter dated 21 August 2018 to the lenders offered to pay above said amount upto 28 February 2019.

- Other income includes gain of ₹ 46 mn on Sale of CCD of TPG Wholesale Private Limited.
- The Net amount payable by the company is approx ₹ 220 mn after adjusting sale value of CCD, FDR and other related matters with the CDR lenders. CDR lenders have agreed to release all the securities held by them and shall not raise any claim of whatsoever nature against the company in terms of the MRA after payment of the said amount.

Others:

- The Company has opened 8 new stores during the quarter Q2FY19.
- The Company operates 70 stores spread across 17 states and 65 cities with a total retail area in excess of 8 lac Sq. Ft.

Commenting on the results and performance, Mr. Ram Chandra Agarwal, Chairman & Managing Director said:

“At V2 Retail, we believe that continuous improvement in technology and processes are important for any organisation to attain sustained growth. As a part of the expansion strategy, the Company added 8 new stores during the Quarter taking the total count to 70 stores spread across 17 states. We believe that the momentum should continue in the coming quarters also. Our focus will be Tier 2 and Tier 3 cities as we see a large potential there.

The festive demand which commences with Durga Puja and Navratara followed by Diwali and wedding season post that, all of which are likely to translate into healthy growth. We have significant presence in Eastern and North East part of the country, where historically the demand during this period has been on a higher side. We are all set to take advantage of the season and have also invested in inventories to cater to the spurt in demand.

The Indian consumer is evolving with respect to habits, lifestyles, tastes and preferences. Our dedicated team of experts are continuously on job trying to understand the consumer needs through market research and keep churning our product basket as per needs of the consumer.”

About V2 Retail Limited:

V2 Retail is one of the fastest growing retail company in India and enjoys strong brand equity from customers across segments. The company offers a portfolio of products, including apparel and life style products. V2 stands for ‘Value and Variety’ it sells good quality fashion garments at affordable prices, which suits every individual and household. The Company has a Strong presence in Northern & Eastern India. The Company caters to the neo middle class group of population living in Tier 2 and Tier 3 cities.

For further information, please contact

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