



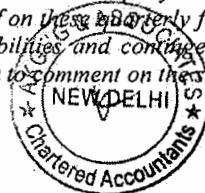
A K G V G & ASSOCIATES

Chartered Accountants

Limited Review Report

Review Report to
Board of Directors of
V2 Retail Limited.

1. We have reviewed the accompanying statement of unaudited financial results of V2 Retail Limited (the Company) for the quarter ended June 30th 2015 (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 of the company. Our responsibility is to issue a report on the statement based on our review.
2. We 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(s). 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. Based on our review conducted as above, we draw attention to :
 - a) As stated in these quarterly financial results, included in capital reserve amounting to Rs. 60,523.24/- lacs, is Rs. 42,942/- lacs arising out of transfer of asset and liabilities to the acquiring companies in earlier years for which necessary reconciliation/ information to the tune of Rs 372.24/- lacs is not available with the company. Accordingly in the absence of the same, we are unable to comment on the appropriateness of capital reserve including consequential impact, if any, arising out of the same on these quarterly financial results.
 - b) As stated in these quarterly financial statements, the Company has outstanding short-term borrowings at the quarter-end due to a lender including overdue principal and interest for which necessary supporting documents for balance confirmation at the quarter end and relevant information with relation to rate of interest is not available with the Company. In the absence of the same, we are unable to comment on the same.
 - c) As stated in these quarterly statements, the Company has recognized Rs. 25,901.49/- lacs as deferred tax assets at the quarter-end for which it does not have virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized in accordance with principles of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Had the company not recognized deferred tax, impact on profit and loss account would have been decrease in profit during the quarter by Rs.25,901.49/- lacs and decrease in accumulated balances of Reserves and Surplus by Rs.25,901.49/- lacs.
 - d) As stated in these quarterly financial results, the company has disclosed contingent liabilities on account of appeals with various statutory authorities at different levels amounting to Rs.16,938.13/- lacs for which necessary information is not available with the Company to reliably ascertain estimated amount of such liabilities and consequential impact thereof on these quarterly financial results in accordance with Accounting Standard-29, "Provisions, Contingent Liabilities and contingent assets" issued by the Institute of Chartered Accountants of India. Hence, we are unable to comment on the same.



Corporate Office : 307, Pearls Corporate, Sec-3, Rohini, Delhi-85. Ph. : +91-9811118031, 9818330516, 9818314719 Tel./ Fax : 011-45009323

Branches : DELHI | GURGAON | CHANDIGARH | MUMBAI | AHMEDABAD | BANGALORE | CHENNAI | NEEMRANA

E-mail : akgvgca@gmail.com, Website : www.ahkgvg.com

Accordingly, we are unable to express an opinion at this stage in respect of these matters reported in paragraphs (a) to (d) above and their consequential effects, if any on the unaudited quarterly financial results. The matters reported in paragraphs (a) to (d) above were the subject matter of qualification by us in the year ended March 31st 2015 as well.

4. Without qualifying our opinion, we report that,
 - a) The Company has accumulated losses amounting to Rs.52,211.24/-lacs as at 30th June 2015, which raises concern regarding going concern status of the Company. However, during the year ended 31st March 2015, and during the quarter ended 30th June 2015 the company has earned net profits of Rs. 975.13/- lacs and Rs. 477.12 lacs respectively, and, having regard to improvement in the business conditions, increase in revenue from operations, cost rationalization measures adopted and opening of new stores by the Company, these quarterly financial results have been prepared on a going concern basis and that no adjustments are required to the carrying value of assets and liabilities.
5. Based on our review conducted as above, *subject to our observations in paragraph 3 and 4 above, the consequential effect of which on relevant assets, liabilities and profit for the quarter is not quantifiable*, nothing has come to our attention that cause 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", specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014) 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.

For AKGVG & Associates

Chartered Accountants

ICAI Firm Registration Number 018798N

Vimal Saini
(Vimal Kumar Saini)
(Partner)

(Membership No. 515915)

Place: New Delhi

Date: 31st July 2015



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDING ON JUNE 30TH 2015

Rs. In Lacs (Except per share data)

S.No.	Particulars	Quarter ended			Year ended
		30th June 2015	31st March 2015	30th June 2014	31st Mar 2015
	PART-I	Unaudited	Audited	Unaudited	Audited
1	Income from Operations				
a.	Net Sales/Income from operations (Net of excise duty)	7,644.64	6,562.50	7,134.05	28,676.77
b.	Other Operating Income	-	-	-	-
	Total Income from operations (a+b)	7,644.64	6,562.50	7,134.05	28,676.77
2	Expenses				
a.	Cost of Materials Consumed	-	-	-	-
B	Purchase of Stock-in-trade	4,609.49	8,286.34	5,053.97	22,917.43
C	Changes in inventories of stock in trade	479.00	(3,463.85)	183.54	(2,379.78)
d.	Employee benefits expense	474.04	470.58	433.66	1,834.87
e.	Depreciation and amortisation expense	94.90	(45.46)	99.22	208.79
f.	Other expenses	924.57	868.00	882.37	3,528.08
	Total Expenses (a)+(b)+(c)+(d)+(e)+(f)	6,582.00	6,115.61	6,652.76	26,109.39
3	Profit / (Loss) from Operations before Other Income, Finance Cost & Exceptional Items (1-2)	1,062.64	446.89	481.29	2,567.38
4	Other Income	62.69	69.47	58.36	251.82
5	Profit / (Loss) from ordinary activities before Finance Cost & Exceptional Items (3+4)	1,125.33	516.36	539.65	2,819.20
6	Finance Costs	307.83	266.73	222.53	974.89
7	Profit / (Loss) from ordinary activities after Finance cost but before Exceptional Items (5-6)	817.50	249.63	317.12	1,844.31
8	Exceptional Items	-	-	-	-
9	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	817.50	249.63	317.12	1,844.31
10	Deferred Tax	340.38	155.85	171.83	869.18
11	Net Profit /Loss from Ordinary Activities after tax (9-10)	477.12	93.78	145.29	975.13
12	Extraordinary Items (Net of Tax Expenses)	-	-	-	-
13	Net Profit /Loss for the period (11-12)	477.12	93.78	145.29	975.13
14	Share of Profit / Loss of Joint Venture	-	-	-	-
15	Minority Interest	-	-	-	-
16	Net Profit / Loss for the group (13-14-15)	477.12	93.78	145.29	975.13



17	Paid-up equity share capital (Face Value of Rs. 10/- per share)		2,488.76	2,357.77	2,239.89	2,357.77
18	Reserve excluding Revaluation Reserves		-	-	-	25,047.32
19	Earnings Per Share (EPS) of Face Value of Rs. 10/- each (not annualised):					
a.	Basic EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)		1.92	0.40	0.64	4.13
a (i).	Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)		1.81	0.36	0.64	3.69
b.	Basic EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)		1.92	0.40	0.65	4.14
b (i).	Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)		1.81	0.36	0.65	3.70
A	PART-II- Select Information for the Quarter ended 30th June 2015					
1	Public shareholding,					
a.	Number of shares		9587998	9587998	9587998	9587998
b.	Percentage of shareholding		38.53%	40.67%	42.81%	40.67%
2	Promoters and Promoter Group Shareholding					
a.	Pledged / Encumbered					
-	Number of shares		12377194	12377194	12377194	12377194
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)		80.90%	88.47%	96.61%	88.47%
-	Percentage of shares (as a % of the total share capital of the company)		49.73%	52.50%	55.26%	52.50%

b.	Non-encumbered					
-	Number of shares		2922427	1612557	433677	1612557
-	Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)		19.10%	11.53%	3.39%	11.53%
-	Percentage of shares (as a % of the total share capital of the company)		11.74%	6.84%	1.93%	6.84%
	Particulars		Quarter Ended 30.06.2015			
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter		NIL			
	Received during the quarter		NIL			
	Disposed of during the quarter		NIL			
	Remaining unresolved at the end of the quarter		NIL			



Notes:-

1. The above unaudited quarterly Financial Results for the current quarter ended 30th June 2015 were subjected to a limited review by the statutory auditors of the company and reviewed and recommended by the Audit committee at its meeting held on 31st July 2015 and approved by the Board of Directors in the meeting held on 31st July 2015.
2. The Company has only a single reportable primary (business) segment viz. Retail business. Therefore no further disclosure is required to be made as per Accounting Standard (AS-17 issued by ICAI) on Segment Reporting.
3. The Financial results have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013.
4. The figures for the quarter ended 31st March 2015 are the balancing figures between audited figures in respect of the full financial year ended 31st March 2015, and the unaudited published year to date figures upto 31st December 2014, being the end of the third quarter of the financial year, which were subjected to limited review.
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 on "Earning per share" issued by the Institute of Chartered Accountants of India (ICAI).
6. The Board of Directors in their meeting held on 4th April 2014 subsequent to the shareholders' approval in their Extra Ordinary General Meeting held on March 21st, 2014 allotted 39,52,720/- warrants to be convertible at the option of Warrant holders in one or more tranches to Mr. Akash Agarwal, the promoters and/or promoters group with each warrant carrying an option/entitlement to subscribe to one equity share of the face value of Rs. 10/- each in exchange of each such Warrant within a maximum period of 18 months from the date of issue of warrants. An amount equivalent to 25% of the issue price has been received from him, which entitles him to apply for an equivalent number of equity shares on payment of balance 75% of the issue price within 18 months from the date of allotment of warrants. Out of the above 39, 52,720/- warrants, 24, 88,750/- warrants has been converted till 30th June 2015 on payment of balance 75% of the issue price and balance 14, 63,970/- warrants are still pending for conversion.
7. The Board of Directors in their meeting held on 8th July 2015 subsequent to the shareholders' approval in their Extra Ordinary General Meeting held on 20th April 2015, allotted 1 Warrant, for a consideration of Rs. 8,12,50,000/- being the Warrant Subscription Price (25% of total consideration of Rs. 32,50,00,000/-), which is convertible at the option of Warrant holders in one or more tranches to M/s Bennet Coleman And Company Limited carrying an option/entitlement to subscribe to equity shares of the face value of Rs. 10/- each for cash at minimum premium of Rs. 29.62/- each in exchange of such warrant for a total consideration of Rs. 32,50,00,000/- within a maximum period of 18 months from the date of issue of warrant.
8. Company had contingent liabilities to the tune to Rs. 16938.13 lacs which include Rs. 41.53 lacs relating to bank guarantee. All Contingent liabilities except bank guarantee are under appeal with different authorities at different value.
9. Previous quarter / year figures have been regrouped / reclassified where ever necessary to confirm to the current quarter's presentation.
10. Management comments on auditors' qualifications / observations for the previous quarter / period are as under:-
 - a) The Capital reserve amounting to Rs.60,523.24 Lacs, is Rs. 42,942.24 Lacs arising out of transfer of asset and liabilities to the acquiring companies in earlier years for which necessary reconciliation/ information to the tune of Rs 372.24 Lacs is not available with the company. Accordingly in the absence of the same, we are unable to comment on the appropriateness of capital reserve including consequential impact, if any, arising out of the same on these financial statements.

The Company restructured its business in F.Y 2010-11 resulting a Capital Reserve of Rs. 60,523 Lacs. The amount of Capital Reserve has been reconciled except Rs. 372.24 Lacs for which the company is in process to reconcile and there is no impact on Profit & Loss account.



- b) The Company has outstanding short-term borrowings at the year-end due to a lender including overdue principal and interest for which necessary supporting documents for balance confirmation at the year end and relevant information with relation to rate of interest is not available with the Company. In the absence of the same, we are unable to comment on the same.

The interest expense has been recognised in the Books of Account on the basis of the figure provided by the concerned lender in May 2012, in relation to balances as on 31st March 2012. The matter in respect of rate of interest is pending with DRT-II, Kolkata. Impact on Profit & Loss account cannot be quantified till the matter is disposed off by DRT-II, Kolkata.

- c) The company has recognized Rs. 26,241.88 Lacs as deferred tax assets at the year-end for which it does not have virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized in accordance with principles of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Had the company not recognized deferred tax, impact on profit and loss account would have been increase in loss during the year by Rs. 26,241.88 Lacs and decrease in Reserves and Surplus by Rs. 26,241.88 Lacs.

The Company has started to earn profits, the Company has earned profits after tax of Rs. 975 Lacs during last year and Rs. 477.12 Lacs during quarter ending 30th June 2015 resulting in reversal of Deferred Tax Assets by a sum of Rs. 869 Lacs during last year and 340.38 Lacs during quarter ending 30th June 2015. The rest amount will be reversed in due course of business.


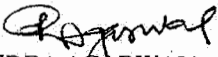
- d) The Company has disclosed contingent liabilities on account of appeals with various statutory authorities at different levels amounting to Rs. 16,957.11 Lacs for which necessary information is not available with the Company to reliably ascertain estimated amount of such liabilities and consequential impact thereof on these financial statements in accordance with Accounting Standard-29 issued by the Institute of Chartered Accountants of India. Hence, we are unable to comment on the same.

The Contingent Liabilities of Rs. 16,957.11 Lacs are under appeal with different authorities at different levels. The chances of these obligations are very remote even recently we have been awarded an order in our favour by Hon'ble Delhi High Court, quashing a demand of about 1,100 Lacs. Impact on Profit & Loss account cannot be ascertained till the matter is pending with different government authorities.

- e) As stated in these quarterly financial results, the company has year-end inventory of traded goods amounting to Rs. 4,265.95 lacs in its new warehouse at Mubarikpur, Haryana for which no physical verification was performed by us as the company was in process of shifting such goods to this warehouse. Hence, we are unable to comment on such inventory lying at the company's warehouse.

The Company has shifted its warehouse from Manesar to Mubarikpur (Haryana) in the month of February 2015. Due to shifting process it was not possible for the company and auditors to physically verify the inventory. The Company has started stock taking process and process for reconciliation of such inventory internally which will be finalized in due course.

Dated: July 31st 2015
Place: New Delhi


For V2 Retail Limited

(RAM CHANDRA AGARWAL)
MANAGING DIRECTOR
DIN:-00491885

