



# V2 Retail Limited

Empowering the Indian Shopper with Affordable Fashion



**Annual Report**  
2022-23

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Forward-looking statement in this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we make, contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’ believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## “Charting a Path to Success: Empowering the Indian Shopper with Affordable Fashion”

As we embark on a new chapter in our journey, to ensure a bright and prosperous future, V2 Retail Limited has undertaken several strategic initiatives to strengthen its market position and drive growth. After a period of consolidation, we are now poised for exponential growth, reinforced by our unwavering commitment to product development, customer satisfaction, technological advancements, and seamless integration. With a focus on becoming the premier value retailer in India, we aim to offer the best fashion at affordable prices, empowering the Indian shopper like never before.

### Product Development and Assortment:

At V2 Retail, we thrive on innovation and continuously strive to enhance our product offerings to cater to the evolving needs of our customers. We have invested substantial resources in product development, collaborating with renowned designers and leveraging market insights to curate a diverse range of fashion choices. Our extensive assortment spans across various categories, ensuring that every customer finds something that resonates with their unique style and preferences. From trendy apparel to accessories and more, we leave no stone unturned in providing a comprehensive and affordable fashion experience.

Moreover, we have also invested in an in-house product development team





of 25 dedicated individuals. This team is focused on creating unique and trend-setting designs, a departure from our previous reliance on vendor-provided designs. This shift to in-house design not only allows us to have greater control over our product portfolio, but it also enables us to react swiftly to market trends and consumer preferences.

#### **Customer Satisfaction:**

Our customers are at the heart of everything we do, and their satisfaction is our utmost priority. We recognize the power of exceptional customer experiences in building long-lasting relationships and fostering loyalty. To achieve this, we have implemented robust feedback mechanisms, actively listening to our customers' needs and preferences. Armed with this valuable insight, we continuously refine our offerings, tailor our services, and create an environment that delights and surpasses expectations. Through personalized interactions, seamless in-store experiences, and a commitment to unrivaled quality, we endeavor to make every customer feel valued and cherished.

#### **Technological Investments and Integration:**

In today's digital age, technology plays a pivotal role in shaping retail experiences. At V2 Retail, we embrace innovation and invest in cutting-edge technologies to stay ahead of the curve. We have made substantial investments to integrate our online and offline channels, creating a seamless omni-channel experience for our customers. This integration empowers shoppers to explore, compare, and makes informed purchase decisions, all from the comfort of their homes or in-store. By leveraging advanced analytics, automation, and artificial intelligence, we strive to deliver personalized recommendations and a frictionless shopping journey, setting new benchmarks in customer convenience.

As part of our strategic growth plan, we have implemented a vertical integration model by establishing two of our own manufacturing units in our subsidiary Company. This significant move is aimed at optimizing costs while enhancing quality control. It positions us to have direct oversight of our supply chain, from fabrication to retail, thus ensuring a seamless process that translates into superior products for our customers.

By vertically integrating our operations and investing in in-house design capabilities, we are building a robust platform for sustained competitive advantage. We believe these strategic changes will not only enhance our brand value but also drive profitability, thus delivering superior returns to our shareholders. We are excited about these developments and look forward to sharing our continued progress in upcoming reports.

#### **Becoming India's Leading Value Retailer:**

Our vision is to be the number one value retailer in India, renowned for offering the best fashion at affordable prices. To achieve this, we have strategically positioned ourselves to tap into the immense potential of the value fashion segment. By catering to a wider customer base and reaching addressable geographies, we are poised to capture a significant market share. Through vertical integration, optimized supply chains, and cost-saving measures, we can deliver unbeatable value to our customers without compromising on quality. Our commitment to affordability, style, and superior customer experiences will propel us towards the pinnacle of success.

#### **Conclusion:**

As we forge ahead, we express our gratitude to our esteemed customers for their unwavering support and trust in our brand. We also extend our heartfelt appreciation to our dedicated team whose relentless efforts have brought us to this point of resurgence. With a renewed sense of purpose, V2 Retail is bouncing back with strong growth prospects, poised to shape the future of retail in India. We remain steadfast in our commitment to providing affordable fashion, unparalleled customer satisfaction, and technological innovation. Together, let us embark on this exciting journey towards a brighter and more prosperous tomorrow.

**Our ability to defy odds demonstrates our strength.** Our performance is reflection of our swiftness to embrace the changing trends and as well as innovate at V2 Retail.

<p><b>Consumers</b> V2 Retail addressed the growing needs of the 'neo middle-class' and 'middle-class' population segments, marked by rising incomes, aspirations and spending. The Company is respected as a price-leader with an average selling price of ₹ 283 and average bill value per customer of ₹ 797.</p>	<p><b>Omni Channel</b> V2 Retail strengthen its Omni-channel capabilities and improved its cost efficiency. The Company had also launched its e-commerce portal V2 Kart (<a href="http://www.v2kart.com">www.v2kart.com</a>) during the lockdown.</p>
<p><b>Low Debt Equity</b> Most retail companies grew their business through a combination of debt and accruals. V2 Retail have only working capital facilities and Debt Equity Ratio is 0.19.</p>	<p><b>Cost Control</b> We have also initiated a number of measures to keep our fixed cost under control like rental renegotiations, engaging with suppliers, control over variable cost.</p>
<p><b>Semi-urban and rural</b> Most retail chains focused on developed markets with presence of organised retail. V2 Retail focused on the taking organised retail to the real Bharat - semi-urban and Tier 2 / 3 cities instead</p>	<p><b>Technology driven</b> Most retail chain invested in technologies as a back end tool for record keeping and storage. V2 Retail leverage technology to deliver superior consumer experience and enabling efficient operation management.</p>
<p><b>Focus on private label</b> Most retail chains focused on a trading operation – outsourcing and retailing. V2 Retail focused on enhancing the brand recall value by marketing proprietary labels alongside increasing consumer overall shopping experience.</p>	<p><b>One-stop destination</b> The Company's product range addresses the fashion aspirations of Bharat. The fashion desires of young and the old Bharat, the 'neo middle-class' and 'middle-class' Families.</p>



Our relentless efforts  
are designing the  
course of our future.

#### Revenue Growth

748.4	838.9
₹cr, revenues in 2018-19	₹cr, revenues in 2022-23

#### EBIDTA

46.9	78.8
₹cr, in 2018-19	₹cr, in 2022-23

#### Retail Space

9.06	10.83
Lakh sqft, retail space in 2018-19	Lakh sqft, retail space in 2022-23

#### Stores

77	102
Number of stores in 2017-18	Number of stores in 2022-23



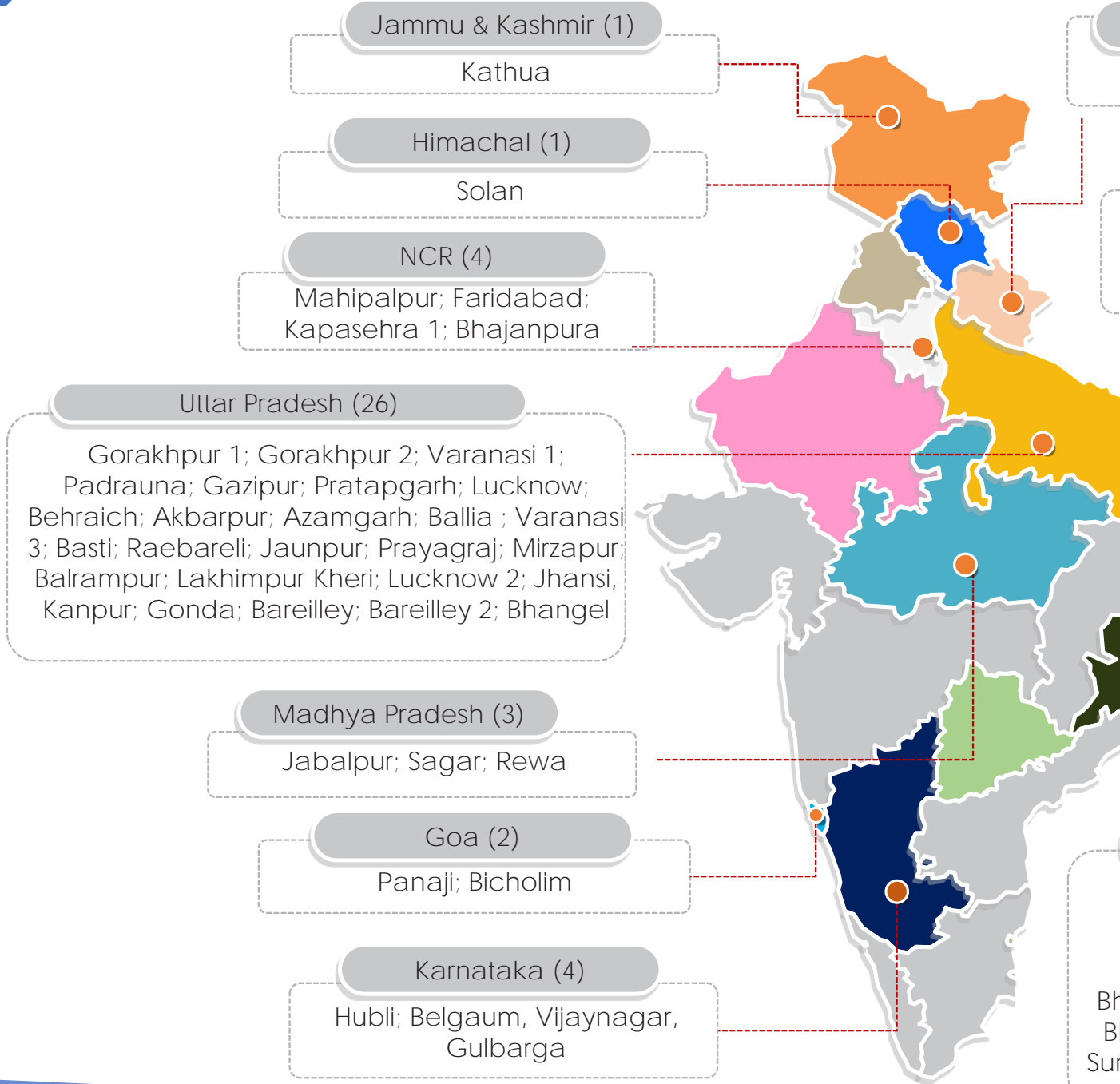
## V2 Retail

Meeting the demands of an ever evolving industry, we are consistently aligning ourselves with new-age requirements, identifying market trends and imbibing advanced technology to thrive and prosper. With a renewed vigour, we are now poised to resiliently tide above crisis and steer the organization in a new direction to become better than before.

About us	Promoters
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.	The Company is promoted by Mr. Ram Chandra Agarwal, possessing more than 30 years of entrepreneurial experience. He is the pioneer in value retailing and brought this concept in India. He has been the Chairman and the Managing Director of the Company since July 2011.  Mrs. Uma Agarwal & Mr. Akash Agarwal are the Whole-time Directors of the Company.
Stores presence	
As on March 31, 2023, the Company operates 102 stores spread across 17 states and more than 89 cities with a total retail area of ~10.83 lac Sq. Ft.	
Business verticals	Positioning
Our product portfolio mix includes <b>Men's Wear</b> – Upper, Lower, Occasion Wear, Winter Wear, Sportswear, Formal, Casual, <b>Ladies Wear</b> – Ethnic wear, Upper, Lower, Occasion Wear, Winter Wear, Sportswear, <b>Kids Wear</b> – Boy, Girls, Infants, Winter Wear and <b>Lifestyle</b> - Lifestyle products like Deodorants, wallets, sunglasses, ladies purse etc.	The Company's business model revolves around making quality product accessible to the large section of society within the acceptable price points. V2 Retail's average product realization of ₹ 283 and average net billing per customer of ₹ 797 in FY2023 were lower than most organized retail brands in India, reinforcing its position as one of the most affordable yet fashionable retail chains of India.

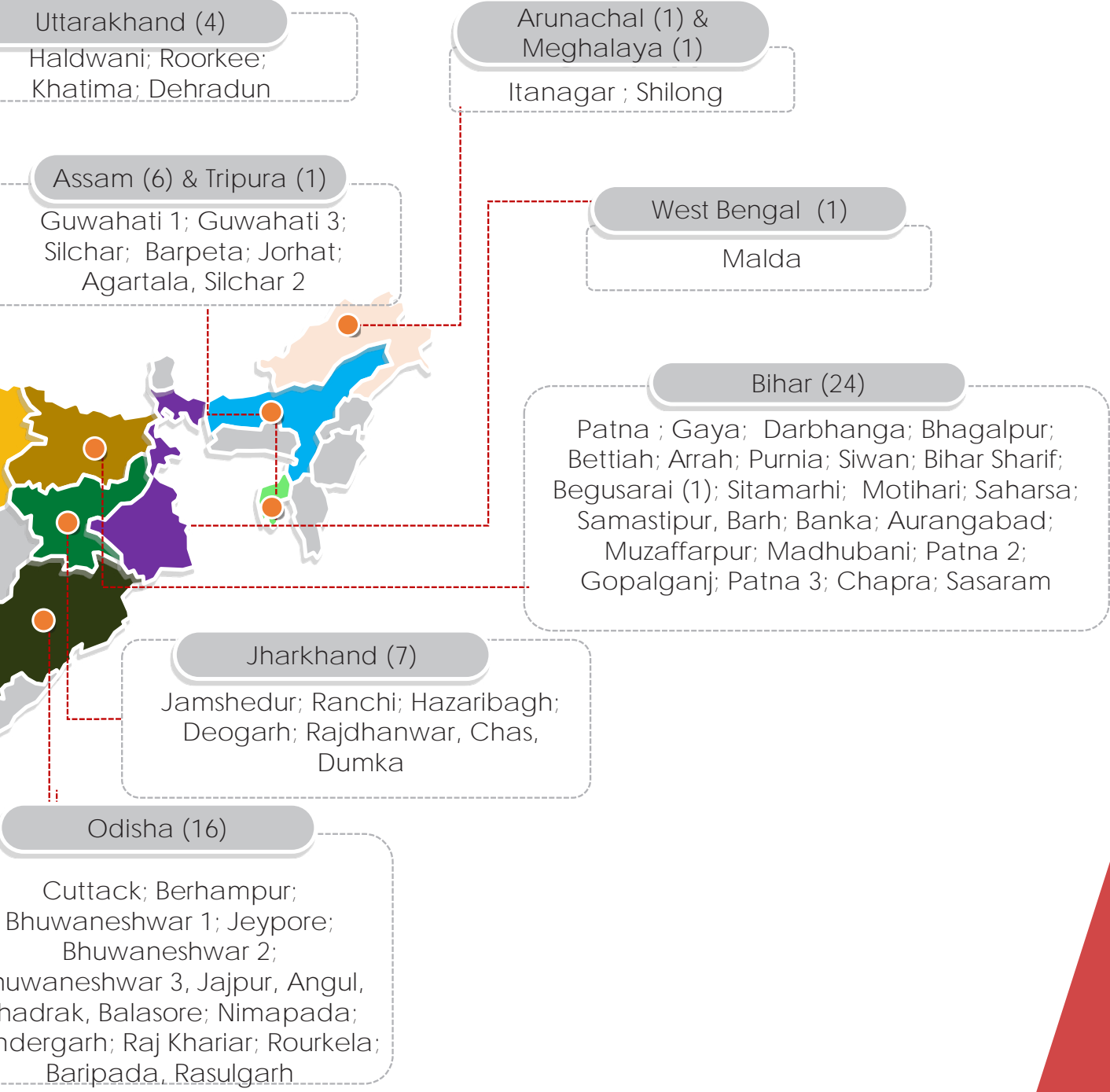
## Our Brands







# Presence



# Our performance

## Stores (Number)

FY2018-19	77
FY2019-20	76
FY2020-21	95
FY2021-22	101
FY2022-23	102

Despite challenging environment, the Company opened 12 new stores and closed 11 stores during the year.

## Retail Space (lakh sq. ft.)

FY2018-19	9.06
FY2019-20	8.40
FY2020-21	9.96
FY2021-22	10.59
FY2022-23	10.83

Company is able to increase the retail space amid challenges in a tough year for the Industry.

## Rent per sq. ft. (₹ per month)

FY2018-19	43
FY2019-20	45
FY2020-21	38
FY2021-22	40
FY2022-23	50

During the year, the rentals were at higher than pre-covid level.

## Inventory (days of sale)

FY2018-19	132
FY2019-20	102
FY2020-21	180
FY2021-22	155
FY2022-23	107

The Inventory Holding days decreased substantially during the year. The Company is committed to bring down the Inventory at 90 days of sale.

## Sales per sq. ft. (₹ per month)

FY2018-19	792
FY2019-20	672
FY2020-21	507
FY2021-22	494
FY2022-23	651

## Same stores sales growth (SSG)(%)

FY2018-19	(5)
FY2019-20	(8)
FY2020-21	(31)
FY2021-22	7
FY2022-23	31

The Company reported a growth of 31% in SSG during the year.

# Performance over the years

## Revenues (₹ cr)

FY2018-19	748.4
FY2019-20	701.2
FY2020-21	538.6
FY2021-22	629.2
FY2022-23	838.9

The revenue for FY 2022-23 grew by 33% compared to FY 2021-22

## PBT margin (%)

FY2018-19	5.5
FY2019-20	(0.3)
FY2020-21	(2.3)
FY2021-22	(2.5)
FY2022-23	(2.2)

\*Before exceptional items

Profit margins declined due to increase in rent compared to previous year and slight decline in gross margins:

## EBIDTA margin (%)

FY2018-19	6.3
FY2019-20	10.8
FY2020-21	9.1
FY2021-22	9.7
FY2022-23	9.4

EBIDTA for FY23 stood at ₹78.82 cr as compared to ₹60.72 cr for FY22

## Net profit (₹ cr)

FY2018-19	20.49#
FY2019-20	10.15*
FY2020-21	(11.04)
FY2021-22	(12.90)
FY2022-23	(14.49)

\*Including exceptional item (Income from sale of property)

#Including exceptional item (one time settlement with CDR lenders)

## Basic EPS (₹) (after extra ordinary items)

FY2018-19	6.02#
FY2019-20	2.97*
FY2020-21	(3.24)
FY2021-22	(3.76)
FY2022-23	(4.21)

\*Including exceptional item (Income from sale of property)

#Including exceptional item (one time settlement with CDR lenders)

The Company reported a decline in EPS due to declined in profit margins.



## Chairman's message

Ram Chandra Agarwal  
Chairman

### Dear Shareholders,

V2 Retail, a leading fashion and lifestyle retail chain in India, has been catering to the needs and preferences of fashion-forward consumers for over a decade. The company has been quick to adapt to the changing fashion landscape in the country and has played a pivotal role in bringing the latest trends to the masses.

One of the key reasons behind V2 Retail's success is its ability to offer a wide range of products that appeal to diverse customer segments. The company caters to men, women, and children, offering a variety of clothing, footwear, accessories, and lifestyle products. Whether it is ethnic wear, western wear, sportswear, or formal wear, V2 Retail has something for everyone.

Moreover, V2 Retail understands the importance of affordability in a price-sensitive market like India. The company offers products at competitive prices, making fashion accessible to a wider range of consumers. V2 Retail also stays ahead of the curve by closely monitoring and adapting to the latest fashion trends.

In addition to offering a diverse and affordable product range, V2 Retail places a strong emphasis on product development and vertical integration, which sets it apart from competitors and contributes to its success in the fashion retail market. By focusing on product development, V2 Retail is able to bring unique and innovative offerings to customers that are not easily found elsewhere. This not only drives customer loyalty but also gives the company a competitive edge in the market.

In addition, V2 Retail's commitment to vertical integration allows it to have greater control over its supply chain. The company owns and operates its manufacturing units, allowing it to have better quality control and faster turnaround times. This vertical integration also helps V2 Retail save costs as it eliminates the need for middlemen and reduces dependence on external suppliers. V2 Retail's focus on quality helps it build trust and credibility with customers, leading to increased brand loyalty and repeat purchases.

V2 Retail recognizes the importance of customer service and aims to provide the best shopping experience to its customers. The company focuses on training its staff to be knowledgeable about the products and provide excellent service to customers. V2 Retail also invests in technology to improve the efficiency of its operations and enhance the overall customer experience.

Furthermore, V2 Retail is continuously expanding its store network across India to reach more customers. The company has a well-defined expansion strategy, targeting Tier-II and Tier-III cities



where there is a growing demand for fashion and lifestyle products. This expansion not only helps to increase V2 Retail's market reach but also contributes to the economic development of these regions.

V2 Retail is committed to continuously evolving and expanding its presence to cater to the needs and preferences of its customers.

Thank you for your continued trust and confidence in V2 Retail.

Warm regards,  
Ram Chandra Agarwal  
Chairman, V2 Retail Limited



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# Board of Directors



**Mr. Ram Chandra Agarwal**  
Chairman & Managing Director

Mr. Agarwal holds a bachelor's degree in commerce and has a vast experience of more than 30 years in retail sector. He has been a member of the Board since inception of the Company and is the driving force behind the growth of the Company. He pioneered the value retailing concept in India. He was conferred with various awards, such as, Ernst & Young Entrepreneur of the year award in 2008 and 4Ps Power Brand Award in 2007.



**Mrs. Uma Agarwal**  
Whole Time Director

Mrs. Uma Agarwal holds a bachelor's degree in Arts and has a vast experience of over 15 years in the retail industry. She has been the member of the Board of Directors since the inception and oversees the marketing strategies of the Company.



**Mr. Akash Agarwal**  
Whole Time Director

Mr. Akash Agarwal holds an International MBA from IE Business School, Spain and a Bachelor's degree in Business Administration (BBA) from Lancaster University (UK) and possesses around ten years of experience in the retail industry. He looks after E-Commerce, Procurement and Finance.



**Mrs. Archana S Yadav**  
Independent Director

A Chartered Accountant in practice with more than 14 years of experience, having expertise in GST, Income Tax, International Tax & Corporate Audits. She served as Financial Advisor to the autonomous body M/s National Institute of Solar Energy, under Ministry of New & Renewable Energy. She has also worked with various MNC's as Management Consultant, Service tax Consultant & Direct Tax advisor. She was appointed as GST Faculty by ICAI for GST knowledge sharing across India.



**Dr. Arun Kumar Roopanwal**  
Independent Director

Dr. Arun Kumar Roopanwal holds Ph.D in textiles and M.Tech in textiles technology from IIT Delhi. He has over 35 Years of extensive experience in working with various retail companies. He is having a vast experience in the field of Marketing, Product Development, Business Development, Strategic Planning and Administration.



**Mr. Srinivas Anand Mannava**  
Independent Director

Mr. Srinivas Anand Mannava holds Post-Graduate Program in Business Management from IIM, Kozhikode. He has financial expertise and extensive experience in Strategy Planning, Improving Shareholders Wealth, and Financial Journalism. He authored Investor Relations book, published by ICFAI. Host IR Awards annually at BSE with Entities Like Bloomberg, BNY Mellon, KPMG, IR Magazine. Launched certification in Investor Relations in Association with BSE Institute.

A vibrant advertisement for a 'New Fashion Collection'. It features four models (two men and two women) in bright, colorful, and trendy clothing, posing dynamically against a light blue background. The models are wearing a mix of colors like yellow, blue, red, and pink. The text 'New Fashion Collection' is written in a large, elegant, white cursive font on a red background. Below it, the tagline 'FASHION THAT REFLECTS WHO YOU ARE' is written in a smaller, white, sans-serif font. In the bottom left corner, the text '5000+ styles' is written in a white, cursive font.



**V2** Value & Variety

**FAMILY FASHION STORE**

**BHAJANPURA**  
F- 397, MAIN WAZIRABAD ROAD

**BANIYE FASHION KE SUPER STAR**

[www.v2kart.com](http://www.v2kart.com)

**V2** Value & Variety

**GRAND OPENING**

**FAMILY FASHION STORE**

**Bhangel**  
SECTOR-102, VILLAGE

**BANIYE FASHION KE SUPER STAR**

[www.v2kart.com](http://www.v2kart.com)

**V2** Value & Variety

**FAMILY FASHION STORE**

**GONDA**  
GURU NANAK SINGH CHOWK, GONDA, UP

**BANIYE FASHION KE SUPER STAR**

[www.v2kart.com](http://www.v2kart.com)

**V2** Value & Variety

**FAMILY FASHION STORE**

**DHARWAD**  
DHARWAD BUSINESS CENTRE,  
R.S. NO. 33/1, BRTS MAIN ROAD NEARGANDHI NAGAR CROSS  
VIDYAGIRI, DHARWAD - 580007 (KARNATAKA)

**BANIYE FASHION KE SUPER STAR**



# How **V2 Retail** becomes most promising value retail fashionable chain

## First-mover advantage

More than 25 years of experience in serving the Indian Retail space.

## Centralised procurement & quality check

Centralized procurement and rigorous quality check.

Wide network of registered vendors and suppliers spread across the country.

## One Stop Family Shop with Pleasant ambience

Pleasant Air-Conditioned stores ambience with trial rooms. Product range specifically caters to the demands and aspirations of 'neo middle class' and the 'middle class' group of the population with an added focus on latest fashion and trends.

## Efficient Supply Chain Management

Comprehensive SCM system comprising of planning, sourcing, standardization, logistics, quality control, pilferage control, replacement and replenishment.

Distribution center capable of catering to 15 lakh sq. ft. of retail space.

## Technology

The organised retail industry is critically dependent on information technology; V2 Retail is no exception. All processes - planning and procurement to warehousing and sales - across our stores are hosted on our integrated information technology system. The core business runs on SAP Hana ERP and a proprietary point-of-sale tool.

## Value-for-money fashion

V2 Retail has widened its market positioning by attracting wide spectrum of consumer, the one which is fashion freak, the one who is also price conscious, the one who wants to look trendy yet traditional. Our modest average product selling of ₹ 289 per product, average billing per customer of ₹ 790 helping us widening our footprint in the heart of Bharat.

## Cost management

Wide network of registered vendors and suppliers spread across the country.

## Centralized procurement and rigorous quality check.

V2 Retail follow stringent norms to select and procure vendor partners. We continuously engages with vendor partners to surpass agreed benchmarks on better design and product performance. Our experience and careful selection of vendors along with support, helps us in better negotiation.

## Store presence

As on March 31, 2023, the Company operates 102 stores spread across 17 states and more than 89 cities with a total retail area of ~10.83 lac Sq. Ft.

Our store location selection is reflection of our motto of taking fashion to the roots of Bharat.

# Management discussion and analysis

## Economic backdrop

India is one of the top economies in the world by nominal GDP and the third largest in terms of purchasing power parity. Despite the recent reduction in the pace of GDP growth, and the past years of degrowth due to the pandemic, India is expected to be one of the fastest growing major economies of the world.

## Attractive demographics

India has a relatively young population with almost 50% below the age of 25 and more than 65% below the age of 35. It is estimated that the Indian workforce would soon be the largest in the world with a global share of almost 20%. India's youthful population, the increasing participation of women in the formal workforce, and changing consumer preferences are all expected to have a positive impact on the lifestyle and fashion business in the country. This presents significant opportunities for businesses operating in this sector to cater to the evolving needs and preferences of the Indian consumer market.

## Urbanization

According to Economic Survey of India, it is projected that India's urban population will grow from an estimated 37.7 Crores in 2011 to 60 Crores by 2030, comprising over 40% of the country's population. Given the increasing contribution of manufacturing and service industries to the national GDP, urban agglomerations are the key drivers of consumption. There is a consistent trend towards urbanization, suggesting a shifting set of preferences away from rural life to the accessibility and convenience of city life. Urban areas usually lead in key developmental indicators, including availability of economic and social infrastructure, while also offering financially remunerative careers and business options for ambitious & enterprising individuals. Urbanization is leading to growth across not just metros and tier I cities but also tier II and tier III cities. Increasing urbanization levels are expected to lead to changes in the consumption patterns of the population. As urban lifestyles become more prevalent, there may be shifts in the types of products and services that people consume.

## Rising disposable income and consumption

Higher disposable incomes are a driving factor for robust growth. Aspiring and affluent households have given a fillip to India's domestic consumption. Over time, consumers have increased their spends on lifestyle products such as apparel, footwear,





## Y-O-Y growth of the Indian Economy

Particulars	FY 19	FY 20	FY 21	FY 22	FY 23
Real GDP Growth (%)	6.5	3.9	-5.8	9.1	7.0

(Source: RBI Annual Report 2022-23)

personal care items, jewellery along with greater adoption of financial products evidencing growing aspirations and increasing affinity for consumption. In absolute terms, domestic consumption in India has increased more than 3x over the last decade. Domestic consumption is expected to grow at a CAGR of over 8% with the aggregate size of well over US\$ 2.5 trillion by 2025.

Overall, higher disposable incomes and the resulting increase in domestic consumption are significant drivers of economic growth in India. This growth is fuelled by people's aspirations for a better lifestyle and their willingness to spend on a variety of goods and financial products. These trends have the potential to positively impact various sectors of the economy and contribute to its overall development.

### Indian retail industry overview

Retailing is one of the pillars of the Indian economy. At an estimated size in the region of US\$ 1 trillion, India is one of the top five retail markets globally. It is also one of the fastest growing retail markets in the world. Indian retail industry is a massive and rapidly evolving sector that plays a crucial role in the country's economy. With its diverse consumer base, ongoing digital transformation, and government support, it continues to present significant opportunities for retailers. However, navigating the complexities of the Indian market requires a deep understanding of consumer behaviour, regulatory compliance, and the ability to adapt to the unique challenges and opportunities it presents. The Indian retail industry is a dynamic and rapidly evolving sector with immense potential for growth. However, to succeed in this market,

businesses must be prepared to address the complexities, diversity, and unique characteristics it presents while leveraging the opportunities it offers.

*Some of the key drivers for growth include:*

- Growing urbanization, participation of women in work force
- Rising disposable income, discretionary spending
- Increasing aspirations, fashion consciousness and brand awareness
- E-commerce and growing influence of social media due to wide availability of Smartphone's and high speed internet
- Entry of international players across various retail segments
- Supply side innovations, improved manufacturing capabilities, efficient warehousing & distribution, leveraging technology
- Easy and on demand availability of credit.

### Fashion and lifestyle market

Fashion retail market in India has witnessed various changes and challenges in recent years but has nevertheless been growing consistently. This growth is indicative of the country's evolving fashion and lifestyle preferences.

**Value fashion** is a promising segment in fashion retail with the potential of appealing to a wider customer base and reaching more addressable geographies. Popular and mass-priced products possibly constitute over 75% of the total fashion market in India. Online and offline fashion players are increasing focus on building



private labels/ in-house brands to provide differentiated offerings to discerning customers. Private labels have additional inherent advantages such as lower concept to customer time, faster execution vis-à-vis dealing with third party brands, better control over quality & pricing and better margins.

There is also a growing emphasis on enriching customer experience. Window displays, in-store ambience, coordinated product displays, lighting, music and communication help build brand presence and awareness. Exciting visual merchandising forms a key element in enhancing customer experience. Growing awareness, coupled with entry of international players in the industry is spotlighting visual merchandising as an integral proposition of retail.

In conclusion, the fashion retail market in India is evolving rapidly, with a focus on value fashion, private labels, customer experience, and visual merchandising. As consumers' preferences and expectations continue to change, retailers are adapting and innovating to meet these demands and differentiate themselves in a competitive marketplace.

### **Increasing acceptance of technology/ digital**

Pandemic related restrictions brought about a paradigm shift in consumer behaviour. Consumers staying at home hastened adoption of digital shopping methods. Ubiquitous access to internet at more affordable prices and higher penetration of digital devices are influencing consumer buying behaviour. Increasingly, store & online channels are integrating, with consumers leveraging access to compare products, prices, brand offerings and the feedback / opinions of fellow consumers before making their purchase decision. The Indian e-commerce market penetration is expected to increase as total gross merchandise value is expected to grow from US\$ 60 bn in 2020 to US\$ 99 bn by 2024, driven by wider assortment and convenience.

The COVID-19 pandemic has accelerated the digital transformation of the Indian retail landscape, with consumers embracing online shopping for its convenience, safety, and wide product assortment. The continued growth of e-commerce and the integration of online and offline channels are expected to shape the future of retail in India.

Source: Analyst and industry reports | Internal analysis

### **Indian organised retail industry**

As internet penetration increases, the share of organised retail market is expected to increase from 12 percent in FY 2019 to 25 percent in FY 2024. Technology is expected a major role in enhancing consumer experience. The next 10-12 years could be defining for the Indian retail sector as the market matures and organized retail penetrates deeper into smaller cities and towns. While more international brands and retailers across categories and formats could enter and grow the Indian business, India could become a key growth market for ones already present.

India's organised retail penetration is lower than other countries like United States (85%), indicating headroom. Within organized retail, food & beverage account for around 65%, followed by apparel at 10% and personal care at 3%.

The Indian Government's decision to permit 100% foreign direct investment in single-brand retail through the automatic investment route and relaxation of sourcing norms could strengthen the organized sector.

The Indian retail sector is poised for significant growth and transformation, driven by factors such as increasing internet penetration, government policies, and changing consumer preferences. The sector is expected to become more organized and attract both domestic and international players in the coming years.

(Source: Care Ratings, Financial Express, indiaretailing.com)







## Outlook

The impact of inflation on the value retail segment during the initial months of FY 2023 is indeed a significant concern for both retailers and consumers. It's positive to hear that governments at both the central and state levels are taking measures to address this issue, and the Reserve Bank of India (RBI) is proactively working to rein in inflation.

The expected rapid recovery in customer off-take starting with the festive season in September, followed by the wedding season, is a positive outlook for the value retail segment. These events often drive increased sales, especially for items like clothing, jewelry, and consumer electronics. Retailers can prepare by stocking up on relevant inventory and adjusting their marketing strategies to capitalize on these seasonal trends.

However, it's important for retailers in the value segment to remain cautious and adaptable. Retailers should continue to monitor their pricing strategies and supply chains to ensure they can maintain competitive prices while managing costs.

Additionally, keeping a close eye on changing consumer preferences and shopping behaviours is essential. The pandemic has accelerated the shift towards e-commerce and digital shopping, and retailers should be prepared to meet customers where they are most comfortable making purchases.

Overall, while the outlook for a recovery in the value retail segment looks promising on account of festive seasons approaching, it's important for retailers to remain flexible and adapt to the evolving economic landscape, consumer preferences, and inflationary pressures.

## Company overview

Established in 2001, V2 Retail Limited provides a comprehensive portfolio of product offerings addressing diverse pockets. The Company offers smart, trendy and fashionable apparels across categories at affordable prices under one roof. The Company operates 102 stores in 17 states and more than 89 cities (primarily Tier-II and Tier-III) covering a total retail area ~10.83lakh sq. ft.

During the year under review, the Company opened 12 new stores and closed 11 stores. The Company plans to improve its store profitability and would be looking at rationalising certain stores before accelerate growth through accelerated store addition. To increase bill size, store productivity and store gross margins, V2 Retail plans to increase the share of its private labels across its stores.

The Company has one wholly owned subsidiary named V2 Smart Manufacturing Private Limited during the year under review. The company is engaged in manufacturing of apparel and others.

## Key Strategic Areas:

- Focus on margin-accretive private labels and increase its share in the Company's revenue
- Focus on achieving same store sales growth
- Inventory Management
- Omni Channel Business
- Launch stores in existing clusters

## Financial Highlights (Standalone):

**Revenues:** Revenue during the year stood at ₹838.9 crore, a growth of 33% as compared to ₹ 629.2 crore in FY2021-22.

**EBIDTA:** EBIDTA for FY23 stood at ₹ 78.82 crore as compared to ₹60.72 crore for FY22

**Profit after tax:** The Company registered a loss of ₹ 14.48 crore compared to loss of ₹ 12.90 crore in the previous year.

## Key Financial Highlights

Particulars (₹ crores)	Standalone		Consolidated	
	FY 23	FY 22	FY 23	FY 22
Revenue from Operations	838.88	629.22	838.88	629.22
EBIDTA	78.82	60.72	83.98	80.54
PBT	(18.83)	(16.36)	(16.95)	(14.86)
PAT	(14.49)	(12.90)	(12.82)	(11.68)
EPS (₹)	(4.21)	(3.76)	(3.73)	(3.40)

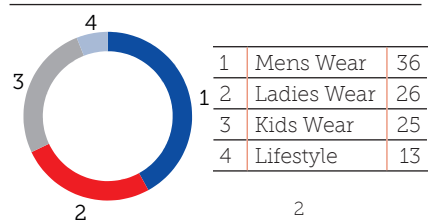
## Key Ratio (Standalone)

Particulars	FY 23	FY 22
Inventory holding days	107	155
Trade Payable holding days	60	65
Debt Equity Ratio (x)	0.19	0.19
PAT Margin (%)	(1.70)	(2.03)

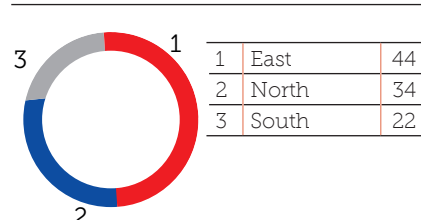
## Proportion of revenues from proprietary labels (%)

Year	2018-19	2019-20	2020-21	2021-22	2022-23
% of revenues	23	30	34	38	40

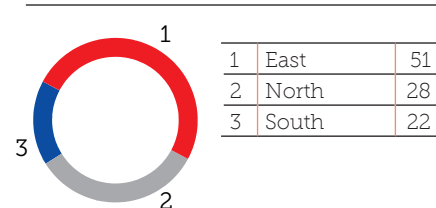
## Our product mix (%)



## Our regional space mix (%)



## Our regional revenue mix (%)



## Risk Management

V2 Retail's Risk Management function enables the achievement of strategic objectives by identifying, analysing, assessing, mitigating, monitoring and governing any risk or potential threats to their business functions. The risks associated with the business are successfully

identified and mitigated on priority, based on its severity, likelihood and impact. Risk management policies are revised regularly to replicate deviations in market conditions and align the Company's activities to mitigation strategies. Risk are owned, managed and formally reviewed across V2 Retail using the following process:







Risks	Meaning	Mitigation Strategies
Economic and Market Risk	Major changes in the economic environment (such as the pandemic) may challenge the existing business strategy, have a material impact on financial performance and dilute our competitive advantage.	We rely on a multi-format click-and-mortar model that enables us to respond to changes in customer demand, manage the product mix and pricing policy and identify opportunities for growth.
Geographic concentration risk	Concentration in a particular geography could hurt business growth in case of a geographical slowdown	As on March 31, 2023, the Company operates 102 stores spread across 17 states and 89 cities with a total retail area of ~10.83 lac Sq. Ft.
Shrinkage / Inventory Risk	Shrinkage in the retail business is defined as the loss in inventory through a combination of shop lifting, pilferage and errors in documentation and transaction processing that go unnoticed	We monitor shrinkage on a regular basis and look at various factors that could lead to shrinkage at stores and distribution centres. Store Operations and Supply Chain teams work together and monitor the shrinkage level on a month-on-month basis. Our shrinkage percentage is controlled and our endeavour will always be to lower this ratio through proper monitoring and continuously reviewing inventory management processes and systems.
Employee retention	Our strategic goals are heavily dependent on the competencies and performance of our people. The high churn rate in the retail space is a key risk since demand for experienced personnel in modern retail will only increase in the near term and long term.	We monitor the labour market and provide employee benefits in line with market. We have also devised an ESOP policy to retain and attract people. We have a defined system for employee on-boarding, training and development in place.
Technology Risk	Failure to match IT capabilities, scalability and reliability in relation to business requirements will disrupt business continuity.	We engage the best external experts and develop partnerships and in-house expertise in key IT solutions.
Finance Risk	Inability to grow at competitive rates could impact business sustainability	The Company's has a net debt-equity ratio of (0.18) which provides financial comfort. Besides, the Company also maintains a healthy cash balance, strengthening its business foundation.



## Human Resources

V2 Retail treats its workforce as a precious asset and promotes just and fair HR practices, and employee-friendly policies and processes. V2 Retail believes that its competitive advantage lies within its people. The Company relies on its workforce to promote a diverse and inclusive culture to ensure long-term business sustainability. V2 Retail continues to provide adequate opportunities for professional growth and offers training to enhance the skills and capabilities of its people, empowering them with knowledge to seamlessly adopt ongoing technological interventions and significantly improve value propositions for its customers.

The company has a total employee strength of 2627 as on March 31, 2023.

## Internal Control System and Adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that

assets are safeguarded, established regulations are complied with and pending issues are addressed

promptly. The Audit Committee reviews reports presented by the internal auditors routinely. The Committee makes note of the audit observations and takes corrective actions, if necessary. It maintains a constant dialogue with statutory and internal auditors to ensure adequacy of internal control systems.

## Cautionary Statements

This Management Discussion & Analysis report makes forward-looking statements based on certain assumptions and expectations of future events over which V2 Retail exercises no control. V2 Retail cannot guarantee their accuracy nor can it warrant that the same will be realised. Actual results could differ materially from those expressed or implied. Macroeconomic factors such as demand, supply, global economic and geopolitical developments, government regulatory and tax framework, liquidity in the market etc. could impact the operations of V2 Retail.



**V2 RETAIL LIMITED**

CIN - L74999DL2001PLC147724,

**Regd. Office:** Khasra No. 928, Extended Lal Dora Abadi, Village- Kapashera, Tehsil Vasant Vihar, New Delhi  
South West Delhi – 110 037,

**Phone:** 011-41771850, **E-mail:** cs@v2retail.net.in,

**Website:** www.v2retail.com

## NOTICE

Notice is hereby given that the 22nd (Twenty-second) Annual General Meeting (AGM) of the Members of **V2 Retail Limited** ("the Company") will be held on **Friday, 29th September, 2023 at 11.00 AM (IST)** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") for the purpose of which the Registered Office of the Company situated at Khasra No. 928, Extended Lal Dora Abadi, Village-Kapashera, South West Delhi, New Delhi – 110037 shall be deemed to be the venue of the AGM and the proceedings of the AGM shall be deemed to be taken place thereat, to transact the following business :

**ORDINARY BUSINESS:****1. To consider and adopt:**

- a The Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2023 together with the Reports of the Board of Directors and Auditors thereon.
- b The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2023 and the Report of Auditors thereon.

**2. To appoint a Director in place of Mrs. Uma Agarwal, Whole-time Director having DIN-00495945, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 at this AGM and being eligible, offers herself for re-appointment.****SPECIAL BUSINESS:****3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, read with Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and as per relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and subject to such other approvals as may be

necessary, the consent of the Company be and is hereby accorded for the appointment of Mr. Akash Agarwal (DIN: 03194632) as Whole Time Director of the Company for a period of 5 years commencing from 12th August, 2023 upto 11th August 2028 (liable to retire by rotation) at a fixed remuneration of upto Rs. 5,00,000/- (Rupees Five Lakhs) per month and such other perquisites/benefits as per applicable policies of the Company from time to time, with full liberty to the Board of Directors (hereinafter referred to as the "Board" which shall be deemed to include the Nomination & remuneration Committee of the Board) to revise/ alter/ modify/ amend/ change the terms and conditions as may be agreed to by the Board and Mr. Akash Agarwal within the applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** where in any financial year during the tenure of the said Whole Time Director, the Company has no profits or its profit are inadequate, the remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration;

**RESOLVED FURTHER THAT** to give effect to above resolution, the Board of Directors and/or the Company Secretary of the Company be and are hereby authorized to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

**By Order of the Board  
For V2 Retail Limited**

**Date: August 12, 2023  
Place: New Delhi**

**Sudhir Kumar  
Company Secretary &  
Compliance Officer  
M. No.: A25125**



## Notes :

1. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and MCA vide its Circular No. 10/2022 dated 28th December, 2022, Circular No. 02/2022 dated 05<sup>th</sup> May, 2022 to be read in conjunction with Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, Circular No. 20/2020 dated 5th May, 2020, Circular No. 14/2020 & 17/2020 dated 08th April, 2020 as issued by the Ministry of Corporate Affairs and SEBI vide its circular number SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated January 15, 2021 in continuation of SEBI circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) can be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

The Company has engaged the services of Link Intime India Private Limited (Intime) to provide the necessary electronic platform for holding the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and to provide remote e-voting facilities and for security and enabling the members to cast their vote in a secure manner.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM VIA LINK INTIME INSTAMEET ARE AS UNDER:

**Step1:** Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Thereafter, a Web Page of Link Intime InstaMeet will appear and the following steps are to be followed thereon:

**Step 2:** Select the "Company" and 'Event Date' and register with your following details: -

- A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
  - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL Demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in Physical form shall provide Folio Number registered with the Company
- B. **PAN:** Enter your 10-digit Permanent Account Number (PAN)  
(Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.)
- C. **Mobile No.:** Enter your mobile number.

- D. **Email ID:** Enter your email id, as recorded with your DP/Company.

**Step 3:** Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

### INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS WHO INTENDS TO SPEAK DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

1. Shareholders who would like to speak during the meeting must register their request **3 days in advance** with the company on the specific email id i.e.: [cs@v2retail.net.in](mailto:cs@v2retail.net.in).
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
3. Shareholders will receive "Speaking Serial Number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the Panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

**Note:** Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

Once the Electronic Voting is activated by the Scrutinizer/ Moderator during the Meeting, Shareholders/ Members who have not exercised their vote through the Remote E-voting can cast the Vote as under:

1. On the Shareholders VC page, click on the link for E-Voting "**Cast your vote**"
2. Enter your 16 digit Demat Account No./ Folio No. and OTP (received on the registered Mobile number/ registered Email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm",



else to change your vote, click on "Back" and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

#### **SYSTEM REQUIREMENTS RELATED INSTRUCTIONS FOR BEST VC EXPERIENCE**

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Contact on: - Tel: 022-49186175.

2. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [goelsharwan@hotmail.com](mailto:goelsharwan@hotmail.com) with copies marked to the Company at [cs@v2retail.net.in](mailto:cs@v2retail.net.in) and to its RTA at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in).

3. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate(s) are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 5th May, 2020, and 28th December 2022; the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited (Intime) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by Intime.
7. The Notice calling the AGM has been uploaded on the website of the Company in the Investor Relations Section under Financials in the Annual Reports tab. The complete Annual Report is also available in the same section. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively

and the AGM Notice is also available on the website of Link Intime (agency for providing the Remote e-Voting facility) i.e. <https://www.linkintime.co.in>.

8. This AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020, MCA Circular No. 17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020, MCA Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, MCA Circular No. 02/2022 dated 05<sup>th</sup> May, 2022, MCA Circular No. 10/2022 dated 28th December, 2022.
9. The recorded transcript of the forthcoming AGM on 29th September, 2023, shall also be made available on the website of the Company [www.v2retail.com](http://www.v2retail.com) in the Investor Relations Section, as soon as possible after the Meeting is over.
10. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID: [cs@v2retail.net.in](mailto:cs@v2retail.net.in) till the date of AGM.
11.
  - i. Members holding shares in physical form are requested to immediately intimate any change in their residential address to Link Intime India Private Limited, Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, Registrars and Transfer Agent of the Company, so that change could be effected in the Register of Members.
  - ii. Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective Depository Participants.
  - iii. To ensure all communications/ monetary benefits are received promptly, all shareholders holding shares in physical form are requested to notify to the Company, his/ her PAN/change in their address/bank details / email id/mobile number instantly by filling the KYC Form and by sending at the Registered Office of the Company at Khasra No. 928, Extended Lal Dora Abadi, Village-Kapashera, South-West Delhi - 110037.
12. The annual accounts of the subsidiary company along with the related detailed information are available for inspection at the Registered Office of the Company and of the subsidiary concerned and copies will be made available to Shareholders of V2 Retail Limited and its subsidiary company upon request.
13. Corporate Members are encouraged to attend the AGM through their Authorized Representatives.
14. They are requested to send by email, a certified copy of the Board Resolution/ Power of Attorney authorizing their representatives to attend and vote on their behalf in the Meeting.
14. Special business are being transacted at 22nd (Twenty-second) Annual General Meeting hence explanatory Statement as required under Section 102 of Companies Act, 2013, relating to the special business to be transacted at the meeting is applicable and annexed herewith.
15. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. All documents referred to in the notice are open for inspection by the members and can be availed by writing an email at [cs@v2retail.net.in](mailto:cs@v2retail.net.in) to the Company.
18. Pursuant to the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) no amount is unclaimed towards dividend to any shareholder.
19. Members are requested to intimate immediately the change of address or demise of any Member, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be to prevent frauds.
20. Statement giving details of the Director seeking appointment/ re-appointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standard on General Meeting ("SS-2").
21. Pursuant to Regulation 46(2) (j) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has created an exclusive E-mail ID: [cs@v2retail.net.in](mailto:cs@v2retail.net.in) for quick Redressal of Members/investors grievances.
22. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 23, 2023, to Friday, September 29, 2023 (both days inclusive).
23. Shareholders, who are holding shares in identical order of name in more than one folio, are requested to write to the Company enclosing their share

certificates to enable the Company to consolidate their holding in one folio. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.

24. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
25. In terms of SEBI notification, the shares of the Company are subject to compulsory trading only in dematerialized form on the stock exchange hence members are requested to convert their physical share certificates into electronic form.
26. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person to whom the shares held by him shall vest in the event of his death.
  1. Non-Resident Indian Members are requested to inform RTA, immediately of:
    - (a) Change in their residential status on return to India for permanent settlement or
    - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
27. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Share Transfer Agent (RTA), Link Intime India Private Limited, Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, Tel : 011 - 4141 0592/93/94, Email : delhi@linkintime.co.in.
28. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their

e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register as per the instructions mentioned below:

#### **Registration of email ID and Bank Account details:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/ their email address with the Company/its RTA/ Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., [www.linkintime.co.in](http://www.linkintime.co.in) under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit.

**OR**

- (ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

29. In terms of MCA circulars, the Notice of AGM along with annual report is being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participant(s).

### **30. VOTING THROUGH ELECTRONIC MEANS**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13<sup>th</sup> January, 2021, 05<sup>th</sup> May, 2022 and 28th December, 2022 the Company is providing facility for voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-voting (remote e-voting). A member may exercise his/her vote at the General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule.

The Company has engaged the services of Link Intime India Private Limited (Intime) to provide



remote e-voting facilities and for security and enabling the members to cast their vote in a secure manner.

**Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in Demat mode, pursuant to SEBI circular dated December 9, 2020**

The voting period begins on Tuesday, September 26, 2023 at 09.00 a.m. IST and ends on Thursday, September 28, 2023 at 05.00 p.m. IST. During this

period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, September 22, 2023** may cast their vote electronically. The e-voting module shall be disabled by Link Intime for voting thereafter.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in demat mode/physical mode is given below:**

<b><u>Type of Shareholders</u></b>	<b><u>Login Method</u></b>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL viz... <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, the option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication,</li> </ol>

	<p>the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
<p><b>Individual Shareholders holding securities in Physical form/ Non-Individual Shareholders holding securities in demat mode is given below:</b></p>	<p>Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:</p> <ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>2. Click on <b>"Sign Up"</b> under <b>'SHARE HOLDER'</b> tab and register with your following details: - <ol style="list-style-type: none"> <li>A. <b>User ID:</b> Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</li> <li>B. <b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>C. <b>DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> </ol> <p><b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <ul style="list-style-type: none"> <li>* Shareholders holding shares in <b>physical form</b> but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</li> <li>* Shareholders holding shares in <b>NSDL form</b>, shall provide 'D' above</li> </ul> <ul style="list-style-type: none"> <li>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%^*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>▶ Click "confirm" (Your password is now generated).</li> </ul> </li> <li>3. Click on 'Login' under <b>'SHARE HOLDER'</b> tab.</li> <li>4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on <b>'Submit'</b>.</li> </ol> <p><b>Cast your vote electronically:</b></p> <ol style="list-style-type: none"> <li>1. After successful login, you will be able to see the notification for e-voting. Select <b>'View'</b> icon.</li> <li>2. E-voting page will appear.</li> <li>3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</li> <li>4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</li> </ol>

### Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

### Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

### Helpdesk for Individual Shareholders holding securities in Demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22- 23058542-43.

### Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%^&\*), at least one numeral, at least one alphabet and at least one capital letter.

### User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

### Individual Shareholders holding securities in Demat mode with NSDL/ CDSL have forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

The official responsible to address the grievances connected with voting by electronic means: Mr. Sudhir Kumar, Company Secretary & Compliance Officer, Ph. No. 011-41771850, email: [cs@v2retail.net.in](mailto:cs@v2retail.net.in).

31. The Board of Directors has appointed Mr. Sharwan Kumar Goel (Kumar Sarwan & Co.), Chartered Accountant in Practice (Firm Registration No.027892N.) as the Scrutinizer, for conducting the voting and remote e-voting process in a fair and transparent manner.
32. The Scrutinizer shall within a period of three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and prepare the scrutinizer report of the votes cast in favour or against, if any, forthwith to the Chairman and in his absence to the Company Secretary of the Company.
33. The result of voting shall be declared by the Chairman of the meeting on or after the Annual General Meeting of the Company. The results declared along



with the Scrutinizer's Report shall be placed on the Company's website [www.v2retail.com](http://www.v2retail.com) and on the website of the Link Intime immediately after the result is declared by the Chairman.

34. The result will also be communicated to stock exchange where the shares of the Company are listed.
35. In terms of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Mrs. Uma Agarwal, Whole time Director

(DIN:00495945), retires by rotation at the ensuing Meeting and being eligible, offers herself for re-appointment. The Board of Directors of the Company recommends her re-appointment.

Details of Director, who is proposed to be re-appointed at the ensuing Annual General Meeting, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard 2, are as under:

Name of Director	Mrs. Uma Agarwal
Date of Birth	15 <sup>th</sup> November, 1975
Age	46 Years
DIN	00495945
Date of first Appointment in board	27 <sup>th</sup> July, 2001
Expertise in Specific Functional Area	Retail Industry
Qualifications	Graduate in Art
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid	Appointed as Whole Time Director being eligible to retire by rotation and at remuneration of upto Rs.5,00,000 (Rupees Five Lacs) per month
Last Drawn Remuneration	Rs. 5,00,000 per month
Directorship in Other Companies as on date	Sunita Fashion Private Limited Unicon Marketing Pvt Ltd Ricon Commodities Pvt.Ltd. Rishikesh Commosales Private Limited Topline Vintrade Private Limited V2 Conglomerate Limited Vishal Waterworld Private Limited
No. of Board Meeting attended during the year 2022-2023	05 (Five)
Membership/Chairmanship of Other Public Companies Committees	-
Relationship with other Directors	Mrs. Uma Agarwal is the wife of Mr. Ram Chandra Agarwal, Chairman & Managing Director & mother of Mr. Akash Agarwal, Director of the Company.
Shareholding in the Company	3,44,000 equity shares
Brief Resume	Mrs. Uma Agarwal an Arts graduate holds a good 17 years of hands-on experience in Retail Industry. She is on Board of the Company since inception. Mrs. Uma Agarwal has played a significant role in scaling of the Company to new heights.

For other details such as number of meetings of the board attended during the year and remuneration drawn in respect of above director, please refer to the corporate governance report which is a part of this Annual Report.

Except Mr. Ram Chandra Agarwal, Mrs. Uma Agarwal, Mr. Akash Agarwal, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the proposed resolution set out at Item No. 2 of the Notice.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No. 3:**

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting on 12th August, 2023 has approved the appointment of Mr. Akash Agarwal (DIN 03194632) as Whole-time Director in terms of applicable provisions of the Companies Act, 2013. Mr. Akash Agarwal has been currently appointed as Non- Executive Director of the Company as per shareholders' approval dated 30th September, 2022. The Appointment of Mr. Akash Agarwal as Whole-time Director of the Company w.e.f. 12th August, 2023 is subject to the approval of shareholders of the Company, in terms of the provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any amendment.

The Company has received the following disclosures / declarations from Mr. Akash Agarwal (DIN 03194632):

- (i) Consent in writing to act as Whole-time Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- (ii) Intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not

disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013.

Mr. Akash Agarwal is not debarred from holding the office of Director/Whole-time Director by virtue of any SEBI order or any other such authority and the Board is of the opinion that Mr. Akash Agarwal (DIN 03194632) fulfils the conditions for his appointment as a Whole-time Director as specified in the Companies Act, 2013 and the Listing Regulations.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and also posted on the website of the Company i.e. [www.v2retail.com](http://www.v2retail.com).

The Board considers that his association would be of immense benefit to the Company, and it is desirable to avail services of Mr. Akash Agarwal (DIN 03194632) as Whole-time Director. Accordingly, the Board seeks approval of the members by way of special resolution for the appointment of Mr. Akash Agarwal (DIN 03194632) as Whole-time Director of the Company w.e.f. 12th August, 2023 for a period of 5 (five) years at a remuneration/terms detailed below, pursuant to Section 196, 197, 198 and other applicable provisions of the Act, and Rules made there under.

Except Mr. Ram Chandra Agarwal, Mrs. Uma Agarwal, Mr. Akash Agarwal, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the proposed resolutions set out at Item No. 3 of the Notice.

The Board recommends the resolution set forth in Item no. 3 for your approval.

The personal details & experience of directors pursuant to regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India are as stated below:

Name of Director	Mr. Akash Agarwal
Date of Birth	24 <sup>th</sup> April, 1992
Age	31 Years
DIN	03194632
Date of first Appointment in board	29 <sup>th</sup> September, 2017
Expertise in Specific Functional Area	He has vast experience in E-Commerce, Procurement and Finance
Qualifications	Graduate in Business Administration from Lancaster University (UK) and International MBA from IE Business School, Spain
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid	Appointed as Whole-time Director being eligible to retire by rotation at a remuneration of upto Rs. 5,00,000 (Rupees Five lakhs) per month w.e.f. 12th August, 2023 for a period of 5 (five) years.
Last Drawn Remuneration	Rs. 5,00,000 Per Month as Whole-time Director & CFO upto 3rd September, 2022
Directorship in Other Companies as on date	V2 Smart Manufacturing Private Limited Rishikesh Commosales Private Limited Topline Vintrade Private Limited V2 Conglomerate Limited
No. of Board Meeting attended during the year 2022-2023	03 (Three)
Membership/Chairmanship of Other Public Companies Committees	-
Relationship with other Directors	Mr. Akash Agarwal is the son of Mr. Ram Chandra Agarwal, Chairman & Managing Director & Mrs. Uma Agarwal, Whole-time Director of the Company
Shareholding in the Company	1,33,480 equity shares
Brief Resume	Mr. Akash Agarwal holds an International MBA from IE Business School, Spain and a Bachelor's degree in Business Administration (BBA) from Lancaster University (UK) and possesses around ten years of experience in the retail industry. He looks after E-Commerce, Procurement and Finance. He is on the Board of the Company since September, 2017 upto 3rd September, 2022 as Whole-time Director, and thereafter as Non-Executive Director.

**By Order of the Board  
For V2 Retail Limited**

**Sudhir Kumar  
Company Secretary & Compliance Officer  
M. No. A25125**

**Date: August 12, 2023  
Place: New Delhi**



# DIRECTORS' REPORT

Dear Members,

It gives us great pleasure to share with you the performance of your company along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

## 1. State of Company Affairs

V2 Retail Limited is part of the Retail Industry which continues to be one of the biggest and long-term sustainable business opportunities that our country offers. Indian Retail Industry has emerged as one of the most dynamic and fast-paced industries due to the opportunities it creates.

### Financial Results

The operating results of the Company for the year under review are as follows:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	For the Year ended 31.03.2023	For the Year ended 31.03.2022	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Revenue from operation	83,888.30	62,922.49	83,888.30	62,922.49
Other Income	614.56	1,558.40	666.90	1,588.90
<b>Total Income</b>	<b>84,502.86</b>	<b>64,480.89</b>	<b>84,555.20</b>	<b>64,511.39</b>
<b>Profit before Interest, Depreciation &amp; Taxation</b>	<b>8,496.91</b>	<b>7,630.63</b>	<b>9,065.53</b>	<b>8,054.40</b>
Interest & Finance Costs	3,988.12	3,607.09	4,055.31	3,657.18
Depreciation and amortisation	6,392.54	5,659.36	6,705.41	5,883.08
<b>Profit/(Loss) from Operations before Exceptional Items and Tax</b>	<b>(1,883.75)</b>	<b>(1,635.82)</b>	<b>(1,695.19)</b>	<b>(1,485.86)</b>
Exceptional Items	-	-	-	-
<b>Profit/(Loss) before Taxation</b>	<b>(1,883.75)</b>	<b>(1,635.82)</b>	<b>(1,695.19)</b>	<b>(1,485.86)</b>
<b>Less : Provision for Taxation</b>				
- Current Tax	-	-	48.63	-
- Tax expense of earlier years	(7.85)	-	(7.85)	-
- Deferred Tax	(427.08)	(345.62)	(454.30)	(318.14)
<b>Profit/(Loss) After Taxation (1)</b>	<b>(1,448.82)</b>	<b>(1,290.20)</b>	<b>(1,281.67)</b>	<b>(1,167.72)</b>
Other Comprehensive Income/ (Loss) (2)	(15.98)	(39.43)	(18.12)	(39.52)
<b>Total Comprehensive Income/ (Loss) (1+2)</b>	<b>(1,464.80)</b>	<b>(1,329.63)</b>	<b>(1,299.79)</b>	<b>(1,207.24)</b>

## 2. Operations Review

The Company continued with its strategy to establish "V2" brand of Retail stores across north, east, south and central part of India during the year. It is one of the fastest growing retail Company in India and enjoys strong brand equity from customers across segments.

During the year, the company is having 102 (One Hundred and Two) "V2" retail stores as on 31<sup>st</sup> March 2023, spread across 17 states and 89 cities with total retail area of around 10.83 lacs sq. ft. The Company added **12 (Twelve)** and closed **11 (Eleven)** stores during the year.

During the year under review, the Company continued to focus on enhancing the capability of the organization and towards the achievement of this goal, the Company has been taking a number of initiatives.

## 3. Dividend

Considering the industry outlook & financial position of the Company, your directors do not propose to declare any dividend for the financial year ended on 31<sup>st</sup> March 2023.

## 4. Transfer to Reserve

Your Directors do not propose to transfer any amount to the general reserve.

## 5. Material changes and commitments

No material changes and commitments have occurred from the date of close of the financial year till the date of this Report, which might affect the financial position of the Company.

## 6. Share Capital

The authorized share capital of the Company is Rs. 4000.00 Lakhs as on March 31, 2023.

The paid - up share capital of the Company is Rs. 3,438.93 Lakhs as on March 31, 2023.

During the year under review, none of the shares has been allotted by the company.

## 7. Transfer to Investor Education and Protection Fund

Pursuant to the provisions of Section 125 of the Companies Act, 2013, your Company was not required to transfer any amount during the year 2022-23 to the Investor Education and Protection Fund.

## 8. Employee Stock Option Scheme

The Company has implemented a V2R-Employee Stock Option Scheme 2016 ('ESOP 2016'), which was approved by the members at the Annual General Meeting held on September 30, 2016. Your Directors have approved grant of options to the eligible employees of the Company under the scheme 'V2R-Employee Stock Option Scheme 2016' ('ESOP 2016').

The information required to be disclosed under SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 as on March 31, 2023, are as follows and respective disclosures are displayed on the website of the company i.e. [www.v2retail.com](http://www.v2retail.com).

None of options has granted during the year ended March 31, 2023.

Particulars	Details
Date of Shareholders Approval	September 30, 2016
Number of Options	12,44,380 (Twelve lakhs forty-four thousand three hundred eighty) options to be convertible into equal number of fully paid-up Equity Shares of the Company of face value of Rs. 10 each.
Number of options outstanding at the beginning of the year	2,25,000
Number of options granted during the year	-
Number of options forfeited / lapsed	-
Number of options vested during the year	-
Number of options exercised during the year	-
Number of shares arising as a result of exercise of options	-
Money realized by exercise of options	-
Number of options outstanding at the end of the year	2,25,000
Number of options exercisable at the end of the year	2,25,000
Exercise Pricing Formula	Exercise price is Face Value of the Share of the company as on date on which the options are exercised by employee.

## 9. Bonus Issue

Company has not allotted/transferred or issued any bonus shares during the year.

## 10. Change in the nature of the Business, if any

There was no change in the nature of business of the Company during the financial year ended March 31, 2023. However, Company is planning to broaden its operations by adding new retail stores for strengthening existence and to reach amongst the larger consumer base to enhance its turnover and operating revenue.

## 11. Internal Control systems and their adequacy

Your Company has in place, an adequate system of internal controls commensurate with its size, requirements and the nature of operations. These systems are designed keeping in view the nature of activities carried out at each location and various business operations.

Your Company's in-house internal audit department carries out internal audits at all stores locations, offices and warehouse / distribution centre across all locations of the country. Their objective is to assess the existence, adequacy and operation of financial and operating controls set up by the Company and to ensure compliance with the Companies Act, 2013, SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015) and corporate policies.

The Board of Directors of the company has appointed M/s SMAM & CO., Chartered Accountants (FRN 028845C) as the Internal Auditor of the Company to conduct the Internal Audit Functions for Financial Year 2022-23.

A summary of all significant findings by the audit department along with the follow-up actions undertaken thereafter is placed before the Audit Committee for review. The Audit Committee reviews the comprehensiveness and effectiveness of the report and provides valuable suggestions and keeps the Board of Directors informed about its major observations, from time to time.

## 12. Internal Financial Controls

The Company has in place adequate financial controls commensurate with its size, scale and complexity of its operations. The Company has in place policies and procedures required to properly and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records and prepare financial records in a timely and reliable manner.

## 13. Segment Reporting

The Board wishes to inform you that Segment Reporting is not applicable to the Company.

## 14. Cash Flow Analysis

The Cash Flow Statement for the year, under reference in terms of Regulation 36 of SEBI (LODR) Regulations, 2015 is annexed with the Annual Accounts of the Company.

## 15. Subsidiary Companies, Joint Ventures and Associate Companies

Your Company has a wholly owned subsidiary Company named as M/s V2 Smart Manufacturing Private Limited which was incorporated on 25.10.2019. Except this, your Company had no subsidiary and joint venture during the financial year 2022-23. Further, there are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

## 16. Consolidated Financial Statements

The Consolidated Profit and Loss Account for the period ended 31st March 2023, includes the Profit and Loss Account for the subsidiary for the complete financial year ended 31st March, 2023. The Board of Directors of the Company has, at its Meeting held on May 25, 2023, given consent for not attaching the Balance Sheets of the subsidiaries concerned.

The Consolidated Financial Statements of the Company including its subsidiaries duly audited by the statutory auditors are presented in the Annual Report. The Consolidated Financial Statements have been prepared in strict compliance with applicable Accounting Standards and where applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as prescribed by the Securities and Exchange Board of India. A report on performance and financial position of the subsidiary companies included in the Consolidated Financial Statement is presented in a separate section in this Annual Report. Please refer (form No. AOC-1) annexed to the financial statements in the Annual Report.

## 17. Deposits

During the year under review, the Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

## 18. Secretarial Standards of ICSI

The Ministry of Corporate Affairs has mandated SS-1 and SS-2 with respect to board meetings and general meetings respectively. The Company is in compliance with the same.



## 19. Auditors and Auditors' Report

### Statutory audit

Your Company's Auditors, M/s. Singhi & Co., Chartered Accountants, (Firm Registration No. 302049E), were appointed as the Statutory Auditors of the Company from the conclusion of 21<sup>st</sup> Annual General Meeting of the Company held on 30th September 2022, for a period of 5 (Five) Years till the conclusion of the 26th Annual General Meeting of the Company.

The Auditor's have put certain qualifications in their report to which the management has put forward the following below mentioned replies;

Qualification and response to Auditor's Report:

- (i) As described in Note 7 to the accompanying standalone financial statements, the Company has performed physical verification of property, plant and equipment during the year ended 31 March 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. Pending completion of the said reconciliation, we are unable to comment on any adjustment that may be required to the carrying value of such Property, Plant and Equipment as at 31 March 2023. Our opinion on the standalone financial results for the quarter and year ended March 31, 2023 is qualified in respect of this matter.

**Management Response:** The Company has performed physical verification of property, plant and equipment during the year ended 31 March 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. However, the management does not foresee resultant treatment to be material to the financial statements.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Sunpreet & Co., Company Secretaries, New Delhi, as its secretarial auditor to undertake the secretarial audit for FY 2022-23. The secretarial audit report certified by the secretarial auditors, in the specified form MR-3 is annexed herewith and forms part of this report and enclosed as **Annexure I**. The secretarial audit report does not contain any qualifications, reservations or adverse remarks.

## 20. Frauds reported by auditor under section 143 (12) other than those which are reportable to the Central Government

There are no such frauds reported by auditor, which are committed against the Company by officers or employees of the Company.

## 21. Conservation energy, technology and foreign exchange outgo

The particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with the provisions of Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts of Companies) Rules, 2014, is annexed herewith and forms part of this Report and enclosed as **Annexure II**.

## 22. Annual Return

In accordance with Section 92(3) of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the requirement of attaching extract of annual return in Form MGT-9 with the Board's Report is done away with. The Annual Return as referred in Section 134(3)(a) of the Act for the financial year ended March 31, 2023, is available on the websites of the Company [www.v2retail.com](http://www.v2retail.com).

## 23. Corporate social responsibility

Corporate social responsibility forms an integral part of your Company's business activities. Your Company is a responsible corporate citizen, supporting activities which benefit the society as a whole. In compliance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has adopted a CSR policy which is available at [www.v2retail.com](http://www.v2retail.com).

The annual report on CSR activities pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in **Annexure – III** to this report.

## 24. Directors and Key Managerial Personnel

In accordance with provisions of Section 152 of the Act read with Rules made there under, Mrs. Uma Agarwal (DIN:00495945), Director is liable to retire by rotation at the 22<sup>nd</sup> Annual General Meeting "AGM" and being eligible, offers herself for reappointment.

All the Independent Directors have submitted their declaration to the Board confirming that they meet the

criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors of the Company is disqualified for being appointed as Director, as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

A brief resume of the Directors proposed to be reappointed, is provided in the Notice of the Annual General Meeting forming part of the Annual report.

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

S. N.	Name of KMP	Designation	DIN/PAN
1.	Mr. Ram Chandra Agarwal	Chairman & Managing Director	00491885
2.	Mrs. Uma Agarwal	Whole-time Director	00495945
3.	Mr. Pratik Adukia	Chief Financial Officer	AGRPA1562A
4.	Mr. Manshu Tandon	Chief Executive Officer	ADWPT8543Q
5.	Mr. Sudhir Kumar	Company Secretary & Compliance Officer	BEQPK6613C

## 25. Board induction, training and familiarization programme for Independent Directors

Prior to the appointment of an Independent Director, the Company sends a formal invitation along with a detailed note on the profile of the Company, the Board structure and other relevant information. At the time of appointment of the Director, a formal letter of appointment which *inter-alia* explains the role, functions, and responsibilities expected of him/her as a Director of the Company is given. The Director is also explained in detail about the various compliances required from him/ her as a Director under the various provisions of the Companies Act 2013, SEBI Listing Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, the Code of Conduct of the Company and other relevant regulations.

A Director, upon appointment, is formally inducted to the

Board. In order to familiarise the Independent Directors about the various business drivers, they are updated through presentations at Board Meetings about the performance and Financials of the Company. They are also provided presentations/booklets about the business and operations of the Company.

The Directors are also updated on the changes in relevant corporate laws relating to their roles and responsibilities as Directors. The details of the Board familiarization programme for the Independent Directors can be accessed at [www.v2retail.com](http://www.v2retail.com).

## 26. Performance evaluation

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with rules made thereunder, Regulation 17(10) of and the SEBI Listing Regulations and the Guidance note on Board evaluation issued by SEBI vide its circular dated January 05, 2017, the Company has framed a policy for evaluating the annual performance of its Directors, Chairman, the Board as a whole, and the various Board Committees. The Nomination and Remuneration Committee of the Company has laid down parameters for performance evaluation in the policy, they include:

- Attendance
- Preparedness for the meeting
- Staying updated on developments
- Active participation in meetings
- Constructive contributions/positive attributes
- Engaging with and challenging management team without being confrontational or obstructive
- Protection of stakeholder interests
- Contribution to strategic planning
- Carrying out responsibilities as per the code of conduct

The Board also evaluated the performance of each of the Directors, the Chairman, the Board as whole and all committees of the Board. The process of evaluation is carried out in accordance with the Board Evaluation Policy of the Company and as per criteria suggested by SEBI.

## 27. Number of meetings of the Board

The Board of Directors held 5 (five) meetings during the year on May 30, 2022, August 10, 2022, September 03, 2022, November 10, 2022, and February 10, 2023. The maximum time gap between any two meetings was less than 120 days as stipulated under SEBI's Listing Requirements, 2015. The details of Board Meetings held and attendance of Directors are provided in the Report on Corporate Governance forming part of this report.

## 28. Separate meeting of Independent Directors

Details of the separate meeting of the Independent Directors held and attendance of Independent Directors therein are provided in the Report on Corporate Governance forming part of this report.

## 29. Committees of the Board

The Company has constituted/reconstituted various Board level committees in accordance with the requirements of Companies Act 2013. The Board has the following committees as under:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders Relationship Committee
- IV. Corporate Social Responsibility Committee
- V. Risk Management Committee
- VI. ESOP Committee

Details of all the above Committees along with composition and meetings held during the year under review are provided in the Report on Corporate Governance forming part of this report.

## 30. Whistle-blower policy/ vigil mechanism

The Company has established an effective whistle blower policy (vigil mechanism) and procedures for its Directors and employees; details of which are provided in the Report on Corporate Governance which forms part of this report. The policy on vigil mechanism may be accessed on the Company's website at: [www.v2retail.com](http://www.v2retail.com).

## 31. Remuneration policy

The remuneration policy of the Company aims to attract, retain and motivate qualified people at the executive and at the board levels. The remuneration policy seeks to employ people who not only fulfil the eligibility criteria but also have the attributes needed to fit into the corporate culture of the Company. The remuneration policy also seeks to provide well-balanced and performance related compensation packages, taking into account shareholder interests, industry standards and relevant regulations.

The remuneration policy ensures that the remuneration to the directors, key managerial personnel and the senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. The remuneration policy is consistent with the 'pay-for-performance' principle. The Company's policy on remuneration and appointment of Board members

as mentioned in the Remuneration Policy has been disclosed at the company's website [www.v2retail.com](http://www.v2retail.com) and annexed with the Directors' Report which forms part of the Annual Report as **Annexure IV**.

## 32. Related party transactions

All related party transactions entered into by the Company during the financial year were at arm's length. During the year the Audit Committee had granted an omnibus approval for transactions which were repetitive in nature for one financial year and all such omnibus approvals were reviewed by the Audit Committee on a quarterly basis. Material contracts or arrangements with related parties were entered into during the year under review. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for the necessary review and approval. Your Company's policy on related party transactions, as approved by the Board, can be accessed at: [www.v2retail.com](http://www.v2retail.com). Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is appended as **Annexure V** to this report.

## 33. Particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013

During the financial year ended March 31, 2023, the Company has not made any investment. During the year, the Company has also not granted loans, guarantee and or provided any security.

## 34. Particulars of employees and managerial remuneration

The statement of disclosure of Remuneration under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') is appended as **Annexure VI** to this Report.

The information as per the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules is provided in a separate annexure forming part of this Report. However, the Annual Report is being sent to the Members of the Company excluding the said annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office as well as Corporate Office of your Company. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary of the Company.

## 35. Management discussion and analysis and Corporate Governance Report

As per Regulation 34(3) read with schedule V of the SEBI Listing Regulations 2015, Management Discussion



Analysis, Corporate Governance Practices followed by your Company, together with a certificate from the Company Secretary in Practice confirming compliance of conditions of Corporate Governance are an integral part of this report.

### 36. Risk Management system

The Company has developed and implemented a risk management policy which is periodically reviewed by the management. In accordance with Regulation 21 of SEBI Listing Regulations, 2015, the enterprise risk management policy of the Company, which has been duly approved by the Board, is reviewed by the Audit Committee and the Board on a periodic basis. The risk management process encompasses practices relating to identification, assessment, monitoring and mitigation of various risks to key business objectives. Besides exploiting the business opportunities, the risk management process seeks to minimise adverse impacts of risk to key business objectives.

The Board of Directors has approved the Constitution of Risk Management Committee at its meeting held on June 28, 2021. The constitution of the Risk Management Committee as on 31st March, 2023 is follows:

S. No.	Name	Designation
1	Mr. Akash Agarwal	Chairman
2	Dr. Arun Kumar Roopanwal	Member
3	Mr. Manshu Tandon	Member

### 37. Prevention of sexual harassment at workplace

Your Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. There is zero-tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action.

The Company has established a policy against sexual harassment for its employees. The policy allows every employee to freely report any such act and prompt action will be taken thereon. The policy lays down severe punishment for any such act. Further, your directors state that during the year under review, there were no cases of sexual harassment reported to the Company pursuant to the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 38. Depository Systems

Company's shares are compulsorily tradable in electronic form. As on March 31, 2023, 2,49,41,294 (72.53%) Equity Shares stand with the NSDL Account and 93,77,957 (27.27%) Equity Shares stand with the CDSL, and 70,090 (0.20%) Equity Shares stands in physical form.

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders holding Shares in physical mode are requested to avail of the dematerialization facility with either of the depositories.

Your Company has appointed M/s Link Intime India Private Limited, a Category-I SEBI registered R&T Agent as its Registrar and Share Transfer Agent.

### 39. Listing of Shares

The Company's shares are listed and actively traded on the below mentioned Stock Exchanges: -

#### I. National Stock Exchange of India Limited (NSE)

"Exchange Plaza" C-1, Block G,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai – 400051

#### II. BSE Limited (BSE)

PhirozeJeejeebhoy Towers,  
25th Floor, Dalal Street,  
Mumbai – 400001

### 40. Details of significant and material orders passed by regulators/courts/tribunals

During the year under review there was no instance of any material order passed by any regulators/courts/tribunals impacting the *going concern* status of the Company.

### 41. Dividend Distribution Policy

The Company has formulated a dividend distribution policy which is enclosed as **Annexure VII** to this report and the same is also displayed on the website of the company i.e. [www.v2retail.com](http://www.v2retail.com).

### 42. Industrial Relations

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of Employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

### 43. General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review: -

- a) Issue of the equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to Directors or employees except allotment of shares to respective employees pursuant to ESOP Scheme of the Company.
- c) Purchase of or subscription for shares in the Company by the employees of the Company except ESOP.
- d) The Company has a wholly owned subsidiary but the same is not a material subsidiary, so no policy on material subsidiary is required to be adopted.
- e) Managing Director and Whole Time Directors of the Company does not receive any remuneration or commission from the Subsidiary Company of the Company and there is no holding Company of your Company.

#### 44. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, in relation to the Audited Financial Statements of the Company for the year ended March 31, 2023, confirm that:

- a. in the preparation of the accounts for financial year ended March 31, 2023, the applicable accounting standards had been followed and there are no material departures;
- b. they have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profits of the Company for that year;
- c. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a 'going concern' basis;

- e. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 45. Disclosure with Respect to DMAT suspense account /unclaimed suspense account

No DMAT suspense account /unclaimed suspense account reported by RTA, NSDL and CDSL to the company.

#### 46. Disclosure of details of any application filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT

During the year under review, no application was filed for corporate insolvency resolution process against the Company.

#### 47. Acknowledgements

Your Directors would like to acknowledge and place on record their sincere appreciation of all stakeholders – shareholders, bankers, dealers, vendors and other business partners for the excellent support received from them during the year under review. Your Directors recognise and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and on behalf of the Board

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN00491885

Place: New Delhi  
Date: August 12, 2023

# ANNEXURE-I

Form No. MR-3

## SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**V2 RETAIL LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **V2 RETAIL LIMITED** ("hereinafter called as the Company/ Company"). The Company is a listed Company, having CIN: L74999DL2001PLC147724. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the financial year from **01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 ("Audit Period")**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under along with the provisions of the Companies Act, 1956 to the extent as applicable as amended;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under as amended;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under as amended;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended;
  - b. SEBI (Prohibition of Insider Trading) Regulations, 2015 and Rules there under as amended;

- c. SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended;
- d. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on 02<sup>nd</sup> September, 2015 as amended
- e. The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 as amended
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **(Not Applicable)**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client as amended;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable)**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable)**
- j. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 as amended;
- k. The Employees State Insurance Act, 1948 as amended.

Other laws applicable to the Company has been comply by the Company as per information provided by the company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

#### We report that:

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on



test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have checked the compliance management system of the Company, to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We further report that, the Board of Directors of the Company is constituted with proper balance of Executive

Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all its directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Decisions at Board Meeting and Committee Meeting are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

**We further report** that during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of debentures/sweat equity, etc.
- (ii) Redemption/Buy back of securities.
- (iii) Merger/Amalgamation/Reconstruction.
- (iv) Foreign technical collaborations.

For **Sunpreet & Co.**  
**Company Secretaries**

(Sunpreet Singh)  
M. No. F11075  
C.P. No. 16084

UDIN: F011075E000771659  
Firm Unique Code  
S2016DE418400

**Place:** New Delhi  
**Date:** 09.08.2023

## ANNEXURE-II

### STATEMENT OF PARTICULARS UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

#### (A) Conservation of energy-

- (i) Steps taken or impact on conservation of energy:  
The Board considers the conservation of energy as one of the most vital point and has taken steps for formulation of policy for energy consumption. During the year under review, further efforts were made to ensure optimum utilization of electricity.
- (ii) Steps taken by the Company for utilizing alternate sources of energy: Nil
- (iii) Capital invested on energy conservation equipment's: Nil

#### (B) Technology absorption-

- (i) Efforts made towards technology absorption: The Company is implementing the updated software's and other technology in the operations.
- (ii) Benefits derived like product improvement, cost reduction, product development or import substitution: Nil

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil
- (a) Details of technology imported - NA
- (b) Year of import - NA
- (c) Whether the technology been fully absorbed - NA
- (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof - NA
- (iv) Expenditure incurred on Research and Development - Nil

#### (C) Foreign Exchange Earnings and outgo

The Company is not indulged into export of goods. No activities relating to exports have been undertaken by the Company during the financial year 2022-23.

(₹)

Particulars	2022-23	2021-22
Foreign Exchange Outgo		
Travelling	Nil	Nil
Consultancy	Nil	Nil
Others (license fee)	Nil	Nil
Imports		
Raw Materials	Nil	Nil
Finished Goods	Nil	Nil
Capital Goods	Nil	Nil
Others	Nil	Nil
Foreign Exchange Earnings		
Earnings in foreign exchange	Nil	Nil

## ANNEXURE–III: Annual Report on CSR Activities

### 1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy), which has been approved by the Board and the policy is available on Companies website under the link: [www.v2retail.com](http://www.v2retail.com)

A brief outline of the policy for undertaking the CSR activities of the company includes the following:

- Promoting Healthcare, water and sanitation programmes;
- Promoting education, enhancing vocational skills and livelihood enhancement projects;
- Rural development, social upliftment programs and promotion of art and Culture.

These projects are in accordance with Schedule VII of the Companies Act, 2013. The aforesaid projects have been carried out by the Company directly and/or through implementing agencies.

2. Details of Composition of CSR Committee has been mentioned in the Corporate Governance Report which Form part of the Director's Report.
3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.v2retail.com/corporate-social-responsibility-committee/>

<https://www.v2retail.com/wp-content/uploads/2018/08/Corporate-Social-Responsibility-Policy-1.pdf>

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable
5. Details of the amount available for setoff in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for setoff for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not Applicable			

6. Average net profit of the Company for last three financial years: Rs.(1050.72) lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): NIL  
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
(c) Amount required to be set off for the financial year, if any: NIL  
(d) Total CSR obligation for the financial year (7a+7b-7c): NIL
8. (a) Details of CSR spent or unspent for the financial year 2022-23:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
Not Applicable					



(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) Manner in which the amount spent during the financial year is detailed is as follows: -

S. No.	CSR Projects or activity identified	Sectors in which the project is covered	Projects or programmes 1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount Spent on the projects or programs Subheads: 1) Direct expenditure on project or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
Not Applicable							

(d) Details of CSR amount spent against **other than ongoing projects** for the financial year: **NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.									
2.				---NIL---					
3.									

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ In Lakhs)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	2019-20	-	-	-	-	-	65.61
2.	2020-21	-	-	-	-	-	--
3.	2021-22	-	-	-	-	-	--
	<b>TOTAL</b>	-	-	-	-	-	<b>65.61</b>

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

## RESPONSIBILITY STATEMENT

The implementation and monitoring of Corporate Social Responsibility (CSR) policy, is in compliance with CSR objectives and policy of the Company.

On behalf of the Board  
V2 Retail Limited

Ram Chandra Agarwal  
(Chairman and Managing Director)  
DIN 00491885

Archana Surendra Yadav  
(Chairperson - CSR Committee)  
DIN 07335198

Date: August 12, 2023  
Place: New Delhi

## ANNEXURE- IV

### REMUNERATION POLICY FOR THE MEMBERS OF BOARD AND EXECUTIVE MANAGEMENT

The Board has delegated to the Nomination and Remuneration Committee in consultation with the Chairman of the Board, the responsibility for identifying and recommending to the Board, candidates for the Board, after considering the necessary and desirable competencies for new Board members and board also has delegated the power to Nomination and Remuneration Committee to act as Compensation Committee as per V2R 2016 ESOP Scheme.

#### Policy for Appointment and Re-Appointment of Director

The Board believes that its membership should comprise Directors with an appropriate mix of skills, experience and personal attributes that will best complement board effectiveness, cohesion and diversity and allow the Directors to individually, and as a Board collectively, to:

- (a) Discharge their responsibilities and duties under the law effectively and efficiently;
- (b) Assess the performance of management in meeting those objectives and goals.

Accordingly, in selecting potential new directors, the Nominations and Remuneration committee will seek to identify the competencies required to enable the Board to fulfill its responsibilities. In doing so, the Committee will have regard to the results of the annual appraisal of the Board's performance.

While recognizing that each director will not necessarily fulfill all criteria, the Nominations and Remuneration Committee have identified the following fundamental factors as relevant to the selection and appointment of new directors:

- (a) Outstanding in capability with extensive and senior commercial experience;
- (b) High level of personal integrity; and
- (c) Time available to meet the commitment required.

#### Remuneration payable to Managing Director and Whole Time Director

The Managing Director and Whole-Time Director are receiving remuneration from the Company as per the approval by the members of the Company in the Annual General Meeting (AGM).

The annual increments and performance incentive of the Managing Director and Whole Time Directors are linked to their performance and are decided by the Nomination and Remuneration Committee from time to time.

#### Remuneration payable to Non-Executive Directors

The Non-Executive Directors will be paid with the sitting fee, if any, subject to the approval of Board of Directors/ including any sub-committee thereof, upto the limit as specified under Companies Act, 2013 and also in Compliance with the Listing Agreement.

#### Evaluation

In addition to an annual self-evaluation by the Nomination and Remuneration Committee, the Board must review the effectiveness of the Committee annually.

#### Amendments

This policy can be modified or repealed at any time by the Board of Directors of the Company.



**ANNEXURE – V****FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Silent terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

1. Details of material contracts or arrangements or transactions at arm's length basis

(Rs. In Lakh)

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Silent terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	V2 Smart Manufacturing Private Limited (Wholly Owned Subsidiary)	Purchases of Traded goods	One Year	9876.13	February 14, 2022	Nil

On behalf of the Board

V2 Retail Limited  
Ram Chandra Agarwal  
(Chairman and Managing Director)  
DIN 00491885

Date: August 12, 2023  
Place: New Delhi

## ANNEXURE – VI

### Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022-23

Sl. No.	Name	Ratio of Median Remuneration
1	Mr. Ram Chandra Agarwal	45.45
2	Mrs. Uma Agarwal	45.45
3	*Mr. Akash Agarwal	45.45
4	**Mr. Lalit Kumar	NA
5	***Ms. Rochelle Susanna D'Souza	NA
6	#Mr. Harbir Singh Sidhu	NA
7	Mr. Arun Kumar Roopanwal	NA
8	Mrs. Archana Surendra Yadav	NA
9	Mr. Srinivas Anand Mannava	NA

\*ceased to be whole-time director and appointed as non-executive director w.e.f. 03.09.2022

\*\*resigned as independent Director w.e.f. 26.12.2022

\*\*\*ceased to be director w.e.f. 12.08.2022

#resigned as independent director w.e.f. 14.11.2022

- ii. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, if any, in Financial Year 2022-23

Sl. No.	Name	Designation	% Increase/ (decrease) in remuneration
1	Mr. Ram Chandra Agarwal	Chairman & Managing Director	--
2	Mrs. Uma Agarwal	Whole Time Director	--
3	*Mr. Akash Agarwal	Director	--
4	**Ms. Rochelle Susanna D'Souza	Nominee Director	NA
5	***Mr. Lalit Kumar	Independent Director	NA
6	#Mr. Harbir Singh Sidhu	Independent Director	NA
7	Mr. Arun Kumar Roopanwal	Independent Director	NA
8	Mrs. Archana Surendra Yadav	Independent Director	NA
9	Mr. Srinivas Anand Mannava	Independent Director	NA
10	##Mr. Pratik Adukia	CFO	NA
11	Mr. Manshu Tandon	CEO	-
12	Mr. Sudhir Kumar	Company Secretary & Compliance Officer	15.00

\*ceased to be whole-time director and appointed as non-executive director w.e.f. 03.09.2022

\*\*ceased to be director w.e.f. 12.08.2022

\*\*\*resigned as independent Director w.e.f. 26.12.2022

#resigned as independent director w.e.f. 14.11.2022

##appointed as CFO w.e.f. 10.02.2023

- iii. Percentage increase/(decrease) in the median remuneration of employees in the financial year: **5.70%**
- iv. Number of permanent employees on the rolls of Company as on March 31, 2023: **2627**
- v. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increases in salaries of employees other than managerial personnel in Financial Year 2022-23 was 10.00%. Percentage increase in the KMP, other than Directors, managerial remuneration for the year was 15.00%.

- vi. Affirmation that the remuneration is as per the remuneration policy of the Company

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high-performance staff. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.



# ANNEXURE – VII

## DIVIDEND DISTRIBUTION POLICY

### 1. Purpose & Background

This Policy will regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions contained in Companies Act, 2013 read with the applicable Rules, regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable from time to time. However, this document does not solicit investments in the Company's equity shares.

### 2. Dividend

Dividend is the payment made by the company to its shareholders out of the profit made by the company in proportion to the equity capital they hold, dividend included Interim Dividends.

### 3. Parameters for declaration of Dividend

The Board of Directors of the Company shall consider the following parameters for declaration of dividend: -

#### Financial parameters (internal factors)

- Consolidated net operating profit after tax;
- Working capital requirements;
- Capital expenditure requirements;
- Resources required to fund acquisitions and/or new businesses
- Cash flow required to meet contingencies;
- Outstanding borrowings;
- Past Dividend Trends;
- Net Worth of the company;
- Accumulated Losses;
- Deferred Tax;
- Liabilities Including Contingent Liabilities

#### External Factor

- Prevailing legal requirements
- Regulatory conditions or restrictions laid down under the applicable laws including tax laws.
- Dividend pay-out ratio of companies in the same industry.

### 4. Circumstances under which the shareholders may or may not expect Dividend

- If the Company undertakes or proposes to undertake a significant expansion of business, project, acquisitions of business brand, company and/or joint ventures requiring higher allocation of capital;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Whenever it proposes to utilize surplus cash for buy-back of securities; or
- In the event of inadequacy of profits or whenever the Company has incurred losses.
- If the company intend to retain internal accrual for Business growth of company
- Previous Accumulated Losses
- Negative Net Worth

### 5. Utilization of retained earnings

The retained earnings except declaration of the dividend if any if recommended by the board, shall be utilised in the manner as considered appropriate by the Board and subject to the applicable laws.

### 6. Parameters adopted with regard to various classes of shares:

Since the company has issued only one class of equity shares with equal voting rights, all the members of the company are entitled to the same dividend per share.

### 7. Review

The board of the company is authorised to make alterations in the policy if required from time to time. In case of any amendment(s), clarification(s) circular etc. issued by relevant authorities not being consistent to the provisions laid down under this policy then such amendment, clarification, circular etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment, clarification, circular etc.

# CORPORATE GOVERNANCE REPORT

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Good governance practices stem from the culture and mindset of the organisation and at V2 Retail Limited we are committed to meet the aspirations of all our stakeholders. Our customers have benefited from products having value which is available at the most competitive prices.

The Company stringently complies with the corporate governance practices as enumerated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the SEBI Listing Regulations, 2015).

The Company lays a strong emphasis on ethical corporate citizenship and the establishment of good corporate culture. The corporate governance process and systems has gradually strengthened over the years. The Company endeavours not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

The Company at the same time ensures full compliance with regulatory disclosure requirements. The Company further believes that the concept of corporate governance is founded upon the core values of transparency, empowerment, accountability, independent monitoring, and environmental consciousness. The Company has always given its best efforts to uphold and nurture these core values across all operational aspects.

## BOARD OF DIRECTORS

### a. Introduction

The Board of Directors is the apex body that governs the overall functioning of the Company. The Board provides

and evaluates the strategic direction of the Company, management policies and their effectiveness besides ensuring that the long-term interests of stakeholders are being served. The Board plays a pivotal role in ensuring good governance. The Board's role, functions, responsibility, and accountability are clearly defined in this regard.

The Board meeting is conducted at least once in every quarter to discuss the performance of the Company and its Quarterly Financial Results, along with other corporate matters. The Board also meets to consider other business(es), whenever required, from time to time. Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are drafted and circulated well in advance to the Board of Directors of the Company. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under Part A of Schedule II of Regulation 17(7) of the SEBI Listing Regulations, 2015. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto. The Chairman, Managing Director and Whole-time Directors are assisted by the CEOs/CFO/senior managerial personnel in overseeing the functional matters of the Company.

The Board reviews its strength and composition from time to time to ensure that it remains aligned with statutory as well as business requirements.

### b. Composition of the Board

The Company's policy is to maintain an optimal combination of Executive and Non-Executive Directors. As on March 31, 2023, the Board comprised of 6 (Six) directors, 2 (two) of them being Executive, 3 (three) being Non-Executive Independent Director and 1 (One) being Non-Executive Director. The Company has one Woman Director on its Board. The Detailed profile of all the directors is available on the company's website [www.v2retail.com](http://www.v2retail.com). The Company has complied with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 (1) of the SEBI Listing Regulations, 2015 with respect to the Composition of the Board.

The Composition of the Board and category of Directors are as under:

Name and Category of Directors		
Promoter Directors (Executive Directors)	Non - Executive Independent Directors	Non- Executive Director
1 Mr. Ram Chandra Agarwal	1 Dr. Arun Kumar Roopanwal	1 Mr. Akash Agarwal
2 Mrs. Uma Agarwal	2 Mrs. Archana Surendra Yadav	
	3 Mr. Srinivas Anand Mannava	

At the time of appointment, every Independent Director sign a declaration to confirm that he/she fulfils all the conditions for being an Independent Director as laid down under the law. The Independent Directors comply with the definition of Independent Directors as given under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015. While appointing/reappointing any Independent Directors/ Non-Executive Directors on the Board, Nomination and Remuneration Committee (NR Committee) consider the criteria as laid down in the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Regulations, 2015. All the Independent Directors submit a certificate confirming that they meet the independence criteria as mentioned in Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015.

#### c. Agenda papers distributed in advance

Agenda of the Meeting of Board of Directors/committees are circulated among the Directors/invitees; well in advance, in a structured format except unpublished price sensitive information. All material information is incorporated in the agenda papers to facilitate meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda and approval for the same is taken from the Board/committees as applicable. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

#### d. Directors' responsibilities

- i. The principal responsibility of the Board is to oversee the management of the Company and in doing so serve the best interest of the Company and its stakeholders. These include:
  - Reviewing and approving operating, financial and other corporate plans, strategies and objectives.
  - Evaluating whether the corporate resources are used for the appropriate business purposes.
  - Establishing a corporate environment that promotes timely and effective disclosures (including robust and appropriate control procedures and incentives), fiscal responsibility, high ethical standards and compliance with all applicable laws and regulations.

- Evaluating the performance of the Company.
- Attending the meetings of the Board, committees, and shareholders.
- ii. Exercise best business judgments: In discharging their fiduciary duties with care and loyalty, the Directors exercise their judgment to act in what they reasonably believe to be in the best interest of the Company and its stakeholders.
- iii. Understand the Company and its business: The Directors have an obligation to remain informed about the Company and its business, including principal operational and financial objectives, strategies, and plans.
- iv. To establish effective systems: The Directors ensure that the effective systems are in place for periodic and timely reporting to the Board on matters concerning the Company.

#### e. The role of Company Secretary in the overall governance process

The Company Secretary plays a vital role in ensuring that Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details, and documents are made available to the Directors and the senior management for effective decision making at the meeting.

#### f. Compliance

The Company Secretary is required to ensure adherence to all the applicable laws and regulations primarily the Companies Act, 2013 read with the rules thereunder and SEBI Listing Regulations, 2015; besides preparing the agenda, the notes on the agenda and minutes of the meeting, among others. The Company Secretary establishes and regularly monitors the compliance mechanism in place to carry out effective and timely compliance of relevant laws, rules and regulations.

A composite report of statutory compliances of all applicable laws, rules, and regulations among others along with the Certificates of Compliance duly signed by the respective heads of Department are placed before the Board on a quarterly basis. The Company has a dedicated team to monitor the compliance system and in turn is responsible for checking and reviewing the reports and

preparing the Composite Compliance report. Based on the reports and certificates, a certificate of statutory compliances duly signed by the CEO/CFO is also placed before the Board during the year under review.

The Audit Committee and the Board of Directors review the compliance reports of the laws applicable to the Company as well as instances of non-compliances, if any, together with their possible impacts on the business, if any. A strict internal audit system is also in place to monitor and certify the compliance system.

The Company has complied with all the mandatory requirements of SEBI Listing Regulations, 2015.

#### g. Risk management

The Company has a comprehensive Enterprise Risk Management System at work. The risk management system is periodically reviewed by the Audit Committee and the Board of Directors of the Company.

#### h. Number of Board meetings and the Directors present therein

The Board of Directors held 5 (Five) meetings during the year.

##### Details of board meetings held during the financial year and the number of Directors present

Sl. No.	Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
1	May 30, 2022	8	7
2	August 10, 2022	8	7
3	September 03, 2022	7	7
4	November 10, 2022	7	6
5	February 10, 2023	6	5

The maximum time gap between any two meetings was less than 120 days as prescribed under regulation 17(2) of SEBI Listing Regulations, 2015. Video conferencing facilities are also used to facilitate Directors at other locations to participate in the Board Meetings.

#### i. Attendance of Directors at Board meetings, last Annual General Meeting, relationship with other Directors and number of Directorships held, Chairmanship or memberships of committees of each Director in various companies as at March 31, 2023.

Details of Board Meetings held during the financial year and the number of Directors present:

Sl. No.	Name of Director & DIN	Position	Relationship with other Directors	Date of Joining	Number of Board Meetings attended	Number of Directorship as on March 31, 2023, in other company*	Number of Committee positions held**		Attendance at the last AGM	Directorship in other listed entities
							Chair-person	Member		
1.	Mr. Ram Chandra Agarwal 00491885	Managing Director & Executive Promoter	Husband of Mrs. Uma Agarwal & Father of Mr. Akash Agarwal	23.07.2001	5	4	-	2	√	-
2.	Mrs. Uma Agarwal 00495945	Executive Promoter Director	Wife of Mr. Ram Chandra Agarwal & Mother of Mr. Akash Agarwal	23.07.2001	5	3	-	1	√	-
3.	Mr. Akash Agarwal 03194632	Non-Executive Promoter Director	Son of Mr. Ram Chandra Agarwal & Mrs. Uma Agarwal	29.09.2017	3	2	-	-	√	-
4.	# Ms. Rochelle Susanna Dsouza 07854452	Nominee Director	N.A.	28.11.2018	-	-	-	-	-	-
5.	##Mr. Lalit Kumar 00025150	Independent Director	N.A.	27.01.2020	4	-	-	-	√	-
6.	Dr. Arun Kumar Roopanwal 00406817	Independent Director	N.A.	27.01.2020	5	-	-	-	√	-



7.	\$Mr. Harbir Singh Sidhu 01943424	Independent Director	N.A.	30.04.2019	4	-	-	-	√	-
8.	Mrs. Archana Surendra Yadav 07335198	Independent Director	N.A.	27.01.2020	5	3	3	2	√	Resonance Specialties Limited & J. Kumar Infraprojects Limited
8.	Mr. Srinivas Anand Mannava 09361339	Independent Director	N.A.	10.02.2023	-	-	-	-	-	-

\* Other directorships do not include alternate directorships, Section 25/8 companies and companies incorporated outside India.

\*\* In accordance with Regulation 26 of the SEBI Listing Regulations, 2015, Chairmanships / Memberships of Board Committees include only Audit and Stakeholders Relationship Committees of public limited companies (Listed & Unlisted) only.

# ceased to be Director w.e.f. 12.08.2022

## Resigned/ceased to be Director w.e.f. 26.12.2022

\$ Resigned/ceased to be Director w.e.f. 14.11.2022

#### j. Skills/expertise/competencies of the Board of Directors

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity, and independence. The Board provides leadership, strategic guidance, objective, and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency, and disclosure. The

Board periodically evaluates the need for change in its composition and size. The Company requires skills/expertise/competencies in the areas of strategy, finance, leadership, technology, governance, human resources, etc. to efficiently carry on its core businesses.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Name of the Director	BROAD PARAMETERS (Core Skill/Expertise/Competencies)							
	Financial & Accounting Knowledge	Strategic Expertise	Risk Governance	Legal & Corporate Governance expertise	Retail Skills	Management Skills	Sustainability & CSR	Quality & Safety
Mr. Ram Chandra Agarwal	√	√	√	√	√	√	√	√
Mrs. Uma Agarwal	√	√	√	-	√	√	√	√
Mr. Akash Agarwal	√	√	√	√	√	√	√	√
Dr. Arun Kumar Roopanwal	√	√	√	√	√	√	√	√
Mrs. Archana Surendra Yadav	√	√	√	√	√	√	√	-
Mr. Srinivas Anand Mannava	√	√	√	√	√	√	√	√

#### k. Information placed before the Board of Directors

The Company has complied with Part A of Schedule II of SEBI Listing Regulations, 2015 read with Regulation 17(7) of the said regulations with regard to information being placed before the Board of Directors.

The following items are generally tabled for information and review of the Board:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Company's annual financial results, financial statements, Auditors' Report and Report;

- Formation/reconstitution, terms of references and minutes of Board Committees including Audit Committee;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public, or product liability claims of substantial nature, including any judgment or order which may have been passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications for the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions. Any significant development on human resources/industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, among others;
- Sale of material nature of investment and assets, which is not in the normal course of business;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as delay in share transfer, among others;
- Appointment, remuneration and resignation of Director(s) and key managerial personnel;
- General notices of interest to the Directors including declaration of Independent Directors at the time of appointment/annually;
- Appointment of internal auditors, and secretarial auditors;
- Secretarial audit report submitted by secretarial auditor;
- Certificate of statutory compliance certifying compliance with all laws as applicable to the Company;
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulation, 1996;
- Dividend declaration;
- Grant of loans and making investments of surplus funds;

- Transactions with related parties;
- Review of the risk management policy;
- Any other important or critical matter

The Board is presented with all the information under the above heads whenever applicable and materially significant. These are submitted either as a part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings or meetings of the relevant committees. Functional heads are also called upon to provide additional inputs to the items being discussed by the Board/committee as and when required.

#### **l. Presentation by the management**

Before putting on record the quarterly/annual financial results of the Company, a presentation is made before the Board on operations of the Company including corporate matters, initiatives taken for sales promotion and all other matters having impact on the business of the Company.

#### **m. Succession plan**

The Board of Directors has satisfied itself that plans are in place for orderly succession for outgoing members of the Board of Directors and Senior Management Personnel.

#### **n. Training of Board members and familiarization programme for Independent Directors**

At V2, all the members of the Board of Directors are well-experienced professionals who are well acquainted with nature of industry, business model and other aspects of the Company.

At each of the Board Meeting, Board members are provided presentations containing details about the Company, Retail Business, business model and stores opening among others.

The Company arranges discussions / meetings on risks associated with the Company's business wherein experts are invited and mitigation plans are discussed with the Executive Directors, such discussion form of trainings enables them for better decision-making in discharging their responsibilities.

The Executive Directors were imparted training on the Companies Act, 2013, the SEBI Listing Regulations 2015, Direct & Indirect Taxation, among others.

The relevant statutory changes/updates are discussed with the directors from time to time so that it helps them to make better and informed decisions.

All new Independent Directors inducted on the Board are given in a formal orientation.

The Company has initiated a familiarization programme for the Independent Directors as required under Regulation 25(7) of the SEBI Listing Regulations 2015.

Independent Directors are regularly informed and updated on the business activities of the Company by providing them with the details of businesses of the Company as well as details of competitors, changes in relevant laws, their duties/responsibilities and liabilities as a Director. Such information enables the Independent Directors to be familiarized with the Company's operations and the industry at large. The Company had also organized retail stores visits for the Independent Directors as a part of the familiarization programme.

Web link for familiarisation programmes imparted to independent directors: - [www.v2retail.com](http://www.v2retail.com)

**o. Whistle-blower/ Vigil mechanism**

The Company has a strong and effective whistleblower policy which aims to deter and detect actual or suspected, misconduct. It has been established to ensure that genuine concerns of misconduct/unlawful conduct, which an individual believes may be taking place within the organization, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism. Any employee may report such incident without fear to the Chairman of the audit committee or alternatively may report to Head –Internal Audit. The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website [www.v2retail.com](http://www.v2retail.com).

The Audit Committee is empowered to monitor the functioning of the mechanism. It reviews the status of complaints received under this policy. The Committee has, in its report, affirmed that no personnel have been denied access to the Audit Committee.

**p. Criteria for selection of Directors**

The selection process of Board members is dependent on several parameters. The Company recognizes and embraces the benefits of having a diverse Board and believes that it will enhance the quality of the decisions of the Board by utilizing their varied skills, qualifications, professional experience, gender, knowledge, among others, of the members of the Board, which is necessary for achieving sustainable and balanced growth of the Company.

The Nomination and Remuneration Committee, in consultation with the Chairman of the Board, suggests appointment of suitable professionals who may

be inducted into the Board. Upon fulfilment of the parameters, the Directors are appointed.

**q. Terms and conditions for appointment of Independent Directors**

The terms and conditions of appointment of the Independent Directors are subject to the provisions of the applicable laws, including the Companies Act, 2013, SEBI Listing Regulations 2015 along with the Articles of Association of the Company. Each Independent Director is issued a letter specifying the details of appointment at the time of joining. Every Independent Director signs a declaration to confirm that he/she fulfils all the conditions for being an Independent Director as laid down under the law.

**r. Board diversity policy**

The Company recognizes and embraces the benefits of having a diverse Board of Directors. The Company believes that increasing diversity at the Board level is an essential element in maintaining a competitive advantage in the complex business that it operates. It recognizes that a Board comprising of appropriately qualified people, with a broad range of experience relevant to the business of the Company, is important to achieve effective corporate governance and sustained commercial success.

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors, and Women Directors. The composition of the Board is in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, SEBI Listing Regulations, 2015 and all other Statutory, Regulatory and Contractual obligations of the Company.

**s. Board evaluation policy**

The primary objective of the policy is to provide a framework and set standards for the evaluation of the Board as a whole and each Director individually. The Company aims to achieve a balance of merit, experience, and skills on the Board. The policy is to assess and enhance the effectiveness of the Board as a whole. Individual members are assessed on their effective contribution and commitment to their role and responsibilities as Directors. The Board evaluation process is carried out by the Nomination and Remuneration Committee.

**t. Post -meeting follow-up mechanism**

The important decisions taken at the Board/Board-level Committee meetings are promptly communicated to the concerned departments/divisions. A report on the action taken on the decisions/suggestions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/committee for noting the same.

## Code of conduct

The Company has its code of conduct for all the members of the Board including Independent Directors, Committees and employees working at the level of Heads of Departments. In compliance with SEBI Listing Regulations, 2015 and Companies Act, 2013 the code of conduct suitably lays down the duties of the Independent Director. The said code is displayed on the Company's website, [www.v2retail.com](http://www.v2retail.com). All the Board Members and Employees have affirmed compliance with the said code for the year ended March 31, 2023. A declaration signed by the Chief Executive Officer of the Company in this regard, is reproduced below:

### Declaration/certificate pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is annexed herewith.

To,

Members of V2 Retail Limited

Sub: Declaration under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Manshu Tandon, Chief Executive Officer of V2 Retail Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the code of conduct of Board of Directors & Senior Management for the year ended March 31, 2023.

Date: May 25, 2023

Manshu Tandon

Place: New Delhi

(Chief Executive Officer)

## Committees of the Board

With an objective to have a more focused attention on various facets of business, better accountability and ensuring compliances, the Board has constituted under mentioned committees which complies with the requirements of the Companies Act, 2013 as well as SEBI Listing Regulations, 2015.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. ESOP Committee

Each of these committees has been mandated to operate within a given framework. The details of composition of the above-mentioned committees are available on the company's website [www.v2retail.com](http://www.v2retail.com).

All the recommendations of the various mandatory committees were accepted by the Board.

### 1. Audit Committee

The Audit Committee acts as the link between the statutory auditors, the internal auditors, and the Board of Directors of the Company.

The terms of reference of the Audit Committee are as per the guidelines set out in Regulation 18 of the SEBI Listing Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The Company has a well-defined and structured internal audit control system to ensure reliability of operational and financial information, statutory/regulatory compliances, and safeguard of the assets of the Company.

The internal audit department governs its audit through modules/checklists to carry out process wise audit and to ensure effective discharges of their duties and compliance with SEBI Listing Regulations, 2015. The Audit process being used by Internal Audit Department is also reviewed from time to time with a view to bring it in line with the regulatory framework.

The representatives of statutory auditors are permanent invitees to the audit committee meeting. The Chairman & Managing Director is the member of the audit committee and CFO attends the Audit Committee as special invitees.

As on March 31, 2023, the Audit Committee comprises three (3) Directors out of whom two (2) are Independent Directors.

The Audit Committee held 5 (Five) meetings during the year on May 30, 2022, August 10, 2022, September 03, 2022, November 10, 2022, and February 10, 2023.

The Chairman of the Committee was duly present in Annual General Meeting held on September 30, 2022.

The gap between any two meetings did not exceed 120 days complying with the Companies Act, 2013 and provisions of SEBI Listing Regulations, 2015. The functions of the committee include:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of statutory auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;



- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013; Changes, if any, in accounting policies and practices and reasons for the same; Major accounting entries involving estimates based on the exercise of judgment by management; Significant adjustments made in the financial statements arising out of audit findings; Compliance with listing and other legal requirements relating to financial statements; Disclosure of any related-party transactions; Qualifications in the draft audit report; if any.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, among others), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence, performance and effectiveness of the audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud, irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the vigil mechanism and whistle-blower mechanism;
- Approval of appointment of CFO (i.e., Chief Financial Officer or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background among others of the candidate;
- Carrying out any other function mentioned in the terms of reference of the Audit Committee;
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- Reviewing the following information:
  - Management discussion and analysis of financial condition and results of operations; Management letters/letters of internal control weaknesses issued by the statutory auditors; Internal audit reports relating to internal control weaknesses; Appointment, removal, and terms of remuneration of the chief internal auditor and Statement of deviations:
    - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Composition of the Committee and attendance of the Members at the meetings held during the year:**

Name of the Member	Designation in the Committee	Directorship	Particular of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Mr. Lalit Kumar*	Chairman	Independent Director	4	4
Mr. Ram Chandra Agarwal	Member	Executive Director	5	5
Mr. Harbir Singh Sidhu**	Member	Independent Director	4	4
Mrs. Archana Surendra Yadav#	Chairperson	Independent Director	5	5
Mr. Arun Kumar Roopanwal	Member	Independent Director	1	1
Mr. Srinivas Anand Mannava##	Member	Independent Director	-	-

\* Resigned w.e.f. 26.12.2022

\*\* Resigned w.e.f. 14.11.2022

# Re-Designated as Chairperson w.e.f. 20.01.2023

## Appointed as Member w.e.f. 25.05.2023

**2. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of SEBI Listing Regulations, 2015 read with the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee recommends the nomination of Directors and carries out evaluation of performance of individual Directors.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management, and their remuneration and for performance evaluation of Independent Directors. During financial year 2022-23, the Nomination and Remuneration Committee has met 3 (three) time.

The Committee comprises two (2) Independent Directors as on March 31, 2023.

The Committee held 3 (three) meeting during the year on May 30, 2022, September 03, 2022 & February 10, 2023.

The Chairman of the Committee was duly present at the Annual General Meeting held on September 30, 2022.

The functions of the Committee include:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of the Directors, key managerial personnel and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee

shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.
  - To formulate criteria for evaluation of Independent Directors and the Board.
  - To devise a policy on Board diversity.
  - To identify persons who are qualified to become a Director and who may be appointed in senior management.
  - To evaluate, review and recommend to the Board, the remuneration of the Executive Directors, striking a balance between the performance and achievement.
  - Whether to extend or continue the terms of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors.
  - To recommend to the board, all remuneration, in whatever form, payable to senior management.

**Composition of the Committee and attendance of the Members at the meetings held during the year:**

Name of the Member	Designation in the Committee	Directorship	Particular of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Dr. Arun Kumar Roopanwal	Chairman	Independent Director	3	3
Mr. Harbir Singh Sidhu*	Member	Independent Director	2	2
Mr. Lalit Kumar**	Member	Independent Director	2	2
Mrs. Archana Surendra Yadav##	Member	Independent Director	1	1
Mr. Akash Agarwal#	Member	Non – Executive Director	0	0
Mr. Srinivas Anand Mannava###	Member	Independent Director	-	-

\*Resigned w.e.f. 14.11.2022

\*\*Resigned w.e.f. 26.12.2022

# Ceased to be a Member w.e.f. 25.05.2023

## Appointed as Member w.e.f. 20.01.2023

### Appointed as Member w.e.f. 25.05.2023

**REMUNERATION POLICY**

**Executive Directors**

The Nomination and Remuneration Committee takes into account experience, qualification and prevailing industry practices before giving its recommendations to the Board. The Board, based on the recommendations, decides the quantum of remuneration to be paid to Executive Directors, subject to approval by the shareholders in terms of the provisions of the Companies Act, 2013, read with Schedule V thereof. The Committee aims to reward stellar performances on a periodical basis.

The Company has entered into agreement with each of the Executive Directors which may be terminated by either party by giving to the other party one months' notice of such termination.

**Non-Executive Directors**

The Non – Executive/ Independent Director of the Board shall be entitled for sitting fees for attending the meeting of the Board or Committees thereof. The sitting fees paid to the Directors are within the limits prescribed under the Companies Act, 2013. An Independent Director shall not be eligible to get any stock options and also shall not be eligible to participate in any shares-based payment schemes of the Company. The Non – Executive Independent Director do not have any material pecuniary relationship or transactions with the Company. Tenure of Independent Directors is for 5 (Five) years from the date of appointment. There is no separate provision for payment of severance fees and a criterion of making payments to non-executive directors is available on the website of the Company i.e. [www.v2retail.com](http://www.v2retail.com)

The aggregate sitting fees paid to Non-Executive Independent Directors for the FY 2022-23 amounted to Rs. 14.25 Lacs (excluding GST). Since, all the meetings were attended by the Non-Executive Directors via Video Conferencing only therefore no material expenses were incurred by the Independent Directors for attending the meeting and therefore no reimbursement in this regard took place.

**Performance evaluation criteria for Independent Directors**

As per the provisions of SEBI Listing Regulations, 2015 the Nomination and Remuneration Committee lays down the criteria for performance evaluation of Independent Directors and the Board. The Committee formulates evaluation criteria for the Independent Directors which is broadly based on:

- Knowledge to perform the role;
- Time and level of participation; Level of oversight; and
- Professional conduct and independence.

In terms of Section 134 of the Companies Act 2013, the Directors' Report also includes a statement indicating the process in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

Company also conducts familiarisation programme for Independent Directors covering business overview, store visits, operational updates & such other matters.

- The details of sitting fees paid to Independent Directors during the financial year are as under:

(In Rs.)

Particulars	*Mr. Lalit Kumar	Dr. Arun Kumar Roopanwal	Mrs. Archana Surendra Yadav	**Mr. Harbir Singh Sidhu	***Mr. Srinivas Anand Mannava
Sitting fees for the Board Meetings	3,00,000	3,75,000	3,75,000	3,00,000	75,000
Sitting fees the Committee Meetings		-	-	-	-
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
<b>Total</b>	<b>3,00,000</b>	<b>3,75,000</b>	<b>3,75,000</b>	<b>3,00,000</b>	<b>75,000</b>

\*Ceased to be Independent Director w.e.f. 26.12.2022

\*\*Ceased to be Independent Director w.e.f. 14.11.2022

\*\*\*Appointed w.e.f. 10.02.2023

- Managing Directors & Executive Directors**

During the year, Company has paid remuneration to its Executive Directors by way of salary and perquisites, within the limits stipulated under the Companies Act, 2013 and as per the approval sought from the shareholders of the Company. The details of remuneration paid to the Executive Directors of the Company during the financial year 2022-23 are as under:

Name of the Director	Basic Salary (Rs.)	Contribution to PF	Value of Perquisites	Variable	Total (Rs.)
Mr. Ram Chandra Agarwal	60,00,000	-	-	-	60,00,000
Mrs. Uma Agarwal	60,00,000	-	-	-	60,00,000
*Mr. Akash Agarwal	25,00,000	-	**40,77,000		65,77,000
<b>Total</b>	<b>1,45,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,85,77,000</b>

\*Ceased to be whole-time Director w.e.f. 03.09.2022 and appointed as Non-Executive Director

\*\* Perquisites value includes amount paid in lieu of leave encashment & other benefits.

#### Service contracts, notice period, severance fees:

Appointment of Whole time Directors is on contractual basis with the notice period of one month from either side, and there is no provision of payment of severance fees.

**Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:** Not Applicable

#### Shares held by the Non – Executive Directors as on March 31, 2023

Sl. No.	Name of the Director	Category of Director	Number of Shares
1.	Dr. Arun Kumar Roopanwal	Independent Director	-
2.	Mrs. Archana Surendra Yadav	Independent Director	-
3.	Mr. Srinivas Anand Mannava	Independent Director	-
4.	Mr. Akash Agarwal	Non-Executive Non Independent Director	1,33,480

There is no pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity other than receipt of sitting fees for the meetings of Board and its Committees and their shareholding, if any, in the Company.



### 3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee of the Board was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, 2015. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

The Committee held 1 (One) meeting during the year on May 30, 2022.

The functions of the committee include:

- Approval of transfer/transmission/consolidation of securities of the Company;
- Overseeing of the performance of the registrar and share transfer agents of the Company;
- Redressal/resolving the grievances of the security holders of the Company related to transfer/transmission of shares, non-receipt of annual

report, non-receipt of declared dividend, among others, issue of new/duplicate certificates, general meetings;

- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Disposal of old stationeries of dividend warrants, among others;
- Issue of duplicate share certificates;
- Recommending upgradation measures for the standard of service to investors;
- Any other matter(s) out of and incidental to these functions and such other acts assigned by the Board.

Composition of the Committee and attendance of the Members at the meetings held during the year:

Name of the Member	Designation in the Committee	Directorship	Particular of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Dr. Arun Kumar Roopanwal	Chairman	Independent Director	1	1
Mrs. Uma Agarwal	Member	Executive Director	1	1
Mrs. Archana Surendra Yadav	Member	Independent Director	1	1
Mr. Ram Chandra Agarwal	Member	Executive Director	1	1

Mr. Sudhir Kumar, Company Secretary of the Company is the Compliance Officer as per the SEBI Listing Regulations, 2015. Details of the complaints received and redressed/disposed during the year ended March 31, 2023, are as follows:

Nature of Complaint	Pending as on 1 <sup>st</sup> April 2022	Received During the Year	Disposed during the year	Pending as on 31 <sup>st</sup> March 2023
Investor Complaints	0	1	1	0

### 4. Corporate Social Responsibility Committee

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The committee has held One (1) meeting during the year on August 10, 2022.

The Committee is delegated and empowered to do the following:

- Formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the CSR activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the CSR activities;

- Monitor the expenses incurred as per the CSR policy of the Company from time to time;
- Any other matters as may be considered expedient by the members in furtherance of and to comply with the CSR policy of the Company.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website at <https://www.v2retail.com/wp-content/uploads/2018/08/Corporate-Social-Responsibility-Policy-1.pdf>

#### Composition, category of Directors and number of meetings attended:

Name of the Member	Designation in the Committee	Directorship	Particular of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Mrs. Archana Surendra Yadav	Chairperson	Independent Director	1	1
Mr. Ram Chandra Agarwal	Member	Executive Director	1	1
Mr. Akash Agarwal	Member	Non-Executive Director	1	1
Dr. Arun Kumar Roopanwal	Member	Independent Director	1	1

#### 5. RISK MANAGEMENT COMMITTEE

SEBI vide its circular dated 05.05.2021 has mandated the constitution of Risk Management Committee for the Top 1000 Companies as per the market capitalization of the Company for the previous financial year. Therefore, In line with the above SEBI circular and amended Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted the Risk Management Committee at their meeting held on 28<sup>th</sup> June, 2021.

#### Composition, category of Directors and number of meetings attended:

Name of the Member	Designation in the Committee	Directorship	Particular of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
#Dr. Arun Kumar Roopanwal	Chairperson	Independent Director	2	2
##Mr. Akash Agarwal	Chairperson	Non Executive Director	-	-
*Mr. Manshu Tandon	Member	Executive Member	2	2
###Mr. Srinivas Anand Mannava	Member	Independent Director	-	-

\* Mr. Manshu Tandon is designated as CEO of the Company.

# Re-designated as Chairperson w.e.f. 25.05.2023.

## Re-designated as Member w.e.f. 25.05.2023.

### Appointed as Member w.e.f. 25.05.2023.

#### The Committee is delegated and empowered to do the following:

- Monitoring and reviewing of the risk management plan of the Company;
- Review/monitor the cyber security/cyber risk to the Company's business;
- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- 6) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 7) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 8) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- 9) The Committee has the powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise,

#### 6. ESOP Committee

The Board of Directors of the Company has also constituted an ESOP allotment Committee, the said Committee has been constituted with the primary objective/function of allotment of equity shares to the employees of the Company upon exercise of ESOP Options under Company's ESOP Scheme, 2016.

**The Composition, category of Directors and number of meetings held of the said committee during are as under :**

Name of the Member	Designation in the Committee	Directorship	Particular of Attendance	
			Date of the Meeting	Attendance at the Meeting
Mr. Ram Chandra Agarwal	Chairperson	Executive Director	-	-
Mrs. Uma Agarwal	Member	Executive Director	-	-
Mr. Akash Agarwal	Member	Non - Executive Director	-	-

#### Separate meeting of the Independent Directors

During the year 2023, a separate meeting of Independent Director's was held on March 28, 2023 as required under Schedule IV (Code of Independent Directors) of the Companies Act, 2013, and Regulation 25(3) of the SEBI Listing Regulations, 2015 inter alia to:

- Review the performance of Non - Independent Director's and the Board as a whole;
- Review the Performance of the Managing Director of the Company, taking in to account the views of Non – Executive Directors;
- Assess the quality, quantity and timeline of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- Develop understanding of Company's people and its key stakeholders.

#### Governance in Subsidiary Companies

The Company has one wholly owned unlisted subsidiary incorporated in India, namely V2 Smart Manufacture Private Limited, which was incorporated on October 25, 2019.

The Board has approved a "Policy for determining Material Subsidiaries" of the Company and the same is available on the website of the Company at [https://www.v2retail.com/wp-content/uploads/2018/08/investors\\_166241221.pdf](https://www.v2retail.com/wp-content/uploads/2018/08/investors_166241221.pdf)

The Audit Committee of the Company reviews the financial statements of its subsidiary, in particular, the investments made by the subsidiary company.

The Minutes of the Board Meetings of the unlisted subsidiary company are placed at the Board Meeting(s) of the Company held at the end of every quarter for approval of financial results.

The Management periodically brings to the attention of the Board of Directors, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.

#### DISCLOSURES

##### a. Related-party transactions

In accordance with relevant provisions of the Companies Act 2013 and SEBI Listing Regulations, 2015 the Company has formulated a policy on materiality of related party transactions and on dealings with related party transactions. The policy for Transactions with Related Parties can be accessed at: [www.v2retail.com](http://www.v2retail.com).

All related party transactions are approved by the audit committee prior to the transaction. Related party transactions of repetitive natures are approved by audit committee on omnibus basis for one financial year at a time. All transactions pursuant to omnibus approval are reviewed by the audit committee on a quarterly basis.

A confirmation as to compliance of related party transaction as per SEBI Listing Regulations, 2015 is also sent along with quarterly compliance report on corporate governance.

There were no material significant related-party transactions and all contracts / agreements/ transactions

entered into during the period with the related parties were carried out at arm's length at the fair market value.

Details of such transactions as per requirements of IND AS-24 are disclosed in Notes to the audited accounts. A statement of these transactions was also placed before the Audit Committee and in the Board meetings from time to time.

**b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

There has been no instance of any non-compliance.

**c. Disclosure of Vigil Mechanism Policy and access to the Chairman of the Audit Committee**

The Company has formulated Vigil Mechanism Policy, pursuant to which the Director(s) and employee(s) of the Company (including their representative bodies, if any) have open access to the Authorised Person/ Committee member, as the case may be, and also to the Chairman of Audit Committee, whenever exceptionally required, in connection with any grievance, which is concerned with unethical behaviour, frauds and other illegitimate activities in Company. The Vigil Mechanism Policy adopted by the Company is available on the website of the Company i.e. [www.v2retail.com](http://www.v2retail.com).

The Company did not receive any complaint from any Director and employee pursuant to Vigil Mechanism Policy during the financial year 2022-23.

**d. Policy on determination of materiality for disclosures**

The Company has adopted a policy on determination of materiality for disclosures and the same is available on the website of the Company at <https://www.v2retail.com/wp-content/uploads/2018/08/statutory-policy-document.pdf>. The company has complied with Regulation 23 of SEBI Listing Regulations, 2015.

**e. Policy on archival and preservation of documents**

The Company has adopted a policy on archival and preservation of documents. The company has complied with Regulation 19 of SEBI Listing Regulations, 2015.

**f. Risk Management**

The Company has framed a comprehensive enterprise risk management policy and a new risk register, not only to manage risks but also to minimize their impact. This policy is periodically reviewed by the management and the board in consultation with reputed and specialized consultants. The policy is updated as per requirements to ensure that the risks are properly dealt and mitigated.

The Risk Management procedures are discussed and reviewed by the Audit Committee and the Board of Directors every quarter.

**g. Observance of the secretarial standards issued by the Institute of Company Secretaries of India (ICSI).**

The ICSI has issued secretarial standards on board meetings, general meetings, payment of dividend, maintenance of register and records, minutes of meetings, transmission of shares and debentures, passing of resolution by circulation, affixing of common seal among others. The Ministry of Corporate Affairs has mandated SS-1, and SS-2 with respect to board meetings and general meetings respectively.

The Company has complied with these standards, besides voluntarily complying with the other standards.

**h. Audit report for reconciliation of share capital:**

M/s. Sunpreet & Co., Practicing Company Secretaries carried out a share capital audit to reconcile the total admitted equity share capital with NSDL and the CSDL and the total issued and listed equity share capital. The audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**i. Disclosure on compliance with Corporate Governance Requirements specified in SEBI Listing Regulations, 2015**

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-para (2) to (10) of Schedule V of the SEBI Listing Regulations, 2015.

The Company has complied with Corporate Governance requirements as on March 31, 2023 specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015 and necessary disclosures thereof have been made in this Corporate Governance Report.

**j. Details of fees paid/payable to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, by the Company and its subsidiaries during the year, are given below:**

(In Rs.)

Particulars	By the Company	By Subsidiary	Total Amount
Statutory Audit	28,85,000	3,00,000	31,85,000
Out of Pocket Expenses	4,73,000	-	4,73,000
<b>Total</b>	<b>33,58,000</b>	<b>3,00,000</b>	<b>36,58,000</b>



**k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has always believed in providing a safe and harassment-free workplace. The Company has complied with the applicable provisions of the aforesaid Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at [https://www.v2retail.com/wp-content/uploads/2018/08/investors\\_78424736.pdf](https://www.v2retail.com/wp-content/uploads/2018/08/investors_78424736.pdf). All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy.

Status of complaints as on March 31, 2023:

S. No.	Particulars	Number of Complaints
1)	Number of complaints filed during the financial year	Nil
2)	Number of complaints disposed off during the financial year	Nil
3)	Number of complaints pending at the end of the financial year	Nil

The location and time of the last three Annual General Meetings and special resolutions passed therein are as follows:

**A. DETAILS OF LAST THREE ANNUAL GENERAL MEETING HELD**

Financial year	Date	Time	Venue	Special Business transacted and resolution passed if any
2021-22	September 30, 2022	10:00 A.M.	Through Video Conferencing (VC)	<ul style="list-style-type: none"> <li>Appointment of Mr. Akash Agarwal (DIN 03194632) as Non- Executive Director.</li> </ul>
2020-21	September 28, 2021	10:00 A.M.	Through Video Conferencing (VC)	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Ram Chandra Agarwal as Chairman &amp; Managing Director and payment of remuneration upto Rs. 5,00,000/- per month to Mr. Ram Chandra Agarwal, Chairman &amp; Managing Director.</li> </ul>
2019-20	September 28, 2020	10:00 A.M.	Through Video Conferencing (VC)	<ul style="list-style-type: none"> <li>Appointment of Mr. Lalit Kumar (DIN 00025150) as Independent Director.</li> <li>Appointment of Mr. Arun Kumar Roopanwal (DIN 00406817) as Independent Director.</li> <li>Appointment of Mrs. Archana Surendra Yadav (DIN 07335198) as Independent Director.</li> <li>Payment of remuneration upto Rs. 5,00,000/- per month to Mr. Ram Chandra Agarwal, Chairman &amp; Managing Director.</li> <li>Payment of remuneration upto Rs. 5,00,000/- per month to Mr. Akash Agarwal, Whole Time Director &amp; CFO.</li> <li>Payment of remuneration upto Rs. 5,00,000/- per month to Mrs. Uma Agarwal, Whole Time Director.</li> <li>Ratification of Payment to Executive Directors for FY 2020.</li> </ul>

**Declaration pursuant to Code of Conduct:**

In terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board has laid down a Code of Conduct for its members and senior management personnel of the Company. The Code of Conduct is available on the website of the Company ([www.v2retail.com](http://www.v2retail.com)). All the Board members and senior management personnel have affirmed compliance with the Code of Conduct. The Chief Executive Officer has affirmed to the Board that this Code of Conduct has been compiled by the Board members and senior management personnel.

**General shareholders' information**

**Resignation /Appointment of Director**

In accordance with provisions of Section 152 of the Act read with Rules made thereunder, Mrs. Uma Agarwal (DIN: 00495945) is liable to retire by rotation at this AGM and being eligible, offer herself for reappointment.

A brief resume of the Director proposed to be appointed/reappointed during the year, is provided in the Notice of the Annual General Meeting forming part of the Annual report.

**GENERAL BODY MEETINGS**

## B. DETAILS OF LAST THREE EXTRA ORDINARY GENERAL MEETING HELD

Financial year	Date	Time	Venue	Special business transacted and resolution passed if any
2017-2018	January 12, 2018	10:00 A.M.	Khasra No. 1138, Shani Bazar Chowk, Rajokari, New Delhi 110038	<ul style="list-style-type: none"> <li>Alteration of the Article of Association of the company.</li> <li>Investment(S), Loans, Guarantees and Security In Excess Of Limits Specified Under Section 186 of Companies Act, 2013</li> </ul>
2016-2017	October 6, 2017	10:00 A.M.	Khasra No. 1138, Shani Bazar Chowk, Rajokari, New Delhi 110038	<ul style="list-style-type: none"> <li>To offer and issue equity Shares on preferential basis to Non- Promoter and/ or Non Promoter Group.</li> </ul>
2015-2016	April 20, 2015	10:00 A.M.	Khasra No. 1138, Shani Bazar Chowk, Rajokari, New Delhi 110038	<ul style="list-style-type: none"> <li>To Increase the Authorized Share Capital of the company.</li> <li>To offer, issue and allot, in one or more tranches convertible warrants on preferential basis to Non- Promoter and/ or Non Promoter Group.</li> </ul>

**C. whether any special resolution passed last year through postal ballot: No**

**D. Whether any special resolution passed through postal ballot during the year: Yes**

During the financial year ended March 31, 2023, the Company has passed a special resolution through Postal Ballot dated March 26, 2023 with regard to appointment of Mr. Srinivas Anand Mannava (DIN- 09361339), as Independent Director of the Company for Five Years.

**E. Whether any special/ordinary resolution is proposed to be conducted through postal ballot: Yes**

**F. Details of resolutions passed through e-voting:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company provided members the facility to exercise their right to vote on resolutions transacted at AGM by electronic means, provided by M/s Link Intime India Private Limited (Intime).

**Green initiatives undertaken as per the directives of the Ministry of Corporate Affairs, Government of India**

The Company as a responsible corporate citizen welcomes and supports the Green Initiatives taken by the Ministry of Corporate Affairs, Government of India by its circular, enabling electronic delivery of documents to the shareholders. The Company has already implemented to send the communication to the shareholders by electronic mode at their e-mail addresses registered with the depository/registrars and share transfer agent and all such communications were immediately uploaded at

the Company's website. This helped in prompt delivery of documents avoiding loss in transit.

The Company had requested the shareholders to register their e-mail ids with the Registrar and Share Transfer agents of the Company or to their depository participants so as to enable the Company to use the same for serving documents to them electronically.

**Consolidation of Folios and avoidance of multiple mailing**

The members who are holding multiple folios are requested to consolidate their holding under single folio to avoid multiple mailing which will reduce cost and duplicity of efforts.

**Code for prevention of Insider-Trading practices**

As per the SEBI (Prohibition of Insider Trading) Regulations 2015 as amended, the Company Secretary is the compliance officer and is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of price-sensitive information, pre-clearance of trade, monitoring of trades and implementation of the code of conduct for trading in Company's securities under the overall supervision of the Board.

The Company has adopted the code of conduct for regulating, monitoring and reporting of trading by designated person for the prevention of insider trading as well as a code of fair disclosure and price sensitive information. All the Directors on the Board, senior management at all locations and other designated persons who could be privy to unpublished price sensitive information of the Company are governed by these codes and the same are available on the Company's website i.e. [www.v2retail.com](http://www.v2retail.com).

## Foreign Exchange Risk Management Policy

With an objective to indemnify the Company as a result of Foreign Exchange fluctuations, the Company has framed a structure of Foreign Exchange Risk Management Policy which elaborates on the process of risk management and to protect profits/ insulate itself against losses on account of forex fluctuations.

## Dividend Distribution Policy

As required under Regulation 43A of the SEBI Listing Regulations 2015, Dividend Distribution policy is given separately in the Annual Report and same is also available at the Company's website at [www.v2retail.com](http://www.v2retail.com).

## Means of communication

### i. Quarterly /Annual results

The Notice and Financial Result are generally published in The Mint/Financial Express / Business Standard/ Jansatta/Naya India within 48 Hours after approval of Board of Directors and are displayed on the Company's website [www.v2retail.com](http://www.v2retail.com).

### ii. Presentations/News releases

Presentations and official press release made to the media, analysts, and institutional investors, among others are displayed on the Company's website [www.v2retail.com](http://www.v2retail.com). The same are also disseminated to the Stock Exchanges as per the SEBI Listing Regulations, 2015.

### iii. Website

The Company's corporate website [www.v2retail.com](http://www.v2retail.com) contains comprehensive information about the Company. An exclusive section is for investors wherein annual reports, quarterly/half-yearly financial results, notices, shareholding patterns, policies among others are available for reference or download.

## iv. Annual report

The annual report containing inter alia audited annual accounts, financial statements, reports of the auditors and directors, chairman's statement, management discussion and analysis report and other important information is circulated to the members and displayed on the Company's website.

## v. Designated exclusive mail-id

The Company has designated email-id exclusive for investor services- investors' [cs@v2retail.net.in](mailto:cs@v2retail.net.in) which has been displaced on the Company's website [www.v2retail.com](http://www.v2retail.com).

## vi. Intimation to stock exchanges

The Company intimates the Stock Exchanges about all price sensitive information or such other matters which in its opinion are material and of relevance to the shareholders.

## vii. Investor relations

The Company's executives participate in investor meetings including conferences in India and abroad from time to time organized by financial institutions, analyst and broking houses. A conference call is done every quarter after declaration of financial results to address the queries of analysts.

## Shareholders' information

### A. Company Registration Details:

The Company is registered in Delhi, India, under the jurisdiction of Registrar of Companies, Delhi. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74999DL2001PLC147724.

### B. Financial Year

April 01, 2022 to March 31, 2023

## C. Annual General Meeting for the Financial Year 2022-23:

<b>DAY AND DATE</b>	Friday, September 29, 2023
<b>TIME</b>	11:00 A.M.
<b>VENUE (Registered Office of the Company)</b>	The Company is conducting meeting through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) pursuant to the General Circular No. 10/2022 dated 28th December, 2022, Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/ CFD/ CMD1/ CIR/P/ 2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular")
<b>FINANCIAL YEAR</b>	April 01, 2022 to March 31, 2023
<b>BOOK CLOSURE DATES</b>	23rd September, 2023 to 29th September, 2023
<b>DIVIDEND PAYMENT DATE</b>	N.A.
<b>REGISTERED OFFICE</b>	Khasra No. 928, Extended Lal Dora Abadi Village Kapashera, Tehsil Vasant Vihar New Delhi South-West Delhi -110037
<b>CORPORATE OFFICE</b>	Khasra No. 928, Extended Lal Dora Abadi Village Kapashera, Tehsil Vasant Vihar New Delhi South West Delhi -110037

**D. Stock Exchange Info:**

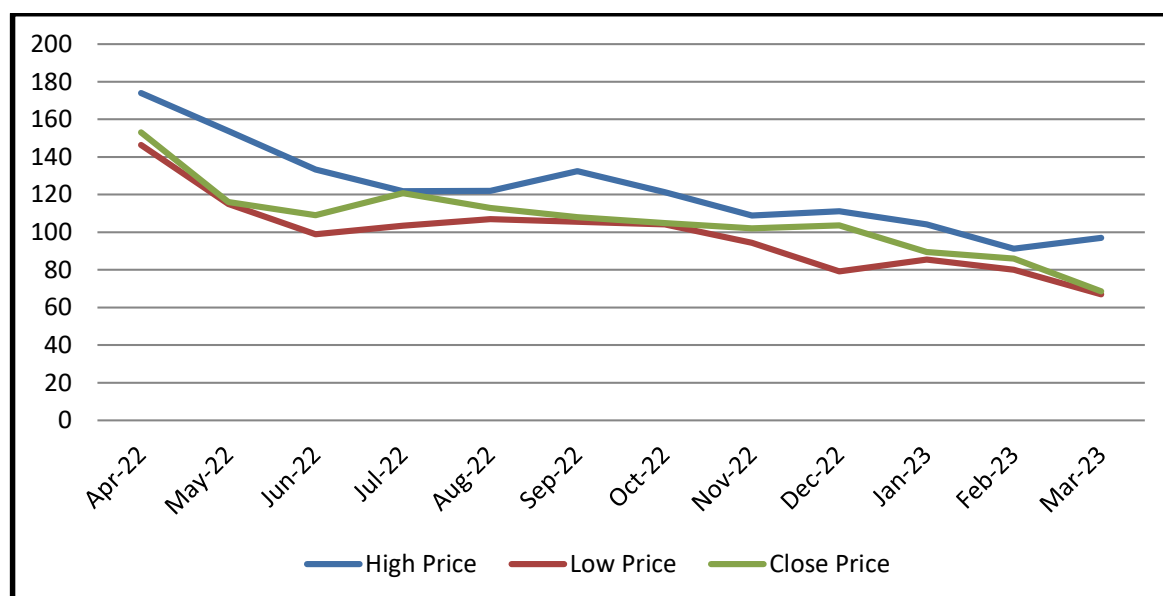
<b>Stock Exchange on which shares are listed</b>	BSE Limited - Mumbai National Stock Exchange of India Limited – Mumbai
<b>Stock Code</b>	BSE Limited: 532867 National Stock Exchange of India Limited: V2RETAIL
<b>Listing Fees</b>	The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. Central Depository Services (India) Limited (CDSL) and NSDL, respectively for the financial year 2022-23.

**E. Market Price Data:**

The Company's equity shares are listed on BSE Limited & National Stock Exchange of India Limited. The high and low share prices of your Company's shares at BSE and NSE (based on closing price) for the year is as under:

(In Rs.)

Month	V2 Retail Share Price on BSE			V2 Retail Share Price on NSE		
	High	Low	Close	High	Low	Close
Apr-22	174.00	146.40	153.10	171.60	145.85	152.95
May-22	153.80	115.00	116.10	155.00	107.35	116.70
Jun-22	133.35	99.00	109.00	134.20	96.55	107.35
Jul-22	121.75	103.55	120.80	122.00	103.85	119.75
Aug-22	122.00	106.90	112.90	120.95	103.40	113.25
Sep-22	132.40	105.50	108.00	132.40	103.55	109.15
Oct-22	121.25	104.15	104.80	120.95	105.00	105.35
Nov-22	108.95	94.35	102.00	108.80	95.05	101.75
Dec-22	111.15	79.20	103.70	111.35	79.80	103.20
Jan-23	104.10	85.50	89.50	104.30	85.65	88.15
Feb-23	91.25	80.00	86.00	93.30	79.55	85.55
Mar-23	97.03	67.00	68.60	97.10	67.05	69.70

**Graphical Representation of share price of V2 Retail Limited at BSE**



### Graphical Representation of share price of V2 Retail Limited at NSE



### F. Distribution of Shareholding as on March 31, 2023

DISTRIBUTION OF SHAREHOLDING (SHARES)							
Sr. No.	Shareholding of Shares			Shareholder	% of Total	Total Shares	% of Total
1	1	to	500	18,046	89.8907	15,87,992	4.6177
2	501	to	1000	945	4.6968	7,48,152	2.1755
3	1001	to	2000	484	2.4056	7,21,528	2.0981
4	2001	to	3000	166	0.825	4,25,035	1.2359
5	3001	to	4000	71	0.3529	2,54,229	0.7393
6	4001	to	5000	57	0.2833	2,67,970	0.7792
7	5001	to	10000	142	0.7058	10,60,459	3.0837
8	10001	to	*****	169	0.84	2,93,23,976	85.2705
Total				20,120	100.00	3,43,89,341	100.00

### G. SHARE TRANSFER SYSTEM

Transfers of Equity Shares are handled by Link Intime India Private Limited. The transferee is required to furnish transfer deed duly completed in all respects together with share certificate to Link Intime India Private Limited at the below address in order to enable the Registrar and transfer agent to process the transfer and during the FY 2022-23, company has complied with the process of transfer and consolidation of the shares.

Demat requests are confirmed within stipulated time period from the date of receipt of request. The Company obtains from a Company Secretary in Practice half yearly Certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with Stock Exchanges.

**H. SHAREHOLDING PATTERN AS ON MARCH 31, 2023**

Listing of shareholders category (Summary)							
Category	Demated Shares	Demat Holders	Physical Shares	Physical Holders	Total Shares	Total Value	Total Percent
Corporate Bodies (Promoter Co)	1,45,79,426	3	0	0	1,45,79,426	14,57,94,260	42.40
Clearing Members	25,886	22	0	0	25,886	2,58,860	0.08
Other Bodies Corporate	16,92,826	134	0	0	16,92,826	1,69,28,260	4.92
Hindu Undivided Family	7,68,080	488	0	0	7,68,080	76,80,800	2.23
Mutual Funds	5,27,456	1	0	0	5,27,456	52,74,560	1.53
Alternate Investment Funds	1,29,200	1	0	0	1,29,200	12,92,000	0.38
Non Resident Indians	2,12,422	272	0	0	2,12,422	21,24,220	0.62
Public	99,08,307	19114	70,090	64	99,78,397	9,97,83,970	29.01
Promoters	38,40,391	7	0	0	38,40,391	3,84,03,910	11.17
Body Corporate - Ltd Liability Partnership	2,38,438	9	0	0	2,38,438	23,84,380	0.69
Foreign Portfolio Investors (Corporate)	22,00,000	1	0	0	22,00,000	2,20,00,000	6.39
Key Managerial Personnel	1,88,953	2	0	0	1,88,953	18,89,530	0.55
Relatives of promoters (other than "Immediate relatives" of promoters disclosed under Promoter and Promoter Group category)	7,866	2	0	0	7866	78660	0.03
<b>TOTAL:</b>	<b>3,43,19,251</b>	<b>20,056</b>	<b>70,090</b>	<b>64</b>	<b>3,43,89,341</b>	<b>34,38,93,410</b>	<b>100.00</b>

## I. Dematerialization of Shares and Liquidity

The Equity Shares of your Company are under compulsory dematerialization mode as on March 31, 2023. The ISIN for the Equity Shares of the Company is INE945H01013.

99.80% of shares of the Company are dematerialized as on March 31, 2023. Trading in Equity shares of the Company is permitted only in Demat mode.

The Equity shares of your Company are regularly traded on 31<sup>st</sup> March 2023, the trading details of the shares of the Company for the month of March 31, 2023, are given below:

	BSE	NSE
Total Traded Quantity (No. of shares)	54,926	8,28,473
Turnover (Amount in Rs.)	45,91,078	69,235,180

## J. UNCLAIMED SHARES

Disclosure in regard to the provisions of Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Schedule V (F) are given below:

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year: **Nil**
- Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year: **Nil**
- Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year: **Nil**

## O. Address of Correspondence:

Correspondence with the Company (V2 Retail Limited)	R&T Agent: (Link Intime India Private Limited)
<b>Mr. Sudhir Kumar</b> <b>Company Secretary &amp; Compliance Officer</b> Khasra No. 928, Extended Lal Dora Abadi Village Kapashera, Tehsil Vasant Vihar New Delhi South- West Delhi – 110037 Tel No: 011-41771850 Email: cs@vrl.net.in/cs@v2retail.net.in	Noble Height, 1st Floor, Plot No. NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi- 110058 Tel No: 011-41410592 Email: delhi@linkintime.co.in

Financial calendar

Financial year: April 1, 2022 to March 31, 2023

The board meetings for approval of financial results for financial year 2022-23 were held on the following dates:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Date	10.08.2022	10.11.2022	10.02.2023	25.05.2023

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year: **Nil**

## K. SUBSIDIARY COMPANIES

Your Company has a wholly owned subsidiary Company named as M/s V2 Smart Manufacturing Private Limited which was incorporated on 25.10.2019. Except this, your Company had no subsidiary during the financial year 2022-23.

## L. COMPLIANCE OFFICER

In terms of Regulation 7 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Mr. Sudhir Kumar, Company Secretary was designated as the Compliance Officer for complying with the requirements of Securities Laws and Listing Regulations with the Stock Exchanges in India.

## M. Outstanding GDRs / ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity:

There are no GDR/ ADR/ Warrants or any Convertible Instruments pending conversion or any other instruments which can have an impact on the equity share capital of the Company.

## N. Credit Ratings

ICRA Limited has assigned '**BBB-**(Stable)' credit rating during the year to the Company for its Fund based working capital facilities (Cash Credit) to the extent of Rs. 50 crores availed by the Company.

The said rating was revised from '**BB+**' (Stable) Issuer not cooperating to '**BBB-**'(Stable) during the year by ICRA Limited.

The tentative dates of the board meetings for consideration of quarterly and annual financial results for the financial year 2023-24 are as follows:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Date	On or before August 14, 2023	On or before November 14, 2023	On or before February 14, 2024	On or before May 30, 2024

### Registrar and Share Transfer Agent

Link Intime India Private Limited  
(formerly known as Intime Spectrum Registry Limited)  
Noble Height, 1st Floor, Plot No. NH-2, C-1 Block, LSC,  
Near Savitri Market, Janakpuri, New Delhi-110058  
Tel No: 011-41410592  
Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

All activities in relation to both share transfer facility are maintained by the registrar and Share transfer agent of the Company, a compliance certificate in this respect duly signed by the compliance officer and the authorised representative of the share transfer agent is submitted to the exchanges within 30 days from the end of the financial year with the requirements of sub- regulation 7(3) of SEBI Listing Regulations, 2015.

As per the SEBI Listing Regulations, 2015, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository and transmission, or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Applications for transfer of shares are received at the office of the Registrar and Share transfer agent of the Company. All valid transfers/requests are processed within 15 days from the date of receipt.

Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order in all respects. Bad deliveries are immediately returned to depository participants under advice to the shareholders.

Pursuant to the provisions of Regulation 40(9) of SEBI Listing Regulations, 2015, a certificate on the compliance of share transfer formalities on annual basis, quarterly certificate for timely dematerialization of the shares as per SEBI (Depositories & Participants) Regulation, 2018 are sent to the Stock Exchanges where the shares are listed.

### Reconciliation of share capital audit report

Reconciliation of share capital audit report by M/s. Sunpreet & Co., Practicing Company Secretary for reconciliation of the share capital confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL,

is placed before the Board on a quarterly basis. A copy of the audit report is submitted to the Stock Exchanges where company's shares are listed.

### Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority

On the basis of written representations/ declaration received from the Directors, as on 31st March 2023, M/s Sunpreet & Co., Company Secretaries (Membership No. F11075, CP No. 16084), have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/ MCA or any such authority.

### Mandatory requirements

The Company was fully compliant with mandatory requirements SEBI Listing Regulations, 2015 as on March 31, 2023.

### Non-mandatory requirements:

#### 1. The Board (maintenance of Chairman's office):

The Company has an Executive Chairman and as such does not require a Non-Executive Chairman's Office.

#### 2. Shareholders' rights

The quarterly and half-yearly financial results are published in widely circulated national and local dailies and are displayed on the Company's website [www.v2retail.com](http://www.v2retail.com).

#### 3. Audit qualification

Statutory Auditor of the company has given the modified/ qualified Auditor Report for the year ended March 31, 2023 and same has been specified in Board Report along with management response thereon.

#### 4. Reporting of internal auditor

The Company has a well-defined and structured internal audit control system to ensure reliability of operational and financial information, statutory/regulatory compliances and safeguard of the assets of the Company. The internal audit or reports directly to the Audit Committee.



## CEO & CFO CERTIFICATION

### Certificate pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- A) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2023 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the Auditors and the Audit committee;
- 1) Significant changes in internal control over financial reporting, if any, during the year;
  - 2) Significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-  
**Manshu Tandon**  
Chief Executive Officer

Sd/-  
**Pratik Adukia**  
Chief Financial Officer

Date: May 25, 2023  
Place: New Delhi

## **PRACTICING COMPANY SECRETARY CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

**This certificate is issued in accordance with the terms of our engagement letter.**

We, M/s. Sunpreet & Co., Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance Report prepared by the V2 Retail Limited ("the Company"), for the year ended on 31st March 2023, it contains details as stipulated in chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with respect to Corporate Governance. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

### **Management's Responsibility**

The compliance of conditions of Corporate Governance Report is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### **Our Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the condition of Corporate Governance as stipulated in chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi

Date: 26.07.2023

**For Sunpreet & Co.**  
**Formerly known as Sunpreet Singh & Associates**  
**Company Secretaries**

**(Sunpreet Singh)**  
**M. No. F11075**

**C.P. No. 16084**  
**UDIN: F011075E000678808**  
**Firm Unique Code S2016DE418400**

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
V2 RETAIL LIMITED  
Khasra No. 928 Extended Lal Dora  
Abadi Village Kapashera Tehsil Vasant Vihar,  
South-West Delhi – 110037

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s V2 Retail Limited having CIN L74999DL2001PLC147724 and having registered office at Khasra No. 928 Extended Lal Dora Abadi Village Kapashera Tehsil Vasant Vihar South West Delhi-110037 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such authority.

Sl. No.	Name of the Director	DIN	Date of Appointment in Company
1	Ram Chandra Agarwal	00491885	23/07/2001
2	Uma Agarwal	00495945	23/07/2001
3	Akash Agarwal	03194632	03/09/2022
4	Arun Kumar Roopanwal	00406817	27/01/2020
5	Archana Surendra Yadav	07335198	27/01/2020
6	Srinivas Anand Mannava	09361339	10/02/2023*

\*Date of appointment by the Board is 10.02.2023 but the MCA portal showing the date from shareholder approval i.e. 26.03.2023.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi  
Date: 26.07.2023

**For Sunpreet & Co.**  
Formerly known as Sunpreet Singh & Associates  
Company Secretaries

(Sunpreet Singh)  
M. No. F11075

C.P. No. 16084  
UDIN:F011075E000678852  
Firm Unique Code S2016DE418400

## BUSINESS RESPONSIBILITY REPORT (BRR)

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and National Voluntary Guidelines on Social, Environment and Economic Responsibilities (NVG) as issued and revised by Ministry of Corporate Affairs (MCA), Government of India, the "Business Responsibility Report" (BRR) of the Company for the financial year 2022-23 forming part of this Annual Report is as follows:

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L74999DL2001PLC147724
2.	Name of the Company	<b>V2 RETAIL LIMITED</b>
3.	Registered Address	V2 Retail Ltd, Khasra No. 928, Extended Lal Dora Abadi Village, Kapashera Border, Tehsil Vasant Vihar, New Delhi-110037
4.	Website	<a href="http://www.v2retail.com">www.v2retail.com</a>
5.	Email ID	cs@v2retail.net.in
6.	Financial Year Reported	April 01, 2022 to March 31, 2023
7.	Sector (s) that the Company is engaged in (Industrial activity code-wise)	Name and Description of main products/ services: Retail sale of clothing, footwear and leather articles in specialized stores : (NIC Main Class- 4771) Retail sale of readymade garments, hosiery goods, other articles of clothing and clothing accessories : (NIC Code - 47711)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	<ol style="list-style-type: none"> <li>1. Retail Trade of Apparels &amp; garments</li> <li>2. Retail Trade of Fashion Accessories</li> <li>3. Retail Trade of Textiles products</li> </ol>
9.	Total number of locations where business activity is undertaken by the Company i. Number of international locations ii. Number of national locations	Number of international locations - NIL  As on March 31, 2023, the Company operates 102 retail stores spread across 17 states and 89 cities; a warehouse and a Corporate office
10.	Markets served by the Company- Local/ State/ National/ International	India

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid Up Capital (Rs.)	34.39 Crores
2.	Total Turnover (Rs.)	838.88 Crores (Standalone)
3.	Total profit/(Loss) after taxes (Rs.)	(14.49) Crores (Standalone)
4.	Total spending on Corporate Social Responsibility as percentage of profit after tax (%)	Nil
5.	List of activities in which expenditure in point 4 above has been incurred	<p>The Company has identified the following CSR activities as per its CSR Policy :</p> <ul style="list-style-type: none"> <li>• Environmental sustainability by adopting best ecological practices and encouraging conservation/judicious use of water and other natural re-sources.</li> <li>• Promoting healthcare, sanitation and making safe drinking water available</li> <li>• Employment enhancement through training and vocational skill development</li> <li>• Promoting education and sports</li> <li>• To use environmental friendly and safe process in production</li> </ul> <p>The Company is committed to fulfill its CSR responsibilities in near future.</p>



## SECTION C: OTHER DETAILS

1.	Does the Company have any subsidiary company/ companies?	Yes, the Company has one wholly owned subsidiary company namely, V2 Smart Manufacturing Private Limited.
2.	Do the subsidiary company/companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).	At present, the BR initiatives have been undertaken at parent Company level.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%].	No The Company will promote BR initiatives in its value chain.

## SECTION D: BR INFORMATION

### 1. Details of Director/ Directors responsible for BR

- a) Details of the Director / Directors responsible for the implementation of BR policy/policies:
- DIN Number: 00491885
  - Name: Mr. Ram Chandra Agarwal
  - Designation: Chairman & Managing Director
- b) Details of the BR Head:
- DIN Number: 03194632
  - Name: Mr. Akash Agarwal
  - Designation: Director
  - Telephone Number: 011 -41771850
  - E-mail ID: akash@v2kart.com

### LIST OF PRINCIPLES:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency & Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the well-being of all employees

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders

Principle 5: Businesses should respect and promote human rights

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

Principle 7: Businesses should engage in influencing public and regulatory policy in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide support customer value

## 2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies (reply with YES/ NO)

### 2a. Details of Compliance:

Sr. No.	Guidelines	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for ....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy confirm to any national / international standards? If yes, specify? (50 words) <sup>1</sup>	The policy has been drafted on the basis of applicable law, code of conduct & applicable standards.								
4.	Has the policy being approved by the Board? If yes, has it been signed by the MD/ Owner/ CEO/ appropriate Board Director? <sup>2</sup>	Policies mandated under the Companies Act, 2013 (the Act) and the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 are approved by the Board and other policies are approved by the Managing Director / functional heads of the Company as appropriate from time to time.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online? <sup>3</sup>	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance Redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

<sup>(1)</sup>The policies are in compliance with applicable National/ International laws, rules, regulations, guidelines and standards. The policies are in conformance to the spirit of International standards.

<sup>(2) & (3)</sup> As per Company practice, the policies that are approved by the Board, are posted on the website of the Company [www.v2retail.com](http://www.v2retail.com).

### 2b. If answer to S. No.1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Guidelines	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	NOT APPLICABLE								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

### 3. Governance related to BR

Indicate the frequency with which the Board of Directors, committee of the Board or CEO assesses the BR performance of the Company- within 3 months, 3-6 months, annually, more than 1 year	The Company has decided to assess the BR performance annually and as and when required.
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Company has decided to publish BR Report as a part of Annual Report every year.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

Sr. No.	Particulars	Remark
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.  Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?	Yes  No
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Nil

### Principle 2

Sr. No.	Particulars	Remark
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The Company designs its products and services in a way that they comply with the mandatorily required standards under the requisite laws.  The company strictly forbidden hires or use of child force at workplace and expect its vendors to follow the same.  The Company make all possible efforts to provide a healthy and safe working environment to its employees.
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):  i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?  ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The Company is not engaged in the business of manufacturing goods.  Considering the nature of business of the Company said questions are not applicable to the Company.
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentages of your inputs were sourced sustainably? Also provide details thereof, in about 50 words or so.	The Company is putting in place procedure for sustainable sourcing of products sold by the Company.

Sr. No.	Particulars	Remark
4.	Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes  The Company is contributing to the society at large by procuring goods & services from small scale industries and small producers.  The Company also employs locals to the extent available. We provide early payment facilities to small vendors to enable them to manage their finances properly.
5.	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as ≤ 5%, 5-10%, ≥10%). Also, provide details thereof, in about 50 words or so	The Company is not into manufacturing, thus there is not much waste generation in the Company, the waste generated at its offices and stores are managed as per the applicable laws & internal waste disposal process.

### Principle 3

Sr. No.	Particulars	Remark												
1.	Please indicate the Total number of employees as on March 31, 2023.	3456												
2.	Please indicate the Total number of employees hired on temporary/contractual/ casual basis as on March 31, 2023.	Permanent: 2627 Contractual: 829												
3.	Please indicate the Number of permanent women employees as on March 31, 2023.	272												
4.	Please indicate the Number of permanent employees with disabilities as on March 31, 2023.	Nil												
5.	Do you have an employee association that is recognized by management?	No												
6.	What percentages of your permanent employees are members of this recognised employee association?	Nil												
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	<table border="1"> <thead> <tr> <th>Category</th> <th>No. of complaints filed during the financial year</th> <th>No. of complaints pending as on the end of Financial Year</th> </tr> </thead> <tbody> <tr> <td>Child Labour/ Forced Labour/ Involuntary Labour/</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>Sexual Harassment</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>Discriminatory Employment</td> <td>NIL</td> <td>NIL</td> </tr> </tbody> </table>	Category	No. of complaints filed during the financial year	No. of complaints pending as on the end of Financial Year	Child Labour/ Forced Labour/ Involuntary Labour/	NIL	NIL	Sexual Harassment	NIL	NIL	Discriminatory Employment	NIL	NIL
Category	No. of complaints filed during the financial year	No. of complaints pending as on the end of Financial Year												
Child Labour/ Forced Labour/ Involuntary Labour/	NIL	NIL												
Sexual Harassment	NIL	NIL												
Discriminatory Employment	NIL	NIL												



Sr. No.	Particulars	Remark
8.	What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year? <ul style="list-style-type: none"> <li>• Permanent Employees</li> <li>• Permanent Women Employees</li> <li>• Casual/Temporary/Contractual Employees</li> <li>• Employees with Disabilities</li> </ul>	100%

#### Principle 4

Sr. No.	Particulars	Remark
1.	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2.	Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders	Yes
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so	As part of corporate social responsibility programme following initiatives are identified: <ul style="list-style-type: none"> <li>• To ensure environmental sustainability by adopting best ecological practices and encouraging conservation/judicious use of water and other natural re-sources.</li> <li>• Promoting healthcare, sanitation and making safe drinking water available</li> <li>• Employment enhancement through training and vocational skill development</li> <li>• Promoting education and sports</li> <li>• Ensuring sustainable environment</li> <li>• To use environmental friendly and safe process in production</li> </ul>

#### Principle 5

Sr. No.	Particulars	Remark
1.	Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers/ Contractors /NGOs/Others?	The policy is basically applicable to the Company.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	Nil

**Principle 6**

Sr. No.	Particulars	Remark
1.	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.	The policy is basically applicable to the Company.
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	The Company has taken many energy initiatives such as: <ul style="list-style-type: none"> <li>• Installation of LED lights &amp; power saving equipment at all stores to reduce the electricity consumption</li> <li>• optimum use of air conditioner (AC) at the stores in order to reduce the electricity consumption</li> <li>• Automation of processes to reduce the use of paper</li> <li>• Installation of glass doors, walls and windows at the stores to use the daylight and reduce electricity consumption</li> <li>• Plantation of trees for combating air pollution at warehouse</li> <li>• Eliminate the use of plastic bags at stores.</li> </ul>
3.	Does the company identify and assess potential environmental risks? Y/N	Yes
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5.	Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, please hyperlink for webpage etc.	The initiatives taken by the Company towards energy conservation during the year under review are given in the Board Report
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable since the company is in the business of Retail.
7.	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

**Principle 7**

Sr. No.	Particulars	Remark
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	Nil
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Whenever Policy guidelines are issued, the company has been providing its suggestions to the Government and above Trade / Chamber Associations. Company officials have also attended seminars / workshops organized by the apex organizations for facilitating views on the policies.

### Principle 8

Sr. No	Particulars	Remark
1.	Does the company has specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes, details are mentioned in Annexure IV of the Directors' Report.
2.	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?	The Company has been implementing various CSR projects through in-house teams.
3.	Have you done any impact assessment of your initiative?	Periodic review is undertaken by CSR Committee of the Board.
4.	What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken?	Details are mentioned in Annexure IV of the Directors' Report.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so	The primary & immediate beneficiaries of CSR policy of the Company would be the poor, needy and other section of the community/society especially from the areas surrounding & near to the Company Operation Areas

### Principle 9

Sr. No.	Particulars	Remark
1.	What percentage of customer complaints/ consumer cases were pending as on the end of financial year.	Customer Satisfaction is of utmost important for the Company. The Company has a dedicated customer care representative/cell to handle the day to day complaints of the customers. As at the end of financial year, no consumer case was pending.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Not Applicable
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	There are no cases pending in relation to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes

# Independent Auditor's Report

To the Members of V2 Retail Limited

Report on the Audit of the Standalone Financial Statements

## Qualified Opinion

We have audited the accompanying standalone financial statements of V2 Retail Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report the aforesaid standalone financial statements give the information required by The Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

## Basis for Qualified Opinion

As described in Note 47 to the accompanying standalone financial statement, the Company has performed physical verification of property, plant and equipment during the year ended March 31, 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. Pending completion of the said reconciliation, we are unable to comment on any adjustment that may be required to the carrying value of such Property, Plant and Equipment as at March 31, 2023. Our opinion on the standalone financial statements for year ended March 31, 2023 is qualified in respect of this matter.

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statement' section of our report. We are independent of the Company

in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

## Emphasis of Matter

We draw attention to Note 16 to the accompanying standalone financial statement, the Company restructured its business in the financial year 2010-11 resulting in creation of Capital Reserve amounting to Rs. 60,523.24 lakhs. The aforementioned reserve has been reconciled to amount recognized in the books of accounts except for Rs. 365.36 lakhs which the Company is in the process of reconciling. Our opinion is not qualified in respect of this matter.

We draw attention to Note 44 of the accompanying standalone financial statement, which describes that an advance amounting to Rs. 1,557.65 lacs outstanding since April 2019, has been considered good basis management's assessment of extension of the underlying contract with Bennett, Coleman and Co. Limited ('BCCL') till July 07, 2023. The management is confident of the utilization of such advance against future advertisement services to be provided by BCCL within the extended period of the contract and hence, has considered the aforesaid balance as fully recoverable as on date. Our opinion is not qualified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.N.	Key Audit Matter	Auditor's Response
1.	<p><b>Existence and valuation of Inventories:</b></p> <p>Refer note 1(v)(k) for significant accounting policy and note 9 and 37 for the financial statement disclosure. At the end of each reporting period, management of the Company assesses whether there is adequate provision for inventory losses on account of lower net realizable value and obsolete inventory. The management applies judgement in determining appropriate provisions for inventory losses which include:</p> <p>a) Applying specific identification process to ascertain slow moving and obsolete inventory.</p> <p>b) Assessing the net realizable value of such slow moving and obsolete inventory.</p> <p>In addition to the above, the management adopts a cyclical count for physical verification of inventory which is a complex exercise owing to the nature of the inventory and the multiple locations covered in such cyclical counts. Considering the aforesaid complexities involved in cyclical physical verification of inventory which required us to undertake alternate audit techniques as described in this key audit matter, and significant management judgements and estimates required with respect to allowance for inventory loss, existence and valuation of inventory was determined to be a key audit matter for the current year audit.</p>	<p>How our audit addressed the key audit matter:</p> <p>Our audit included, but was not limited to, the following audit procedures over inventory existence and valuation:</p> <ul style="list-style-type: none"> <li>Understood the management process for cyclical physical counts, identification of slow moving, non-moving or obsolete inventories and determining net realisable value, and evaluated whether such processes are consistently followed.</li> <li>Evaluated design and tested the operating effectiveness of controls implemented around above mentioned processes throughout the year.</li> </ul> <p><b>Cyclical physical counts and physical count performed subsequent to year end:</b></p> <ul style="list-style-type: none"> <li>Inspected management's inventory count records and observed physical inventory verification for locations selected based on materiality and risk considerations.</li> <li>Performed independent test counts to corroborate the management count for the locations selected as above performed roll-back procedures by verification of movement between the year-end date and sample test count date with the supporting documents which included purchase invoice, sales invoice, dispatch register, gate inward/outward register, etc. to substantiate the existence of inventory as at the reporting date;</li> </ul> <p><b>Slow-moving/obsolete inventory provisions:</b></p> <ul style="list-style-type: none"> <li>Tested the adjustment made in the books of accounts basis the results of the physical counts performed by the management.</li> </ul> <p><b>Slow-moving/obsolete inventory provisions:</b></p> <ul style="list-style-type: none"> <li>Tested inventory ageing obtained through system reports, where applicable.</li> <li>Obtained from management the list of slow and non-moving inventories identified as at March 31, 2023 and their corresponding expected sales in future periods.</li> <li>Tested the computation for allowance for slow moving, non-moving and obsolete inventories by performing an independent age-wise analysis of the inventory line items.</li> <li>Tested the net realizable value of traded goods inventory on a sample basis to recent selling prices.</li> <li>Compared and assessed the actual utilization/sales to the previous estimates done by the management in prior periods to determine the efficacy of the process of estimation by the management.</li> </ul> <p>Obtained written representations from management on the completeness and adequacy of inventory allowance as at the year end.</p>



S.N.	Key Audit Matter	Auditor's Response
2.	<p><b>Accounting of Leases Under Ind AS 116- (Leases) :</b></p> <p>Leases Refer note 1(v)(h) for significant accounting policy and note 46 for the financial statement disclosure relating to accounting for leases in accordance with Ind AS 116, Leases ('Ind AS 116').</p> <p>The Company has recognised the Right of Use asset (ROU) and corresponding lease liability amounting to Rs 30,029.30 lakhs and Rs 36,400.42 lakhs as at March 31, 2023, respectively.</p> <p>Owing to the volume of the lease contracts, and the estimates involved, we have considered this matter to be a key audit matter in our audit.</p>	<p>How our audit addressed the key audit matter:</p> <p>Our audit included, but was not limited to, the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Understood the management process for identification of leasing arrangements for accounting of leases by applying the practical expedient.</li> <li>• Evaluated design and tested the operating effectiveness of controls implemented around above mentioned process throughout the year.</li> <li>• Reviewed the overall impact analysis prepared by the Company including completeness of lease contracts and application of practical expedients.</li> <li>• Tested the accuracy of the revised lease agreements entered for a sample of leases through the inspection of lease documentation.</li> <li>• Verified the accuracy of the underlying lease data used to calculate the lease liability, by agreeing a representative sample of leases to original contracts or other supporting information.</li> <li>• Evaluated the appropriateness and adequacy of disclosures made in the financial statements with respect to Lease liability, Right of Use Assets and application of practical expedient, in conformity with the Ind AS 116 (Leases).</li> </ul> <p>Obtained written representations from management on the completeness of lease data and application of practical expedient.</p>

### Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in

accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in planning the scope of our audit work and in evaluating the results of our work and to evaluate the effect of any identified misstatements in the standalone financial statements.**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and

to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - A. We have sought and except for the matters described in the Basis of Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters described in the Basis of Qualified Opinion section;
  - C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - D. Except for the matters described in the Basis of Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
  - E. Qualification on financial statement has no adverse effect on the functioning of the Company;
  - F. On the basis of the written representations received from the directors as on March 31, 2023 taken

on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

- G. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in Basis for Qualified Opinion section;
- H. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- I. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 to the standalone financial statements;
  - b. The Company did not have any material foreseeable losses in long-term contracts including derivative contracts;
  - c. The Company did not have any amount which required to be transferred to the Investor Education and Protection Fund.
- i. The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 50 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) during the year by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- ii. The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 52 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), during the year with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

- Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material mis-statement
  - e. The Company has not declared any dividend during the year therefore reporting regarding compliance of section 123 of the Companies Act, 2013 is not applicable.
  - f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

- J. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

#### **Other Matter**

The audit of financial statement for the year ended March 31, 2022 included in these standalone financial statements are carried out by the previous auditor, whose report issued on May 30, 2022 expressed qualified opinion on those financial statements.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926  
UDIN:23088926BGXBBI4117

Place: Noida (Delhi-NCR)  
Date: May 25, 2023

**Annexure A to Independent Auditor's Report of even date to the members of V2 Retail Limited on the Standalone Financial Statements as of and for the year ended on March 31, 2023 (refer to in paragraph 1 of our report on other legal and regulatory requirements)**

- i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified by the management but the reconciliation of physically verified property, plant, and equipment with the books of account was in process as at year ended as stated in note 47 to the standalone financial statements. Therefore, we are unable to comment on the discrepancies, if any, pending finalization of reconciliation process.
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) On the basis of our examination of records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Therefore, provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or is pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and the rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- ii) (a) According to the information and explanations given to us and records examined by us, the inventories have been physically verified by the management during the year and in our opinion, coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the book records.
- (b) The Company has been sanctioned working capital limit from banks on the basis of security of current assets. There is no material difference between books of account of the respective quarters and quarterly returns/ statements filed by the Company with the banks.
- iii) Based on the books of account examined by us and according to information and explanation given to us, the Company has not granted or renewed or extended any loans or any advances in the nature of loans, or not made any investments or provided guarantees, or given any security during the year. Therefore, the provision of clause 3(iii) of the Order are not applicable to the Company.
- iv) According to information and explanations given by the management and based on audit procedures performed by us, the Company has not granted any loan and made investment and not provided any guarantee or security during the year. There is no loan granted or guarantee or security provided under section 185 of the Companies Act, 2013. Therefore the provision of clause 3 (iv) of the order are not applicable to the company.
- v) The Company has not accepted deposits or amount which are deemed to be deposits covered under sections 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- vi) The maintenance of cost records has not been prescribed by the Central Government under the section 148 (1) of the Act read with Companies (Cost Records and Audit) Rules, 2014 for the product manufactured by the Company. Therefore, provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii) a. According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities. There were no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable.



b. According to the information and explanation given to us and the records of the Company examined by

us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings:

Name of Statute	Nature of Dues	Period to which it relates	Amount* (Rs. in lakhs)	Forum where dispute is pending
The Uttar Pradesh Value Added Tax Act,2008	Sales Tax	2009-10	2.03	Jt. Commissioner (Appeals)
The Uttar Pradesh Value Added Tax Act,2008	Sales Tax	2009-10	22.43	Assistant Commissioner
The West Bengal Value added Tax Act, 2003	Sales Tax	2008-09	2,250.00	Deputy Commissioner
Assam Value Added Tax Act, 2003	Sales Tax	2010-11	7.20	Deputy Commissioner (Appeals)
Haryana Value Added Tax,2003	Sales Tax	2013-14	34.79	Deputy Commissioner (Appeals)
Bihar Value Added tax,2005	Sales Tax	2017-18	116.95	Additional Commissioner(Appeals)
Finance Act,1994	Service Tax	2006-07 To 2010-11	227.08	Commission of Service Tax
The Income Tax Act, 1961	Income Tax	2009-10	975.17	High Court (Calcutta)
The Income Tax Act, 1961	Income Tax	2017-18	6.77	National Faceless Appeal Centre
The Income Tax Act, 1961	Income Tax	2018-19	32.40	National Faceless Appeal Centre

\*Net of amount deposited under protest

viii) According to the information and explanations given to us, there is no transaction which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

ix) a. The Company has not defaulted in repayment of loans and in the payment of interest thereon during the year. Therefore, the provisions of clause 3(ix)(a) of the Order are not applicable to the Company.

b. According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.

c. According to information and explanations given by the management and based on audit procedures performed by us, the Company has not raised any term loan during the year.

Therefore, the provisions of clause 3(ix)(c) of the Order are not applicable to the Company.

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis during the year have been used for long-term purposes by the Company.

e. According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company. The company has no associates, or joint ventures. Therefore, the provisions of clause 3(ix)(e) of the Order are not applicable to the Company.

- f. According to the information and explanations given to us, the Company has not raised loan during the year on the pledge of securities held in its subsidiary company. The company has no associates, or joint ventures.
- x) a. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Therefore, provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- xi) a. Based upon the audit procedures performed and considering the principles of materiality outlined in Standards on Auditing, for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of the audit.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us, no whistle blower complaints were received by the Company during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and therefore, the provisions of Clause 3(xii) of the Order are not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv) a. Based on information and explanations given to us and our audit procedure, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Therefore, the provisions of clause 3(xv) of the Order is not applicable to the Company.
- xvi) a. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d. According to the representations given by the management, there is no CIC as part of the Group.
- xvii) The Company has not incurred cash loss in the financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- xviii) There has been no resignation of statutory auditor during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future

viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) According to the information and explanations given to us, although the Company fulfilled the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately

three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926  
UDIN:23088926BGXBBI4117

Place: Noida (Delhi-NCR)

Date: May 25, 2023

**Annexure B to Independent Auditor's Report of even date to the members of V2 Retail Limited on the Standalone Financial Statements as of and for the year ended on March 31, 2023 (refer to in paragraph 2(H) of our report on other legal and regulatory requirements)**

We have audited the internal financial controls with reference to standalone financial statements of V2 Retail Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to as audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements of and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial

controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

**Meaning of Internal Financial controls with reference to financial statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal; financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company ; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial controls with reference to financial statements**

Because of the inherent limitations of Internal Financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2023:

- a) The Company's internal financial controls over retention of adequate information towards reconciliation of capital reserve in accordance with accounting principles generally accepted in India were not operating effectively, which could lead to a potential material misstatement in Other equity in the accompanying financial statements.
- b) The Company's internal financial controls system over the reconciliation of physically verified property, plant and equipment with the books of account were not operating effectively, which could lead to a potential material misstatement in the carrying value of the PPE and its consequential impact on earnings, other equity and related disclosures in the accompanying financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to

financial statements as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at March 31, 2023.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended March 31, 2023, and these material weaknesses mentioned above paragraphs have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

**Bimal Kumar Sipani**  
Partner

Place: Noida (Delhi-NCR)  
Date: May 25, 2023

Membership No. 088926  
UDIN:23088926BGXBBI4117



**ANNEXURE I****Statement on impact of Audit Qualifications (for audit report with modified opinion) submitted along with Standalone Annual Audited Financial Results**

Figure in Rs. Lakh, except for per share data

Statement on Impact of audit qualifications for the financial year ended 31 March 2023 [see Regulation 33/52 of the SEBI(LODR) (Amendment) Regulations, 2016]				
I.	S. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (as reported after adjusting for qualifications)
	1.	Turnover/total income	84,502.86	84,502.86
	2.	Total expenditure	86,386.61	86,386.61
	3.	Net(loss)/profit for the period	(1,448.82)	(1,448.82)
	4.	Earnings per share	(4.21)	(4.21)
	5.	Total assets	76,624.03	76,624.03
	6.	Total liabilities	51,901.96	51,901.96
	7.	Networth	24,722.07	24,722.07
	8.	Any other financial item(as felt appropriate by the management)	Nil	Nil

**II. Audit qualification(each audit qualification separately)****a. Details of audit qualifications:**

The audit report of statutory auditors include following qualification on the audited financial statements/ results for the quarter/year ended March 31, 2023:

As described in Note 7 to the accompanying standalone financial results, the Company has performed physical verification of property, plant and equipment during the year ended March 31, 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. Pending completion of the said reconciliation, we are unable to comment on any adjustment that may be required to the carrying value of such Property, Plant and Equipment as at March 31, 2023. Our opinion on the standalone financial results for the quarter and year ended March 31, 2023 is qualified in respect of this matter.

**b. Type of audit qualification:** Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion  
Qualified Opinion**c. Frequency of qualification:** Whether appeared first time/repetitive/since how long continuing  
Repetitive- Qualification stated is continuing from the financial year ended 31 March 2022.**d. For audit qualification(s) where the impact is quantified by the auditor, Management's view:**  
Management's view: Not applicable**e. For audit qualification(s) where the impact is not quantified by the auditor:**

i. Management's estimation on the impact of audit qualification: Not quantified

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ii. if management is unable to estimate the impact, reasons for the same:

As described in Note 7 to the accompanying standalone financial results, the Company has performed physical verification of property, plant and equipment during the year ended March 31, 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. However, the management does not foresee resultant treatment to be material in the financial statement.

iii. Auditor's comments on (i) and (ii) above:

Since management could not ascertain the impact, the auditor has unable to given comment on any adjustment that may be required to the carrying value of such Property, Plant and Equipment as at March 31, 2023.

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Signatories:

Yours Sincerely,  
**For V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman & Managing Director  
DIN00491885

**Pratik Adukia**  
Chief Financial Officer

**Archana Surendra Yadav**  
Chairperson of Audit Committee  
DIN 07335198

**Place:** New Delhi  
**Date:** 25 May 2023

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

## Standalone Balance Sheet as at 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>Non-current assets</b>			
Property, plant and equipment	2 (i)	8,569.90	9,162.77
Capital work-in-progress	2 (ii)	10.98	-
Intangible assets	3(i)	307.21	454.82
Intangible assets under development	3(ii)	29.94	-
Right of use assets (ROU)	3 (iii)	30,029.30	27,852.32
Financial assets		-	-
Investment in subsidiary	4	1,500.00	1,500.00
Other financial assets	5	790.41	766.75
Deferred tax assets (net)	6	3,117.79	2,685.34
Other non-current assets	7	1,774.71	1,848.70
Income tax assets (net)	8	47.43	125.34
<b>Total non-current assets</b>		<b>46,177.67</b>	<b>44,396.04</b>
<b>Current assets</b>			
Inventories	9	24,646.88	26,734.12
Financial assets			
Trade Receivables	10	6.70	132.37
Cash and cash equivalents	11	193.66	594.09
Other bank balances	12	21.54	85.71
Other financial assets	13	729.79	1,675.78
Other current assets	14	4,847.79	3,556.08
<b>Total current assets</b>		<b>30,446.36</b>	<b>32,778.15</b>
<b>Total assets</b>		<b>76,624.03</b>	<b>77,174.19</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15	3,438.93	3,438.93
Other equity	16	21,283.14	22,575.54
<b>Total equity</b>		<b>24,722.07</b>	<b>26,014.47</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	17	-	-
Lease Liabilities	3 (iii)	32,634.84	30,257.93
Other financial liabilities	18	22.78	14.74
Provisions	19	429.23	394.80
Other non-current liabilities		-	-
<b>Total non-current liabilities</b>		<b>33,086.85</b>	<b>30,667.47</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	4,647.62	4,892.63
Lease Liabilities	3 (iii)	3,765.58	3,217.21
Trade payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		417.29	458.94
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		8,987.22	10,729.63
Other financial liabilities	22	621.38	806.36
Provisions	23	232.37	221.99
Other current liabilities	24	143.65	165.49
<b>Total current liabilities</b>		<b>18,815.11</b>	<b>20,492.25</b>
<b>Total liabilities</b>		<b>76,624.03</b>	<b>77,174.19</b>

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25, 2023

## Standalone Statement of Profit and Loss for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>			
Revenue from operations	25	83,888.30	62,922.49
Other income	26	614.56	1,558.40
<b>Total income</b>		<b>84,502.86</b>	<b>64,480.89</b>
<b>Expenses</b>			
Purchase of stock-in-trade	27	57,535.47	44,213.29
Changes in inventories of stock-in-trade	28	2,016.10	(147.40)
Employee benefits expense	29	8,168.25	5,760.82
Finance costs	30	3,988.12	3,607.09
Depreciation and amortization expense	31	6,392.54	5,659.36
Other expenses	32	8,286.13	7,023.55
<b>Total expenses</b>		<b>86,386.61</b>	<b>66,116.71</b>
<b>Loss before exceptional items and tax</b>		<b>(1,883.75)</b>	<b>(1,635.82)</b>
Exceptional items		-	-
<b>Loss before tax</b>		<b>(1,883.75)</b>	<b>(1,635.82)</b>
Tax expense:	6		
Current tax		-	-
Tax expense of earlier years		(7.85)	-
Deferred tax (income)/charge		(427.08)	(345.62)
<b>Total tax expense</b>		<b>(434.93)</b>	<b>(345.62)</b>
<b>Loss for the year</b>		<b>(1,448.82)</b>	<b>(1,290.20)</b>
<b>Other comprehensive loss Income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Re-measurement (loss) of defined employee benefit plans		(21.36)	(52.69)
Income tax relating to items that will not be reclassified to profit or loss		5.38	13.26
<b>Other comprehensive loss for the year</b>		<b>(15.98)</b>	<b>(39.43)</b>
<b>Total comprehensive loss for the year</b>		<b>(1,464.80)</b>	<b>(1,329.63)</b>
Significant accounting policies	1		
The accompanying notes form an integral part of these financial statements			
As per our report of even date attached			
<b>Earnings per share (face value of ₹ 10 each)</b>			
Basic (₹)		(4.21)	(3.76)
Diluted (₹)		(4.21)	(3.76)

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25, 2023

## Standalone Statement of Standalone Cash flow for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Loss before tax	(1,883.75)	(1,635.82)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	6,392.54	5,659.36
Interest income	(95.83)	(580.05)
(Gain) / Loss on derecognition of lease liabilities including security deposits	(379.42)	-
Rent concession on lease rentals	(29.33)	(856.05)
Intangible assets under development written-off	-	51.00
Finance cost	3,988.12	3,607.09
(Profit) / loss on sale of property, plant and equipment (net)	(5.61)	(15.61)
Provision against inventory	689.34	628.10
Provision against doubtful advances	42.47	57.53
Provision for expected credit losses	38.21	-
Balances written off	-	31.22
Share based payment expense	172.38	129.19
<b>Operating profit before working capital changes</b>	<b>8,929.12</b>	<b>7,075.96</b>
<b>Movement in working capital</b>		
Movement in trade payables	(1,784.05)	(546.24)
Movement in trade receivables	87.50	(63.38)
Movement in provisions	23.42	73.37
Movement in other liabilities	(21.85)	27.07
Movement in other financial liabilities	(288.80)	(44.86)
Movement in inventories	1,397.90	(826.52)
Movement in loans and advances	-	-
Movement in other financial assets	911.08	(178.83)
Movement in other assets	(1,362.25)	521.64
<b>Cash flows generated from/(used in) operating activities post working capital changes</b>	<b>7,892.04</b>	<b>6,038.21</b>
Income taxes (paid) / refund (net)	107.34	88.89
<b>Net cash flows generated from/(used in) operating activities (A)</b>	<b>7,999.39</b>	<b>6,127.10</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment (including capital work-in-progress and payable towards property, plant and equipment)	(947.79)	(1,202.12)
Sale of property, plant and equipment	20.28	121.45
Purchase of intangible assets including intangible assets under development	(43.78)	(68.05)
Investment/maturity in fixed deposits (net)	53.45	(30.03)
Interest received	7.00	14.04
<b>Net cash flows generated from/(used in) Investing activities (B)</b>	<b>(910.84)</b>	<b>(1,164.71)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of equity share	-	28.43
(Repayment of) / proceeds from current borrowings (net)	(245.01)	(145.88)
Repayment of non-current borrowings	-	(11.66)
Payment of lease liabilities	(3,255.84)	(2,149.12)
Interest paid	(3,988.12)	(3,607.09)
<b>Net cash flows generated from/(used in) financing activities (C)</b>	<b>(7,488.97)</b>	<b>(5,885.33)</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(400.43)	(922.94)
Cash and cash equivalents at the beginning of the year	594.09	1,517.03
<b>Cash and cash equivalents at the end of the year</b>	<b>193.66</b>	<b>594.09</b>
<b>Components of cash and cash equivalents at the end of the year</b>		
Cash on hand	134.75	155.54
Balance with banks:	-	-
-in current accounts	58.91	438.55
<b>Total</b>	<b>193.66</b>	<b>594.09</b>

**Note:**

The statement of cash flows has been prepared under the "Indirect method", as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows. The accompanying notes form an integral part of these financial statements

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25, 2023



## Standalone Statement of changes in equity for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### A Equity share capital

	31 March 2023	31 March 2022
Opening balance	3,438.93	3,410.50
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	3,438.93	3,410.50
Changes in equity share capital during the year	-	28.43
<b>Closing Balance</b>	<b>3,438.93</b>	<b>3,438.93</b>

### B Other equity

Particulars	Attributable to owners of V2 Retail Limited				Total
	Reserves and surplus				
	Retained earnings	Securities premium reserve	Capital reserve	Share options outstanding account	
<b>Balance as at 01 April 2021*</b>	(67,219.31)	29,574.09	61,043.56	377.65	23,775.99
Loss for the year	(1,290.20)	-	-	-	(1,290.20)
Other comprehensive loss (net of tax)	(39.43)	-	-	-	(39.43)
<b>Total comprehensive loss for the year</b>	<b>(1,329.62)</b>	-	-	-	<b>(1,329.62)</b>
Employee stock options charge for the year (refer note 29)	-	-	-	129.19	129.19
Employee stock options exercised during the year	-	397.29	-	(397.29)	-
<b>Balance as at 31 March 2022*</b>	<b>(68,548.94)</b>	<b>29,971.38</b>	<b>61,043.56</b>	<b>109.55</b>	<b>22,575.54</b>
<b>Balance as at 1 April 2022</b>	<b>(68,548.94)</b>	<b>29,971.38</b>	<b>61,043.56</b>	<b>109.55</b>	<b>22,575.54</b>
Loss for the year	(1,448.82)	-	-	-	(1,448.82)
Other comprehensive loss for the year (net of tax)	(15.98)	-	-	-	(15.98)
<b>Total comprehensive loss for the year</b>	<b>(1,464.80)</b>	-	-	-	<b>(1,464.80)</b>
Employee stock options charge for the year (refer note 29)	-	-	-	172.38	172.38
Employee stock options exercised during the year	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>(70,013.74)</b>	<b>29,971.38</b>	<b>61,043.56</b>	<b>281.93</b>	<b>21,283.14</b>

\* There are no changes in other equity due to prior period errors.

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25, 2023

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 1. i) Corporate information

V2 Retail Limited formerly known as Vishal Retail Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company's ethos stands for "value and variety" and remains focused on selling quality fashion garments for significant lower prices targeting the very core of the nation. The Company is listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) having its registered office located at Khasra No. 928, Extended Lal Dora Abadi Village, Kapashera Border, Tehsil Vasant Vihar, New Delhi – 110037.

The financial statements of the Company for the year ended March 31, 2023 were approved for issue by the board of directors on May 25, 2023. However, the shareholders of the Company have the power to amend the Financial Statements after the issue.

### ii) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the guidelines issued by Securities and Exchange Board of India to the extent applicable.

### iii) Basis of preparation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been prepared under the historical cost convention basis except for the following –

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Dened benet plans – plan assets measured at fair value.
- Share based payments are initially measured at fair value.

The financial statements of the Company are presented in Indian Rupees (INR), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless otherwise stated.

### iv) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### v) Significant accounting policies

#### a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle\*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle\*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

\*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

### b) Property, plant and equipment

#### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognized as interest expense and not included in cost of asset.

#### Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life which are equal to those prescribed under Schedule II of the Companies Act, 2013 except for furniture and fixtures and vehicles in which useful lives are different from those prescribed under Schedule II of the Companies Act, 2013. In respect of furniture and fixtures and vehicles, the management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The following useful life of assets has been taken by the Company:

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Tangible Assets	Useful Life as per the Schedule II	Useful Life as assessed by the management
Plant and machinery	15 Years	15 Years
Furniture and fittings	10 Years	8 to 10 Years
Vehicles-Motor Cycle	10 Years	10 Years
Vehicles-Motor cars	8 Years	8 Years
Office equipment	5 Years	5 Years
Computer equipment	3 Years	3 Years
Servers and networking equipment	6 Years	6 Years
Electrical equipment & fittings	10 Years	10 Years
Air conditioners	10 Years	9 Years
Generator sets	15 Years	15 Years

Lease hold improvements are depreciated over the period of lease term.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

### De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

### c) Intangible Assets

#### Recognition and initial measurement

Purchased intangible assets are stated at cost less accumulated amortization and impairment, if any.

#### Subsequent measurement (amortisation)

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The following useful lives are applied:

#### Intangible assets

#### Useful life (in years)

Software

Amortized over a period of 3 years

De-recognition

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### d) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset (other than inventories and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations are recognized in the statement of Profit and Loss.

Reversal of impairment losses is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

### e) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale in its present condition rather than through continuing use and a sale is considered highly probable and it is expected that sale will be completed within one year from the date of classification. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

### f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) and other costs like finance charges in respect of the leases recognized in accordance with Ind AS 116, that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### g) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

#### Foreign currencies

#### Transactions and balances

#### Initial recognition

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

#### Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or



## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (All amounts in ₹ in lakh unless otherwise stated)

loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

### h) Leases

#### (i) Transition

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease. Accordingly, Company has taken the cumulative adjustment to retained earnings, on the date of initial application (1 April 2019).

#### (ii) The Company as a lessee

The Company's lease asset classes primarily consist of property leases. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. For lease liabilities that are not accounted for as a separate lease the Company accounts for the remeasurement of the lease liability, in case of partial or full termination of the lease for lease modifications, by decreasing the carrying amount of the right-of-use asset to reflect the that decrease the scope of the lease and recognizing any gain or loss relating to the partial or full termination of the lease in profit or loss account and in case of other lease modification making a corresponding adjustment to the right-of-use asset.

#### i) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

## Summary of significant accounting policies and other explanatory information

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The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized with in the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### j) Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost less provision for impairment.

### k) Inventories

The Company has trading goods and stores & consumables in its inventory which is valued at lower of cost and net realizable value. Cost of inventory comprises of cost of purchases and other costs incurred in bringing the inventories to their present condition and location. Cost is determined by the weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### l) Revenue recognition

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ services. To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract and
- Recognise revenues when a performance obligation is satisfied.

## Summary of significant accounting policies and other explanatory information

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(All amounts in ₹ in lakh unless otherwise stated)

### Sale of goods

Revenue is measured at transaction price which represents value of goods after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax (GST).

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. It is the Company's policy to sell its products to the end customer with a right of return within 30 days. Accumulated experience is used to estimate and provide for such returns at the time of sale. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

### Income from services

Revenues from rent and display activities are recognized as per the terms of the contract.

### Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

### Contract Liability

A contract liability is recognised when the Company is under an obligation to redeem discount coupon, credit vouchers etc. given to customer on existing sales. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e. transfers control of the related goods or services to the customer).

## m) Financial instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

### Financial assets

#### Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. Financial assets at amortized cost – a financial instrument is measured at amortized cost if both the following conditions are met:

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- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method.

### ii. Financial assets at fair value

- **Investments in equity instruments other than above** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### Financial liabilities

#### Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortized cost using the effective interest method (EIR).

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as finance costs in the statement of profit and loss.

#### De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments.

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For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables

### n) Retirement and other employee benefits

#### Defined Contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company makes defined contribution to Government Employee Provident Fund, Employee Deposit Linked Insurance and ESI which are recognized in the statement of profit and loss on accrual basis.

The Company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services. The Company has no obligation other than the contribution payable to the Provident Fund. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### Defined benefit plan

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

#### Other employee benefits

##### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the actuarial valuation performed by an independent actuary using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

### o) Employee stock option plan

The cost of equity settled share-based plan is recognized based on the fair value of the options as at the grant date. The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in



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other equity. The total expense is recognised over the vesting period, which is period over which all of the specified vesting conditions are satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity. The fair value of options is determined using the Black Scholes valuation model.

### p) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

### r) Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

### s) Segment reporting

The Company is engaged in the business of retail trade of garments, textiles and accessories in India and there are no separate reportable segments as per Ind AS 108 'Segment Reporting'.

### t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### v) Significant management judgements in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- i. **Useful lives of depreciable/amortizable assets/Right of use assets** – Management reviews its estimate of the useful lives of depreciable/amortizable/Right of use assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.
- ii. **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- iii. **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- iv. **Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- v. **Contingent liabilities** – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often

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raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

- vi. **Inventories** – The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices. Further, the Company also estimate expected loss due to shrinkage, pilferage etc. along with NRV impact on old inventory taking into account most reliable information available at the reporting date.
- vii. **Employee stock option plan** – Assessment of appropriate input to the Black Scholes valuation model for valuation of share based payment including expected life of share option, volatility and divided yield and making assumption about them.
- viii. **Fair values hierarchy** – Assessment of reliability of inputs considered for fair valuation of financial assets and liabilities falls under hierarchy Level 3.

### w) Standard issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- a. Ind AS 1 – Material accounting policies - The amendments mainly related to shifting of disclosure of erstwhile “significant accounting policies” in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policies to make them more “entity specific. This amendment aligns with the “material” concept already required under International Financial Reporting Standards (IFRS). The Company does not expect this amendment to have any significant impact in its financial statement.
- b. Ind AS 8 – Definition of accounting estimates - The amendments specify definition of ‘change in accounting estimate’ replaced with the definition of ‘accounting estimates’. The Company does not expect this amendment to have any significant impact in its financial statement.
- c. Ind AS 12 – Income taxes – Annual Improvements to Ind AS (2021) - The amendment clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption does not apply. Also, If a company has not yet recognised deferred tax asset and deferred tax liability on right-of-use assets and lease liabilities or has recognised deferred tax asset or deferred tax liability on net basis, that company shall have to recognise deferred tax assets and deferred tax liabilities on gross basis based on the carrying amount of right-of-use assets and lease liabilities existing at the beginning of 1 April 2022. The Company does not expect this amendment to have any significant impact in its financial statement.

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### 2 (i) Property, plant and equipment

Description	Leasehold improvements	Vehicle*	Office equipments	Plant and machinery	Electrical equipments	Furniture and fixture	Computer hardware	Total
<b>Gross carrying value</b>								
As at 1 April 2021	485.39	352.49	2,622.79	1,750.66	3,181.65	6,458.08	1,874.12	16,725.17
Additions	78.07	-	126.23	192.77	217.76	452.11	196.13	1,263.07
Disposals	(23.01)	-	(35.38)	(90.13)	(4.28)	(38.42)	(4.73)	(195.95)
<b>As at 31 March 2022</b>	<b>540.44</b>	<b>352.49</b>	<b>2,713.63</b>	<b>1,853.30</b>	<b>3,395.14</b>	<b>6,871.77</b>	<b>2,065.53</b>	<b>17,792.30</b>
Additions	56.54	25.05	184.11	14.63	224.65	384.73	261.02	1,150.72
Disposals	-	-	(12.34)	-	(0.31)	(11.07)	(2.45)	(26.17)
<b>As at 31 March 2023</b>	<b>596.98</b>	<b>377.54</b>	<b>2,885.40</b>	<b>1,867.93</b>	<b>3,619.48</b>	<b>7,245.43</b>	<b>2,324.10</b>	<b>18,916.85</b>
<b>Accumulated depreciation</b>								
As at 1 April 2021	137.57	102.91	1,064.05	424.79	1,151.82	2,791.47	1,343.10	7,015.71
Charge for the year	66.53	41.82	336.46	76.79	298.39	679.83	204.10	1,703.92
Disposals	(23.01)	-	(20.86)	(20.74)	(1.02)	(21.11)	(3.37)	(90.11)
<b>As at 31 March 2022</b>	<b>181.08</b>	<b>144.73</b>	<b>1,379.65</b>	<b>480.84</b>	<b>1,449.19</b>	<b>3,450.20</b>	<b>1,543.83</b>	<b>8,629.53</b>
Charge for the year	61.55	41.99	364.35	52.05	319.57	664.22	225.18	1,728.93
Impairment	2.82	-	17.96	0.14	6.96	5.66	0.01	33.56
Disposals	-	-	(4.10)	-	(0.08)	(5.60)	(1.72)	(11.51)
<b>As at 31 March 2023</b>	<b>242.64</b>	<b>186.72</b>	<b>1,739.90</b>	<b>532.89</b>	<b>1,768.69</b>	<b>4,108.82</b>	<b>1,767.29</b>	<b>10,346.95</b>
<b>Net block as at 31 March 2022</b>	<b>359.36</b>	<b>207.75</b>	<b>1,333.98</b>	<b>1,372.46</b>	<b>1,945.94</b>	<b>3,421.57</b>	<b>521.70</b>	<b>9,162.77</b>
<b>Net block as at 31 March 2023</b>	<b>354.34</b>	<b>190.81</b>	<b>1,145.50</b>	<b>1,335.04</b>	<b>1,850.79</b>	<b>3,136.61</b>	<b>556.81</b>	<b>8,569.90</b>

#### Notes:

##### a. Contractual obligations

Refer note 35(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

##### b. Capitalised borrowing cost

The Company has not capitalised any borrowing costs during the year ended 31 March 2023 and 31 March 2022.

\* Gross block of vehicles amounting to Rs Nil lakhs (217.36 lakhs) are hypothecated against vehicle loans taken. Refer note 17.

	As at 31 March 2023	As at 31 March 2022
2 (ii) <b>Capital work-in-progress</b>		
Capital work-in-progress	10.98	-
	<b>10.98</b>	<b>-</b>

Particulars	Amount
<b>Capital work-in-progress as at 1 April 2021</b>	-
Add: Additions during the year	30.88
Less: Capitalisation during the year	(30.88)
<b>Capital work-in-progress as at 31 March 2022</b>	-
Add: Additions during the year	24.44
Less: Capitalisation during the year	(13.46)
<b>Capital work-in-progress as at 31 March 2023#</b>	<b>10.98</b>

#Capital work-in-progress include office equipment and furniture & fixtures amounting to ₹ 10.98 lakhs which are pending for capitalisation.

#### Capital work in process ageing schedule as on 31 March 2023

Capital work in process	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10.98	-	-	-	10.98

3(i) **Intangible assets**

Description	Computer software	Total
<b>Gross carrying value</b>		
As at 1 April 2021	361.07	361.07
Additions	479.52	479.52
Disposals	-	-
<b>As at 31 March 2022</b>	<b>840.59</b>	<b>840.59</b>
Additions	13.84	13.84
Disposals	-	-
<b>As at 31 March 2023</b>	<b>854.43</b>	<b>854.43</b>
<b>Accumulated amortization</b>		
As at 1 April 2021	311.88	311.88
Amortisation	73.90	73.90
Disposals	-	-
As at 31 March 2022	385.78	385.78
Amortisation	161.45	161.45
Disposals	-	-
<b>As at 31 March 2023</b>	<b>547.23</b>	<b>547.23</b>
<b>Net block as at 31 March 2022</b>	<b>454.82</b>	<b>454.82</b>
<b>Net block as at 31 March 2023</b>	<b>307.20</b>	<b>307.20</b>

	As at 31 March 2023	As at 31 March 2022
<b>3(ii) Intangible assets under development</b>		
Intangible assets under development	29.94	-
	29.94	-

**Intangible assets under development ageing schedule as on 31 March 2022**

Capital work in process	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

3 (iii) **Right of use assets and lease liabilities**

Set out below are the carrying amounts of right of use assets and lease liabilities and the movements during the year:

Particulars	Total	
<b>(a) Right-of-use assets</b>		
<b>Cost</b>		
Balance as on 1 April 2021		43,861.25
Add: Additions during the year		4,796.57
Less: Deletion during the year		(1,552.60)
<b>Balance as at 31 March 2022</b>		<b>47,105.22</b>
Add: Additions during the year		8,839.73
Less: Deletion during the year		(10,207.84)
<b>Balance as at 31 March 2023</b>		<b>45,737.11</b>
<b>Accumulated amortisation</b>		
Balance as on 1 April 2021		15,371.36
Add: Amortisation for the year (refer note 31)		3,881.54
<b>Balance as at 31 March 2022</b>		<b>19,252.90</b>
Add: Amortisation for the year (refer note 31)		4,502.16
Less: Deletion/modification during the year		(8,047.25)
<b>Balance as at 31 March 2023</b>		<b>15,707.81</b>
<b>Net carrying amount</b>		
Balance as at 31 March 2022		27,852.32
<b>Balance as at 31 March 2023</b>		<b>30,029.30</b>
<b>(b) Lease liabilities</b>		
	<b>31 March 2023</b>	<b>31 March 2022</b>
Opening Balance	33,475.14	33,751.74
Add: Addition in lease liabilities during the year	8,702.15	4,726.60
Add: Deletion in lease liabilities during the year	(2,491.70)	(1,998.03)
Add: Interest on lease liabilities	3,523.96	3,145.70
Less: Rent concession on lease rentals	(29.33)	(856.05)
Less: Lease liabilities paid	(6,779.79)	(5,294.82)
<b>Closing balance</b>	<b>36,400.43</b>	<b>33,475.14</b>
<b>Current</b>	<b>3,765.58</b>	<b>3,217.21</b>
<b>Non-current</b>	<b>32,634.84</b>	<b>30,257.93</b>



## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>4 Investment in subsidiary (Measured at cost)</b>		
Investment in 150,00,000 (31 March 2022 :150,00,000) equity shares of V2 Smart Manufacturing Private Limited	1,500.00	1,500.00
	<b>1,500.00</b>	<b>1,500.00</b>
Aggregate cost of unquoted investments	1,500.00	1,500.00

None of the above investments are listed on any stock exchange in India or outside India and these investments are carried at cost. There is no accumulated impairment as at current or previous year end.

	As at 31 March 2023	As at 31 March 2022
<b>5 Other financial assets</b>		
(Unsecured, Considered Good Unless Stated Otherwise)		
Fixed deposits having maturity of more than 12 months*	50.23	39.51
Security deposits	740.18	638.53
Advance paid against dispute	-	88.71
	<b>790.41</b>	<b>766.75</b>
*Fixed deposits amounting to Rs 50.23 laks ( Rs 39.51 lakh) are held as margin money towards bank guarantees and overdraft facility.		

	As at 31 March 2023	As at 31 March 2022
<b>6 (i) Deferred tax assets (net)</b>		
<b>Deferred tax asset arising on account of:</b>		
Property, plant and equipment	205.01	125.05
Provision for employee benefits	190.70	219.08
Provision for doubtfuls and obsolesces	20.31	172.56
Unabsorbed business losses	1,010.72	618.08
Lease liabilities	9,161.25	8,425.02
Fair valuation of interest free security deposits	144.46	135.44
	<b>10,732.44</b>	<b>9,695.22</b>
<b>Deferred tax liability arising on account of:</b>		
Right of use assets	7,557.77	7,009.87
Others	56.88	-
	<b>7,614.65</b>	<b>7,009.87</b>
<b>Net deferred tax assets</b>	<b>3,117.79</b>	<b>2,685.35</b>

Notes:

(a) Movement in deferred tax assets/(liabilities) for the year ended 31 March 2023 is as follows:

Description	Opening Balance	Recognised/ (reversed) through profit and loss	Recognised / (reversed) in other comprehensive income	Closing Balance
<b>Deferred tax assets in relation to:</b>				
Provision for employee benefits	219.10	(33.79)	5.38	190.70
Unabsorbed business losses	618.08	392.65	-	1,010.72
Property, plant and equipment	125.05	79.98	-	205.00
Lease liabilities	8,425.02	736.23	-	9,161.25
Fair valuation of interest free security deposits	135.44	9.02	-	144.46
Provision for doubtfuls and obsolesces	172.56	(152.24)	-	20.31
<b>Sub-total (a)</b>	<b>9,695.25</b>	<b>1,031.85</b>	<b>5.38</b>	<b>10,732.44</b>
<b>Deferred tax liabilities in relation to:</b>				
Right of use assets	7,009.87	547.89	-	7,557.77
Others	-	56.88	-	56.88
<b>Sub-total (b)</b>	<b>7,009.87</b>	<b>604.77</b>	<b>-</b>	<b>7,614.65</b>
<b>Total (a-b)</b>	<b>2,685.38</b>	<b>427.08</b>	<b>5.38</b>	<b>3,117.79</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Notes:

(b) Movement in deferred tax assets/(liabilities) for the year ended 31 March 2022 is as follows:

Description	Opening Balance	Recognised/ (reversed) through profit and loss	Recognised / (reversed) in other comprehensive income	Closing Balance
<b>Deferred tax assets/(liabilities) in relation to:</b>				
Provision for employee benefits	179.82	26.02	13.26	219.10
Unabsorbed business losses	570.01	48.07	-	618.08
Property, plant and equipment	70.71	54.33	-	125.05
Lease liabilities	8,494.64	(69.62)	-	8,425.02
Fair valuation of interest free security deposits	148.18	(12.74)	-	135.44
Expenses allowable on payment basis	33.47	139.09	-	172.56
<b>Sub-total (a)</b>	<b>9,496.83</b>	<b>185.15</b>	<b>13.26</b>	<b>9,695.25</b>
<b>Deferred tax liabilities in relation to:</b>				
Right of use assets	7,170.34	(160.47)	-	7,009.87
<b>Sub-total (b)</b>	<b>7,170.34</b>	<b>(160.47)</b>	<b>-</b>	<b>7,009.87</b>
<b>Total (a-b)</b>	<b>2,326.47</b>	<b>345.62</b>	<b>13.26</b>	<b>2,685.34</b>

	Year ended 31 March 2023	Year ended 31 March 2022
<b>(ii) Tax expense</b>		
The income tax expense consists of the following:		
<b>Recognised in profit and loss</b>		
Current tax expense	-	-
Tax expense of earlier years	(7.85)	-
Deferred tax expense/ (credit)	(427.08)	(345.62)
<b>Total income tax expense</b>	<b>(434.93)</b>	<b>(345.62)</b>

	Year ended 31 March 2023	Year ended 31 March 2022
<b>(a) The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.17% (31 March 2022: 25.17%) and the reported tax expense in profit or loss are as follows:</b>		
Profit before income tax	(1,883.75)	(1,635.82)
Income tax using the Company's domestic tax rate *	25.17%	25.17%
<b>Expected tax expense [A]</b>	<b>(474.10)</b>	<b>(411.70)</b>
<b>Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense</b>	<b>-</b>	<b>-</b>
Tax effect of expenses not eligible for deduction	-	-
Tax expense of earlier years	(7.85)	-
Items of permanent difference on which deferred tax not created	1.78	66.08
Others	45.25	-
<b>Total adjustments [B]</b>	<b>39.17</b>	<b>66.08</b>
<b>Actual tax expense [C=A+B]</b>	<b>(434.93)</b>	<b>(345.62)</b>
* Domestic tax rate applicable to the Company has been computed as follows		
Base tax rate	10%	10%
Surcharge (% of tax)	4%	4%
Cess (% of tax)	25.17%	25.17%
Applicable rate		

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

(b) Unused tax losses and credits on which deferred tax assets has not been recognised

	As at 31 March 2023	As at 31 March 2022
<b>Long Term Capital Loss</b>		
2017-2018 (2025-26*)	1127.49	1127.49
2020-2021 (2028-29*)	175.18	175.18
	<b>1302.67</b>	<b>1302.67</b>
* year of expiry		
Unabsorbed Depreciation on which Deferred tax assets has not been recognised		
Unabsorbed Depreciation	<b>1,615.00</b>	<b>1,711.38</b>
<b>Total tax losses and unabsorbed depreciation</b>	<b>2917.67</b>	<b>3014.05</b>

	As at 31 March 2023	As at 31 March 2022
<b>7 Other non-current assets</b>		
Advance for services (refer note 44)	1,557.65	1,557.65
Advance with service tax department	75.00	75.00
Advance paid against dispute	142.06	113.98
Advance for capex	-	102.07
	<b>1,774.71</b>	<b>1,848.70</b>

	As at 31 March 2023	As at 31 March 2022
<b>8 Income tax assets (net)</b>		
Advance tax (net of provision of tax)	47.43	125.34
	<b>47.43</b>	<b>125.34</b>

	As at 31 March 2023	As at 31 March 2022
<b>9 Inventories</b>		
(Valued at lower of cost and net realisable value, unless otherwise stated)		
Stock-in-trade (Refer note 37)	24,646.88	26,662.97
Stores and consumables	-	71.15
	<b>24,646.88</b>	<b>26,734.12</b>

	As at 31 March 2023	As at 31 March 2022
<b>10 Trade receivables</b>		
Unsecured		
Considered good	6.70	94.16
Have Significant increase in Credit Risk	38.21	38.21
Less: Expected credit loss	(38.21)	-
	<b>6.70</b>	<b>132.37</b>

For details of receivable from related parties, Refer note no. 41, Related party disclosures.

Particulars	As at 31 March 2023					
	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	3.72	2.98	-	-	<b>6.70</b>
Have Significant increase in Credit Risk	-	-	23.56	12.28	2.37	<b>38.21</b>
Less: Expected credit loss	-	-	23.56	12.28	2.37	<b>38.21</b>
<b>Total</b>	-	<b>3.72</b>	<b>2.98</b>	-	-	<b>6.70</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	94.16				-	94.16
Have Significant increase in Credit Risk	16.93	6.63	12.28	2.37	-	38.21
Less: Expected credit loss						-
<b>Total</b>	<b>111.09</b>	<b>6.63</b>	<b>12.28</b>	<b>2.37</b>	<b>-</b>	<b>132.37</b>

	As at 31 March 2023	As at 31 March 2022
<b>11 Cash and cash equivalents</b>		
Cash in hand	134.75	155.54
Fixed deposits having remaining maturity of less than 3 months*	-	-
Balance with banks:		
-in current accounts	58.91	438.55
	<b>193.66</b>	<b>594.09</b>

	As at 31 March 2023	As at 31 March 2022
<b>12 Other bank balances</b>		
Fixed deposits having maturity of more than 3 months and less than 12 months *	21.54	85.71
	<b>21.54</b>	<b>85.71</b>

\* Fixed deposits amounting to Rs. 21.54 lakh (Rs 85.71 lakh) are held as margin money towards bank guarantees.

	As at 31 March 2023	As at 31 March 2022
<b>13 Other financial assets</b>		
<b>Current</b>		
Credit card receivables	70.53	58.43
Security Deposits	38.75	87.39
Receivable against goods other than traded	620.51	1,529.96
	<b>729.79</b>	<b>1,675.78</b>

The carrying values are considered to be a reasonable approximation of fair value.

Refer note 42 for disclosure of fair values in respect of financial assets measured at amortised cost.

	As at 31 March 2023	As at 31 March 2022
<b>14 Other current assets</b>		
Prepaid expenses	9.80	7.07
Advances recoverable in kind or value to be received	13.13	26.43
Advance to suppliers	1,728.86	583.34
Advance to employees	16.68	23.69
Balance with statutory authorities	3,079.32	2,915.55
	<b>4,847.79</b>	<b>3,556.08</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>15 Equity share capital</b>		
<b>Authorised</b>		
40,000,000 equity shares of ₹ 10 each (31 March 2022: 40,000,000 equity shares of ₹ 10 each)	4,000.00	4,000.00
<b>Issued, subscribed and fully paid-up</b>		
34,389,341 equity shares of ₹ 10 each (31 March 2022: 34,389,341 equity shares of ₹ 10 each)	3,438.93	3,438.93
	<b>3,438.93</b>	<b>3,438.93</b>

	31 March 2023		31 March 2022	
	No of shares	Amount	No of shares	Amount
<b>(a) Reconciliation of number of shares</b>				
<b>Equity shares at the beginning of the year</b>	<b>3,43,89,341</b>	<b>3,438.93</b>	<b>3,41,05,026</b>	<b>3,410.50</b>
Changes during the year*	-	-	2,84,315	28.43
<b>Equity shares at the end of the year</b>	<b>3,43,89,341</b>	<b>3,438.93</b>	<b>3,43,89,341</b>	<b>3,438.93</b>

### (b) Terms/rights attached to equity shares/warrants

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The Board of Directors of the Company has not declared any dividend during the reporting period.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

\*During the year ended 31 March 2022, the Company has made allotment of 284,315 equity shares @ Rs 10 per equity share to the eligible employees on exercise of employee stock option scheme.

	31 March 2023		31 March 2022	
	No of shares	% holding	No of shares	% holding
<b>(c) Details of shareholders holding more than 5% shares in the company</b>				
Unicon Marketing Private Limited	-	0.00%	54,44,710	15.83%
Ricon Commodities Private Limited	1,28,62,710	37.40%	71,70,000	20.85%
Mr. Ram Chandra Agarwal	32,07,911	9.33%	32,07,911	9.33%
"India 2020 Fund II, Limited"	22,00,000	6.40%	22,00,000	6.40%
	<b>1,80,22,621</b>		<b>1,80,22,621</b>	

	Shareholding as on 01 April 2022	Purchase/ Acquisition during the year	Sales/ transfer during the year	Shareholding as on 31 March 2023	% Change in shareholding
	<b>(d) Details of promoters share holding in the company</b>				
Ram Chandra Agarwal	32,07,911	-	-	32,07,911	0.00%
Uma Agarwal	3,44,000	-	-	3,44,000	0.00%
Ramchandra Agarwal (HUF)	1,55,000	-	-	1,55,000	0.00%
Akash Agarwal	1,31,500	1,980	-	1,33,480	1.51%
Ricon Commodities Private Limited	71,70,000	-	-	71,70,000	0.00%
Unicon Marketing Private Limited	54,44,710	-	-	54,44,710	0.00%
Vishal Waterworld Private Limited	10,84,134	-	-	10,84,134	0.00%
V2 Conglomerate Limited	6,32,582	-	-	6,32,582	0.00%
Sunita Fashion Private Limited	2,48,000	-	-	2,48,000	0.00%
Total	<b>1,84,19,817</b>	<b>56,92,710</b>	<b>56,92,710</b>	<b>1,84,19,817</b>	



"Details of promoters share holding in the company as on 31 March 2022"	Shareholding as on 01 April 2021	Purchase/ Acquisition during the year	Sales/ transfer during the year	Shareholding as on 31 March 2022	% Change in shareholding
<b>Details of promoters share holding in the company</b>					
Ram Chandra Agarwal	32,07,911	-	-	32,07,911	0.00%
Uma Agarwal	3,44,000	-	-	3,44,000	0.00%
Ramchandra Agarwal (HUF)	1,55,000	-	-	1,55,000	0.00%
Akash Agarwal	1,31,500	1,980	-	1,33,480	1.51%
Ricon Commodities Private Limited	71,70,000	-	-	71,70,000	0.00%
Unicon Marketing Private Limited	54,44,710	-	-	54,44,710	0.00%
Vishal Waterworld Private Limited	10,84,134	-	-	10,84,134	0.00%
V2 Conglomerate Limited	6,32,582	-	-	6,32,582	0.00%
Sunita Fashion Private Limited	2,48,000	-	-	2,48,000	0.00%
<b>Total</b>	<b>1,84,17,837</b>	<b>1,980</b>	<b>-</b>	<b>1,84,19,817</b>	

- (e) The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of immediately preceding five years except for equity shares allotted under the Employee stock option plan as consideration for services rendered by employees for which only exercise price has been received in cash.

	As at 31 March 2023	As at 31 March 2022
<b>16 Other equity</b>		
<b>Securities premium account</b>	29,971.38	29,574.09
Opening balance	-	397.29
<b>Change during the year</b>	<b>29,971.38</b>	<b>29,971.38</b>
<b>Capital reserve [refer note (a) below]</b>	61,043.56	61,043.56
Opening balance	-	-
<b>Change during the year</b>	<b>61,043.56</b>	<b>61,043.56</b>
<b>Employees' stock option outstanding account</b>	109.55	377.65
Opening balance	-	(397.29)
Exercised during year	172.38	129.19
<b>Charge for the year</b>	<b>281.93</b>	<b>109.55</b>
<b>Retained earnings</b>	(68,548.94)	(67,219.31)
Opening balance	-	-
Net loss for the year	(1,448.82)	(1,290.20)
Remeasurement benefit of defined benefit plans (net of tax)	(15.98)	(39.43)
	<b>(70,013.74)</b>	<b>(68,548.94)</b>
	<b>21,283.14</b>	<b>22,575.54</b>

- (a) The Company restructured its business in the financial year 2010-11 resulting in creation of Capital Reserve amounting to Rs. 60,523.24 lakhs. The aforementioned reserve has been reconciled to amount recognised in the books of accounts except for Rs. 365.36 lakhs which the Company is in the process of reconciling. However, the management believes that there is no impact of the same on statement of profit and loss.
- (b) **Nature and purpose of other reserves**
- (i) **Securities premium**  
Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- (ii) **Capital reserve:**  
This reserve represents the excess of net assets taken, over the cost of consideration paid at the time of amalgamation done in prior years. This reserve is not available for the distribution to the shareholders.
- (iii) **Employees' stock options outstanding account**  
The account is used to recognise the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.
- (iv) **Retained earnings**  
Retained earnings comprise of the Company's accumulated undistributed profits/(losses) after taxes.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>17 Non-current borrowings</b>		
<b>Term loan</b>		
<b>Secured</b>		
Vehicle loans from financial institutions	-	11.10
	-	<b>11.10</b>
Less: Current maturities of long-term borrowings (refer note 20)	-	11.10
	-	-

### Notes:

- (a) Vehicle loan from ICICI Bank Limited amounting to ₹ Nil (31 March 2022: ₹ 11.10 lakh) was carrying an interest @ 8.70% per annum fully repaid in February 2023. The loan was secured against hypothecation of vehicle.
- (b) Refer note 42(a) for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

	As at 31 March 2023	As at 31 March 2022
<b>18 Other non-current financial liabilities</b>		
Security deposits*	22.78	14.74
	<b>22.78</b>	<b>14.74</b>

\* The above amount includes security deposits received from shop-in-shop vendors.

	As at 31 March 2023	As at 31 March 2022
<b>19 Provisions</b>		
<b>Non-current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity	277.22	252.77
Provision for compensated absences	152.01	142.03
	<b>429.23</b>	<b>394.80</b>

For disclosures on Gratuity and Other post employment benefit obligation, refer note 38

	As at 31 March 2023	As at 31 March 2022
<b>20 Short-term borrowings</b>		
<b>Secured</b>		
Working capital facility from bank (refer note below)	4,647.62	4,881.53
Current maturities of long-term borrowings (refer note 17 above)	-	11.10
	<b>4,647.62</b>	<b>4,892.63</b>

- a. Working capital facility of Rs. 5000 lacs from a bank carries an interest rate based upon MCLR @ 9.75% per annum. This facility is secured against stock and book debts. Further corporate guarantee given by a related party (Vishal Water World Private Limited) and personal guarantee given by managing director of the Company.
- b. **Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:**

Particulars	As at 1 April 2022	Cash out flows	Non cash changes			As at 31 March 2023
			Lease additions	Impact of rent concession & leases closed	Interest expenses	
Non Current borrowings	-	-	-	-	-	-
"Lease liabilities (including current maturities)"	33,475.14	(3,255.84)	8,702.15	(2,521.03)	-	36,400.42
Current borrowings (net)	4,892.63	(245.01)	-	-	-	4,647.62
Interest accrued	-	(3,988.12)	-	-	3,988.12	-
<b>Total liabilities from financial activities</b>	<b>38,367.77</b>	<b>(7,488.97)</b>	<b>8,702.15</b>	<b>(2,521.03)</b>	<b>3,988.12</b>	<b>41,048.04</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Particulars	As at 1 April 2021	Cash out flows	Non cash changes			As at 31 March 2022
			Lease additions	Impact of rent concession & leases closed	Interest expenses	
Non Current borrowings	11.66	(11.66)	-	-	-	-
"Lease liabilities (including current maturities)"	33,751.74	(2,149.12)	4,726.60	(2,854.07)	-	33,475.14
Current borrowings (net)	5,038.51	(145.88)	-	-	-	4,892.63
Interest accrued	-	(3,607.09)	-	-	3,607.09	-
<b>Total liabilities from financial activities</b>	<b>38,801.91</b>	<b>(5,913.74)</b>	<b>4,726.60</b>	<b>(2,854.07)</b>	<b>3,607.09</b>	<b>38,367.77</b>

		As at 31 March 2023	As at 31 March 2022
<b>21 Trade payables</b>			
i. Undisputed- total outstanding dues of micro enterprises and small enterprises		417.29	458.94
ii. Undisputed- total outstanding dues of creditors other than micro enterprises and small enterprises		8,987.22	10,729.63
		<b>9,404.51</b>	<b>11,188.57</b>

Due to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	31 March 2023	31 March 2022
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal amount remaining unpaid	417.29	458.94
Interest accrued and remaining unpaid as at year end	-	-
ii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act	-	-
iii) Amount paid to the suppliers beyond the respective due date.	-	-
iv) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
v) Amount of interest accrued and remaining unpaid at the end of accounting period.	-	-
vi) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

(b) Trade payables ageing is as follows:

Particulars	Not due*	As at 31 March 2023					Total
		Outstanding for following periods from due date of payment					
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed- MSME	339.60	77.69	-	-	-	417.28	
(ii) Undisputed- Others	6,261.69	2,494.43	105.78	44.33	55.92	8,962.15	
(iii) Disputed dues- MSME	-	-	-	-	-	-	
(ii) Disputed dues- Others	-	-	-	-	25.07	25.07	
<b>Total</b>	<b>6,601.29</b>	<b>2,572.12</b>	<b>105.78</b>	<b>44.33</b>	<b>80.99</b>	<b>9,404.51</b>	

Particulars	Not due*	As at 31 March 2022					Total
		Outstanding for following periods from due date of payment					
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed- MSME	335.97	122.96	-	-	-	458.93	
(ii) Undisputed- Others	557.1	9,951.48	30.00	81.17	109.89	10,729.64	
(iii) Disputed dues- MSME	-	-	-	-	-	-	
(ii) Disputed dues- Others	-	-	-	-	-	-	
<b>Total</b>	<b>893.07</b>	<b>10,074.44</b>	<b>30.00</b>	<b>81.17</b>	<b>109.89</b>	<b>11,188.57</b>	

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>22 Other financial liabilities</b>		
<b>Current</b>		
Employee related payables	244.54	538.77
Creditors for capital purchases	367.45	255.61
Payment towards credit card	9.39	11.98
	<b>621.38</b>	<b>806.36</b>
	As at 31 March 2023	As at 31 March 2022
<b>23 Provisions</b>		
<b>Current</b>		
Provision for gratuity	136.99	109.83
Provision for compensated absences	95.38	112.16
	<b>232.37</b>	<b>221.99</b>
For disclosures on Gratuity and Other post employment benefit obligation, refer note 38		
	As at 31 March 2023	As at 31 March 2022
<b>24 Other current liabilities</b>		
Statutory liabilities	131.74	152.81
Amount payables to customers	11.91	12.68
	<b>143.65</b>	<b>165.49</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>25 Revenue from operations</b>		
<b>Operating revenue</b>		
Traded goods*	83,612.62	62,756.16
<b>Other operating revenue</b>		
Scrap sales	164.96	115.00
Display income	110.72	51.33
	<b>83,888.30</b>	<b>62,922.49</b>
<b>* Details of sale of traded goods</b>		
Apparels	80,611.44	58,542.65
Non-apparels	3,001.18	4,213.51
	<b>83,612.62</b>	<b>62,756.16</b>
<b>Detail of Operating revenue by Geographical locations</b>		
In India	83,612.62	62,756.16
Outside India	-	-
<b>Total</b>	<b>83,612.62</b>	<b>62,756.16</b>
<b>\$Refer note 40</b>		
	Year ended 31 March 2023	Year ended 31 March 2022
<b>26 Other income</b>		
<b>Interest Income on:</b>		
-Bank deposits	7.00	14.04
-Other financial assets carried at amortised cost	67.33	101.85
-Interest on Income tax refund	21.49	-
Gain on derecognition of lease liabilities including security deposits	379.42	464.17
Rent concession received from landlords (refer note 45)	29.33	856.05
Profit on sale of property, plant and equipment (net)	5.61	15.61
Insurance claim received	8.08	46.49
Sales of consumables	3.89	21.24
Miscellaneous income	92.41	38.95
	<b>614.56</b>	<b>1,558.40</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>27 Purchase of stock-in-trade</b>		
Purchase of stock-in-trade (refer note below)	57,535.47	44,213.29
	<b>57,535.47</b>	<b>44,213.29</b>
<b>a. Details of purchase of stock-in-trade</b>		
Apparels	48,262.95	40,775.29
Non-apparels	9,272.52	3,438.00
	<b>57,535.47</b>	<b>44,213.29</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>28 Changes in inventories of stock-in-trade</b>		
<b>Traded goods</b>		
Closing stock (refer note below)	24,646.87	26,662.97
Opening stock	26,662.97	26,515.57
	<b>2,016.10</b>	<b>(147.40)</b>
<b>a. Details of closing stock</b>		
Apparels	20,741.34	24,584.73
Non-apparel	3,905.54	2,078.24
	<b>24,646.88</b>	<b>26,662.97</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>29 Employee benefit expense</b>		
Salaries, wages and bonus	7,179.58	5,085.58
Gratuity expenses	86.45	71.92
Contribution to provident and other funds	390.90	288.40
Share based payments to employees (refer note 39)	172.38	129.19
Staff welfare	338.94	185.73
	<b>8,168.25</b>	<b>5,760.82</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>30 Finance costs</b>		
Interest on		
Term loans	0.49	3.74
Working capital loans	449.92	457.65
Lease liabilities	3,523.96	3,145.70
Other borrowing cost	13.75	-
	<b>3,988.12</b>	<b>3,607.09</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>31 Depreciation and amortisation</b>		
Depreciation on property, plant and equipment	1,728.93	1,703.92
Amortization of intangible assets	161.45	73.90
Depreciation on right of use assets	4,502.16	3,881.54
	<b>6,392.54</b>	<b>5,659.36</b>



## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>32 Other expenses</b>		
Power, fuel and electricity	2,644.14	1,941.26
Water charges	16.06	8.01
Repair and maintenance	-	-
- Building	53.48	12.41
- Plant and machinery	8.28	9.61
- Others	272.97	229.48
Rent (refer note 45)	157.37	70.63
Insurance charges	37.78	41.08
Rates and taxes	188.94	133.83
Bank charges	66.29	137.48
Legal and professional	521.09	407.46
Provision for expected credit loss	38.21	-
Motor vehicle expenses	29.91	23.74
Printing and stationery	39.73	35.93
Packing materials & expenses	902.34	436.55
Security service charges	304.15	193.34
Housekeeping expenses	205.12	149.92
Telephone expenses	93.58	70.54
E-Commerce expenses	76.90	1,014.59
Traveling and conveyance	234.89	158.32
Postage and telephones	4.13	0.87
Payment to auditors (refer note a below)	33.58	27.56
Credit cards charges	80.34	99.01
Advertisement & sales promotion	555.61	505.25
Commission charges	2.53	6.63
Compensation to landlord	85.70	-
Transportation charges	1,454.41	980.57
Miscellaneous expenses	178.60	329.49
<b>Total</b>	<b>8,286.13</b>	<b>7,023.55</b>

	Year ended 31 March 2023	Year ended 31 March 2022
<b>a. Auditors' remuneration</b>		
Statutory audit (including fees for limited reviews)*	28.85	25.30
Other services	0.15	-
Out of pocket expenses	4.58	2.26
	<b>33.58</b>	<b>27.56</b>

Includes Rs. Paid to previous auditor in current year

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>33 Details of expenditure incurred in relation to CSR activities during the year</b>		
In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:		
Average net profit of the Company for last three financial years	-	-
Gross amount required to be spent by the Company during the year	-	-
Amount spent during the year on the following:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	-	-
Amount unspent during the year and deposited in a scheduled bank	-	-
Shortfall at the end of the year	-	-
Reason of Shortfall	NA	NA
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		

	Year ended 31 March 2023	Year ended 31 March 2022
<b>34 Earnings per share</b>		
Loss attributable to equity shareholders before exceptional items (A)	(1,448.82)	(1,290.20)
Nominal value per share	10.00	10.00
<b>Weighted-average number of ordinary shares (basic)</b>		
Numbers of weighted average equity share outstanding at the beginning	3,43,89,341	3,41,05,026
Issued ordinary shares	-	2,10,315
Weighted average number of equity shares outstanding during the year (B)	<b>3,43,89,341</b>	<b>3,43,15,341</b>

### Weighted-average number of ordinary shares (diluted)

Category	Grant date	No. of Options	
		31 March 2023	31 March 2022
	28 June 2021	2,25,000	2,25,000
<b>Total ESOP's granted</b>		<b>2,25,000</b>	<b>2,25,000</b>

Particulars	31 March 2023	31 March 2022
Average price of the share	108.95	140.86
Face Value	10	10
Exercise price	10	10
Diluted shares (nos.)	<b>2,04,348</b>	<b>2,09,027</b>
<b>Weighted average number of equity shares adjusted for the effect of dilution (C)</b>	<b>3,45,93,689</b>	<b>3,45,24,368</b>
<b>Basic loss per equity share (Amount in ₹) (A/B)</b>	(4.21)	(3.76)
<b>Diluted loss per equity share (Amount in ₹) (A/C)</b>	(4.21)	(3.76)
The effect of potential equity shares is anti dilutive in nature accordingly not considered for the purpose of arriving at dilutive earning per share for the year ended March 2023 and March 2022.		

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	31 March 2023	31 March 2022
<b>35 Contingencies and commitments</b>		
<b>(a) Contingent liabilities</b>		
Claims against the Company not acknowledged as debt [refer note (i) below]	1,597.17	1,869.51
Dispute under sales tax law (matters under appeal) [refer note (ii) below]	2,520.94	2,801.78
Dispute under service tax law (matters under appeal) [refer note (iii) below]	302.08	302.08
Disputes under income tax law	1,014.34	11,887.49
<b>(i)</b> The Company has certain cases/disputes aggregating to ₹ 1,597.17 lakhs (31 March 2022: ₹ 1869.51 lakhs) involving customers, vendors and ex-employees. Whilst the impact of these litigations on these financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the Company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these standalone financial statements.		
<b>(ii)</b> The Company has certain litigations related to Sales tax and Values added tax (VAT) pending under Rajasthan Value Added Tax Act, 2003 aggregating to Nil Lakhs (31 March 2022 ₹ 441.28 lakhs) West Bengal Value Added Tax Act, 2003 aggregating to ₹ 2,250 lakhs ( 31 March 2022 ₹ 2,250 lakhs), The Assam Value Added Tax Act, 2003 aggregating to ₹ 7.20 lakhs (31 march 2022 ₹ 7.20 lakhs), The Uttar Pradesh Value Added Tax Act, 2008 aggregating to ₹ 24.46 lakhs (31 March 2022 ₹ 24.46 Lakhs), The Haryana Value Added Tax Act, 2003 aggregating to ₹ 59.79 lakhs( 31 March 2022 ₹ 59.79 lakhs) and The Bihar Value Added Tax Act, 2005 ₹ 179.49 lakhs (31 March 2022 ₹ 19.05). Whilst the impact of these litigations on these financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the Company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these standalone financial statements.		
<b>(iii)</b> The Company has pending litigation related to service tax under Finance Act, 1994 amounting to ₹ 302.08 lakhs (31 March 2022: ₹ 302.08 lakhs). Whilst the impact of these litigations on these financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the Company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these standalone financial statements.		
<b>(iv)</b> Out of contingent liabilities existing as at 31 March 2023 as disclosed above, certain cases amounting to ₹ Nil (31 March 2022: ₹ 747.25 lakhs) comprising of claims against the Company not acknowledged as debt of ₹ Nil (31 March 2022: ₹ 281.51 lakh) and Value added tax related disputes aggregating ₹ Nil (31 March 2022: ₹ 465.75 lakh) [(included in point (i) and (ii) above] are under appeal with different authorities at different levels for which the management does not have necessary details and information. Whilst the impact of these contingent liabilities on the standalone financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the Company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these standalone financial statements.		
<b>(b) Commitments</b>		
i. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	207.77	38.77
ii During the year the Company has entered into lease arrangements for which lease accounting will be started from the commencement of store and company has to pay rent of Rs. 354.12 lakhs over the period of lease term.		

### 36 Segment information

"In accordance with Ind AS 108, the Board of directors, being the Chief operating decision maker of the Company, has determined that the Company is engaged in the business of retail trade of garments, textiles and accessories in India and there are no separate reportable segments as per Ind AS 108. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statement. The Company's operations are such that all activities are confined only to India and here are no customers accounting for more than 10% of its revenue."

**37** During the current year ended 31 March 2023, the management has recorded provision amounting to 689.34 (31 March 2022: ₹ 628.10 lakhs) for expected loss for sale of old inventory taking into account most reliable information available at the reporting date and in view of management, the provision is adequate. Further, during the current year, management has performed physical verification of inventories at stores and warehouse. Based on the physical verification, the Company has written-off inventory amounting to ₹ 634.46 lakhs (31 March 2022: ₹ 825.20 lakhs) which has been adjusted against the provision created.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (All amounts in ₹ in lakh unless otherwise stated)

### 38 Post employment benefit plans

Particulars	31 March 2023		31 March 2022	
	Current	Non-current	Current	Non-current
Gratuity	136.99	277.22	109.83	252.77
	<b>136.99</b>	<b>277.22</b>	<b>109.83</b>	<b>252.77</b>

#### A Gratuity

The Company operates gratuity plan where in every employee is entitled to benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vests after five years of continuous service. Gratuity benefits valued were in accordance with the payment of Gratuity Act, 1972.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the Gratuity plan:

#### (i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2023	31 March 2022
Current service cost	68.43	59.61
Interest cost	18.02	12.30
<b>Amount recognised in the statement of profit and loss</b>	<b>86.45</b>	<b>71.921</b>

#### (ii) Changes in the present value of the defined benefit obligation are as follows :

Description	31 March 2023	31 March 2022
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>362.60</b>	<b>271.67</b>
Current service cost	68.43	59.61
Interest cost	18.02	12.30
Actuarial loss/(gain) recognised during the year	21.36	52.69
Benefits paid	(56.22)	(33.67)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>414.19</b>	<b>362.60</b>

#### (iii) Amount recognised in Other comprehensive income is as under:

Description	31 March 2023	31 March 2022
Actuarial loss on arising from change in demographic assumption	-	26.47
Actuarial (gain)/loss on arising from change in financial assumption	(22.67)	(2.64)
Actuarial loss on arising from experience adjustment	44.03	28.86
<b>Total actuarial (gain)/loss</b>	<b>21.34</b>	<b>52.69</b>

#### (iv) The principal assumptions used in determining gratuity benefit obligations for the Company are shown below

Description	31 March 2023	31 March 2022
Discount rate	7.04%	4.97%
Retirement age	58 years	58 years
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition at ages:		
- Upto 30 years	50.00%	50.00%
- From 31 to 44 years	40.00%	40.00%
- Above 44 years	20.00%	20.00%
Rate of increase in compensation	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	31 March 2023	31 March 2022
(v) <b>Sensitivity analysis for gratuity liability</b>		
<b>Description</b>		
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	<b>414.19</b>	<b>362.60</b>
- Impact due to increase of 0.50 %	(5.13)	(4.78)
- Impact due to decrease of 0.50 %	5.30	4.94
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	<b>414.19</b>	<b>362.610</b>
- Impact due to increase of 0.50 %	4.60	4.10
- Impact due to decrease of 0.50 %	(4.52)	(4.03)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

<b>Expected contribution</b>	31 March 2023	31 March 2022
Expected contribution to Gratuity in next year	92.53	78.97
(vi) <b>Maturity profile of defined benefit obligation (undiscounted)</b>		
<b>Description</b>		
Within next 12 months	136.98	109.83
Between 2-5 years	211.58	196.29
Beyond 5 years	65.64	56.48

Notes:

- 1 The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- 2 The estimates of future salary increase considered takes into account the inflations, seniority, promotion and other relevant factors on long term basis.
- 3 The weighted average duration to the payment of these cash flows is 1.73 years (31 March 2022: 1.72 years).

### B Defined contribution scheme

The Company's state governed provident fund scheme, employee state insurance scheme and labour welfare fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the statement of profit and loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds. The amount of contribution made by the Company to employees' provident fund is ₹ 300.54 lakhs (31 March 2022: ₹ 224.36 lakhs).



## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 39 Share based payment

During the year ended 31 March 2023, the Company has granted Nil (31 March 2022: 225,000) employee stock options ("ESOP") as per scheme approved by "Nomination and Remuneration Committee", at an exercise price of ₹ 10 per option. Further, out of Nil (31 March 2022: 284,684) ESOP outstanding as at the beginning of the year, the Company has forfeited Nil (31 March 2022: 369) ESOP and Company has issued shares for Nil (31 March 2022: 284,315) ESOP exercised. Total ESOP outstanding as at 31 March 2023 are 225,000 (31 March 2022: 225,000). The vesting period of the ESOP is ranging from 15 months to 36 months. The granted options can be exercised after vesting at any time before the expiry of 3 months from vesting date. An amount of ₹ 172.38 lakhs (31 March 2022: ₹ 129.19 lakhs) has been recorded for the year ended 31 March 2023 as employee benefits expense, as the proportionate cost of ESOP granted.

The Company provides share-based payment scheme to its employees. During the year ended 31 March 2017, an Employee Stock Option Plan was introduced. The relevant details of the scheme and the grant as below, In the Annual General Meeting held on 30 September 2016, the Board of Directors ("Board") has approved the V2 R-Employee Stock Option Scheme 2016 ('ESOP 2016') and grant of options to the eligible employee of the company under the Scheme. The Details of the scheme are as below:

#### a) Employee stock option scheme :

As at 31 March 2023 the Company had the following outstanding share based payment arrangements:

Particulars	ESOP Scheme	Method of Settlement	Vesting period	Grant Date	No. of Options granted	Exercise price per share (₹)	Market price on the date of granting of option (₹)
Tranche -I-2021	Scheme 2016	Equity	21 Months	28 June 2021	2,25,000	10	128.55

#### b) Movement of option granted

Particulars	31 March 2023	31 March 2022
	Number of options	Weighted average price
Options Outstanding at the beginning of the year	2,25,000	2,84,684
Granted during the year (net of lapsed)	-	2,25,000
Exercised during the year*	-	2,84,315
Forfeited during the year	-	369
Options outstanding during the year	2,25,000	2,25,000
Options unvested at the end of the year	2,25,000	2,25,000
Option exercisable at the end of the year	-	-

#### c) Fair Valuation:

The fair valuation of the options used to compute profoma net profit and earnings per share have been done by an independent valuer on the date of grant using Black-Scholes Merton Formula. The key assumption and fair value are as under:

Particulars	Risk free Interest Rate (%)	Life (Years)	Expected Volatility (%)	Expected Dividend Yield (%)	Weighted average Fair Value Per Option (₹)
Tranche - I -2021	7.40	4	23.23	-	131.16

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not also necessary be the actual outcome.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (All amounts in ₹ in lakh unless otherwise stated)

### 40 Revenue from Contracts with Customers

"Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

#### Assets and liabilities related to contracts with customers

Description	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
<b>Contract liabilities related to sale of goods</b>				
Advance from customers	-	11.91	-	12.68
<b>Contract receivables related to sale of goods</b>				
Trade receivables	-	6.70	-	132.37

#### Significant changes in contract assets and liabilities

There has been no significant changes in contract assets/contract liabilities during the year.

#### Performance obligation:

Performance obligation is satisfied at a point of time.

#### Payment term:

Company generally sales goods to customer when its received payment from customers.

#### Obligations:

Company sell its products to the end customer with a right of return within 30 days.

#### Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes.

Description	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	12.68	5.63
Addition during the year	11.91	12.68
Revenue recognised during the year	(12.68)	(5.63)
Closing balance	<b>11.91</b>	<b>12.68</b>

#### Disaggregation of revenue

Revenue arises mainly from the sale of traded goods:

Description	31 March 2023	31 March 2022
<b>(A) Sale of goods</b>		
Revenue from sale of goods	83,612.62	62,756.16
<b>(B) Other ancillary revenue</b>		
Scrap sales	164.96	115.00
Display income	110.72	51.33
	<b>83,888.30</b>	<b>62,922.49</b>

Description Reconciliation of revenue recognised with contract price	31 March 2023	31 March 2022
<b>Contract price</b>	83,612.62	62,756.1
Less: Rebate & Discount	-	-
<b>Revenue from contracts with customer</b>	83,612.62	62,756.16

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022 (All amounts in ₹ in lakh unless otherwise stated)

### 41 Related party disclosures

#### (a) Key managerial personnel

Mr. Ram Chandra Agarwal (Chairman and Managing Director)

Mrs. Uma Agarwal (Director)

Mr. Akash Agarwal ceases as Whole Time Director and Chief Financial Officer w.e.f. 03 September 2022 and appointed as Non-executive director w.e.f. 03 September 2022

Ms. Archana Surendra Yadav (Independent Director)

Dr. Arun Kumar Roopanwal (Independent Director)

Mr. M.S. Anand (Independent Director) (w.e.f. 10th February, 2023)

Mrs. Rochelle Susanna Dsouza (Non-executive Director) (upto 11 August 2022)

Mr. Harbir Singh Sidhu (Independent Director) (upto 14th November, 2022)

Mr. Lalit Kumar (Independent Director) (upto 26th December, 2022)

Mr. Manshu Tandon (Chief Executive Officer)

Mr. Sudhir Kumar (Company Secretary and Compliance Officer)

Mr. Pratik Adukia (Chief Financial Officer) [w.e.f. 10th February, 2023]

#### (b) Companies in which Directors and Key Management Personnel or their relatives have control or significant influence

Vishal Water World Private Limited

#### (c) Subsidiary Company

V2 Smart Manufacturing Private Limited

#### (d) Summary of transactions with related parties:

V2 Smart Manufacturing Private Limited

S. No.	Particulars	31 March 2023	31 March 2022
<b>1</b>	<b>Remuneration</b>		
	Mr. Ram Chandra Agarwal	60.00	54.50
	Mrs. Uma Agarwal	60.00	53.75
	Mr. Akash Agarwal	25.00	51.21
	Mr. Manshu Tandon*	87.97	69.23
	Mr. Sudhir Kumar	15.50	12.25
	Mr. Pratik Adukia	9.17	-
<b>2</b>	<b>Sales of property, plant and equipment during the year</b>		
	V2 Smart Manufacturing Private Limited	24.30	171.52
<b>3</b>	<b>Sales of Traded goods during the year</b>		
	Vishal Water World Private Limited	3.72	-
<b>4</b>	<b>Purchase of Traded goods during the year</b>		
	V2 Smart Manufacturing Private Limited	9,876.13	10,054.36
<b>5</b>	<b>Sitting fees</b>		
	Mr. Harbir Singh Sidhu	3.00	3.00
	Ms. Archana Surendra Yadav	3.75	3.00
	Dr. Arun Kumar Roopanwal	3.75	3.00
	Mr. Lalit Kumar	3.00	3.00
	Mr. M S Anand	0.75	-

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

S. No.	Particulars	31 March 2023	31 March 2022
6	<b>Employee Higher Education Sponsorship Program Expenses</b>		
	Mr. Akash Agarwal	90.28	-
7	<b>Balance outstanding as at the year end:</b>		
	<b>Other Receivable (Sales of Property, plant and equipment)</b>		
	V2 Smart Manufacturing Private Limited	620.51	1,532.94
	<b>Advance against purchases of traded goods</b>		
	V2 Smart Manufacturing Private Limited	1,281.95	99.20
	<b>Trade Receivable</b>		
	Vishal Water World Private Limited	3.72	-
8	<b>Remuneration Payable</b>		
	Mrs. Uma Agarwal	3.94	6.50
	Mr. Akash Agarwal	-	11.55
	Mr. Manshu Tandon*	-	-
	Mr. Sudhir Kumar	-	0.80
9	<b>Sitting fees Payable</b>		
	Mr. Harbir Singh Sidhu	-	0.75
	Ms. Archana Surendra Yadav	-	0.75
	Dr. Arun Kumar Roopanwal	-	0.75
	Mr. Lalit Kumar	-	0.75
	<b>For guarantee given by related parties (refer note 20)</b>		
	<b>Summary of Payment made to KMP*#</b>		
	Short Term Employee Benefit	289.66	252.94
	Other Long Term Benefit	11.92	-
	Share Based Payment	-	243.31
	Post Employment Benefit	28.85	-

Certain KMPs also participate in post employment benefits plans provided by the Company. The amount in respect of these towards the KMPs can not be segregated as these are based on actuarial valuation for all employees of the Company.

\*excludes the amount charged/reversed to the statement of profit and loss on grant/forfeiture of employee stock options.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 42 Fair value disclosures

#### A Financial instruments by category

Particulars	31 March 2023			31 March 2022		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
<b>Financial assets measured at amortised cost</b>						
<b>Security deposits</b>	-	-		-	-	
Current			38.75			87.38
Non-current			740.18			638.53
Cash and bank balances	-	-	215.20	-	-	679.80
Trade Receivables	-	-	6.70	-	-	132.37
Other financial assets	-	-		-	-	
Current			691.04			1,588.39
Non-current			50.24			128.23
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,742.10</b>	<b>-</b>	<b>-</b>	<b>3,254.70</b>
<b>Financial liabilities measured at amortised cost</b>						
Borrowings (current)	-	-	4,647.62	-	-	4,892.63
Lease liabilities	-	-		-	-	
Current			3,765.58			3,217.21
Non-current			32,634.84			30,257.93
Trade payable (current)	-	-	9,404.51	-	-	11,188.57
Other financial liabilities	-	-		-	-	
Current			621.38			806.36
Non-current			22.78			14.74
<b>Total</b>	<b>-</b>	<b>-</b>	<b>51,096.71</b>	<b>-</b>	<b>-</b>	<b>50,377.44</b>

**Note:** Investment in equity instrument of subsidiary is measured at cost as per Ind AS 27 "Separate Financial Statements" and hence, not presented here.

#### B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### C Fair value of instruments on recurring basis measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	31 March 2023		31 March 2022	
	Carrying value	Fair value	Carrying value	Fair value
Security deposits	778.96	778.96	725.92	725.92
	778.96	778.96	725.92	725.92

The management assessed that fair values of cash and cash equivalents, trade payables, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of borrowings, lease liabilities and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.



42(a) **Financial risk management**i) **Risk management framework**

The Company's activities expose to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Recognised variable rate financial liabilities denominated in Indian rupee (INR)	Cash flow forecasting	Company is in the process of reducing the debt component to reduce the interest rate risk

A) **Credit risk**

"Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- loans and receivables carried at amortised cost, and
- deposits with banks"

a) **Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

Credit rating	Particulars	31 March 2023	31 March 2022
A: Low	Security deposits	778.93	725.92
	Cash and bank balances	215.20	679.80
	Trade Receivables	6.70	132.37
	Other financial assets	741.27	1716.61

**Cash & cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

**Trade receivable, loans and other financial assets measured at amortised cost**

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. "The Company's trade receivables does not have any expected credit loss as the Company sells products once the entire payment is received **except some sales are made through E-Commerce operators on which the Company has created life time expected credit loss.**

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

Particulars	As at 31 March 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount		3.72	26.54	12.28	2.37	44.91
Specific provision (Expected Credit Loss)		-	23.56	12.28	2.37	38.21
Carrying amount		3.72	2.98	-	-	6.70

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount	111.09	6.63	12.28	2.37	-	132.37
Specific provision (Expected Credit Loss)	-	-	-	-	-	-
Carrying amount	111.09	6.63	12.28	2.37	-	132.37

Particulars	31 March 2023	31 March 2022
Opening Balance	-	-
Change in loss allowance	38.21	-
Closing Balance	38.21	-

### B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2023	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	4,647.62	-	-	4,647.62
Lease liabilities	7,114.42	14,054.24	31,466.01	52,634.67
Trade payable	9,404.51	-	-	9,404.51
Other financial liabilities	621.38	22.78	-	644.15
<b>Total</b>	<b>21,787.93</b>	<b>14,077.01</b>	<b>31,466.01</b>	<b>67,330.96</b>

31 March 2022	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	4,892.63	-	-	4,892.63
Lease liabilities	6,398.50	12,752.98	29,706.94	48,858.42
Trade payable	11,188.57	-	-	11,188.57
Other financial liabilities	806.36	14.74	-	821.10
<b>Total</b>	<b>23,286.05</b>	<b>12,767.72</b>	<b>29,706.94</b>	<b>65,760.70</b>

### C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### a) Interest rate risk

#### i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31 March 2022, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

#### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	4,647.62	4,881.53
Fixed rate borrowing	-	11.10
<b>Total borrowings</b>	<b>4,647.61</b>	<b>4,892.63</b>

#### Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31 March 2023	31 March 2022
<b>Interest sensitivity*</b>		
Interest rates – increase by 100 basis points	46.48	48.82
Interest rates – decrease by 100 basis points	(46.48)	(48.82)

\* Holding all other variables constant

#### ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

- 42(b) The Company has recognised deferred tax assets arising from unabsorbed depreciation and business losses to the extent there is reasonable certainty the Company would be able to realise the deferred tax assets against future taxable income.

An entity should disclose amount of DTA and nature of evidence supporting its recognition as per para 82 of INDAS-12

### 43 Capital management

The Company's capital management objectives are

- to safeguard their ability to continue as a going concern
- to maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company's adjusted net debt to equity ratio at 31 March 2023 and 31 March 2022 are as follows.

Particulars	31 March 2023	31 March 2022
Total borrowings	4,647.62	4,892.64
Less: cash and cash equivalents	265.43	719.31
<b>Net debt</b>	<b>4,382.19</b>	<b>4,173.33</b>
Total equity	24,722.07	26,014.47
<b>Adjusted net debt to adjusted equity ratio</b>	<b>17.73%</b>	<b>16.04%</b>

### 44 Advertising advance to Bennett, Coleman and Company Limited (BCCL)

The Company executed an Advertisement contract dated 7 July 2015 for the period of 5 years with Bennet Coleman and Company Limited (BCCL), pursuant to which the Company has agreed to give advertisements of Rs. 5,000 lakhs, being the total commitment and BCCL has extended long-term credit facility amounting to Rs. 3,250 lakhs to be utilized in accordance with the terms of aforesaid agreement. The aforesaid agreement was further extended twice for a term of one year each and the management is confident of its renewal beyond July 7, 2023 basis its ongoing discussion with BCCL and past practice. The Company has paid Rs. 1,557.65 lakhs till year ended 31 March 2023 (outstanding since April, 2019,) pursuant to this contract and disclosed this amount under "other non-current assets" as at 31 March 2023. Further, the management is confident of utilising the above advance with in the extended contractual period and therefore, has considered the aforesaid advance as good and recoverable.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (All amounts in ₹ in lakh unless otherwise stated)

### 45 Ratio analysis and its elements

Particulars	Numerator	Denominator	Year ended		Change (%)	Reason for Variance
Expenses relating to short term leases (included in other expenses)					70.63	300.36
Debt- Equity Ratio	Total Debts= Borrowings+ Lease Liabilities	Shareholders' total equity	1.66	1.47	13%	
Debt Service Coverage Ratio	Earnings available for debt service=Net profit after taxes + Non cash operating expenses	Debt service=Interest & lease payments+principal repayments	1.17	1.33	-12%	
Current Ratio	Total Current Assets	Total Current Liabilities	1.62	1.60	1%	
Debtors Turnover	Revenue from operations	Average trade receivables	1.92	20.73	-91%	Due to decrease in credit sales
Inventory Turnover	Revenue from operations	Average inventory	3.26	2.36	38%	Due to increase in revenue from operations
Net Profit Ratio	Net profit after taxes	Revenue from operations	-1.73%	-2.05%	-16%	
Trade payable turnover ratio	Purchases	Average trade payable	5.59	3.86	45%	Due to early payment of creditors
Net capital turnover ratio	Revenue from operations	Working capital=Current assets-Current liabilities	7.21	5.12	41%	Due to increase in revenue from operations
Return on Capital Employed	Earnings before interest and taxes	Capital employed=Tangible net worth+total debts	7.79%	7.02%	11%	
Return on Equity	Net profit after taxes	Average share holders' equity	-5.71%	-4.85%	18%	
Return on Investment	Net profit after taxes	Total Assets	N.A	N.A	N.A	

### 46 Ind AS 116 - Leases

"The Company has leases for the office, warehouse, retail stores and others. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The lease terms for office premises, warehouse and store sites are for an period of one year to fifteen years and having a lock-in period ranging from one to three years. The lease are further renewable on expiry of total lease term subject to mutual consent of both the parties. The Company also sub lease portion of retail stores. However, the sub-lease income is not material to the total lease outflows."

#### A Lease payments not included in measurement of lease liability

Particulars	31 March 2023	31 March 2022
Expenses relating to short term leases (included in other expenses)	157.37	70.63
<b>Total</b>	<b>157.37</b>	<b>70.63</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

- B The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	No of right-of-use assets leased	"Range of remaining term (in years)"	"Average remaining lease term (in years)"
Office	2	0.19 - 7.76 Years	3.98 Years
Stores	103	0.02 - 13.33 Years	6.67 Years
Warehouse	1	2.5 Years	2.5 Years

- C The following are amounts recognised in statement of profit and loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amortisation expense of right-of-use assets	4,502.16	3,881.54
Interest expense on lease liabilities	3,523.96	3,145.70
Rent expense	157.37	70.63
<b>Total</b>	<b>8,183.49</b>	<b>7,097.87</b>

The Company had elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24 July 2020 and 18 June 2021 on Ind AS 116 for rent concessions which are granted due to COVID-19 pandemic. Accordingly, it has accounted for Rs. 29.33 lakhs in year ended 31 March 2023, (Rs.856.05 lakhs in year ended 31 March 2022) under head other income with respect to unconditional rent concessions confirmed by the landlord.

For movement of lease liability refer note no. 3(i)(b) and for maturity profile of lease liability refer note 44(a).

- 47 The Company has performed physical verification of property, plant and equipment during the year ended 31 March 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. Management does not expect any adjustments to be material to the financial statements.
- 48 No adjusting or significant non-adjusting events have occurred between 31 March 2023 and the date of authorisation.
- 49 **Assets pledged as security**

	As at 31.03.2023	As at 31.03.2022
<b>Current assets</b>		
Inventories	24,646.88	26,734.12
Trade Receivables	6.70	132.37
Cash and cash equivalents	193.66	594.09
Other Bank balances	21.54	85.71
Other financial assets	729.79	1,675.78
Other current assets	4,847.79	3,556.08
<b>Total current assets pledged as security<sup>^</sup></b>	<b>30,446.37</b>	<b>32,778.15</b>
Vehicles*	-	143.75
<b>Total current assets pledged as security</b>	<b>30,446.37</b>	<b>32,921.90</b>

<sup>^</sup>Working capital facility has been obtained from Punjab National Bank of ₹ 5,000 lacs. This facility is secured against all current assets of the Company.

Vehicle loan from ICICI Bank Limited amounting to ₹ Nil (31 March 2022: ₹ 11.10 lakh) was carrying an interest @ 8.70% per annum fully repaid in February 2023. The loan was secured against hypothecation of vehicle.



## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 50 Other Statutory Information

- (i) "The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property."
- (ii) The Company do not have any transactions with struck off companies.
- (iii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) "The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:"  
 "(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or"  
 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (viii) "The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:"  
 "(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or"  
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (ix) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (x) Borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were was taken.
- (xi) The company has been sanctioned working capital limit from bank on the basis of security of current assets. The quarterly returns/ statements filed by the company with the bank, are in agreement with the books of accounts of the company of the respective quarters and differences, are not material.

### 51 Details of Investment made, Loan and Guarantee given covered under section 186(4) of the Companies Act, 2013

Right-of-use asset	Outstanding as at the end of the year	Maximum amount outstanding during the year	Investments outstanding and maximum balance during the year
<b>Subsidiaries</b>			
<b>Year Ended 31 March 2023</b>			
V2 Smart Manufacturing Private Limited	-	-	1,500
<b>Year Ended 31 March 2022</b>			
V2 Smart Manufacturing Private Limited	-	-	1,500

- 52 The Company has made investment in subsidiary companies (under Ind AS) as details below.

Name	Country of incorporation	Percentage of holding as at 31 March 2023	Percentage of holding as at 31 March 2022
V2 Smart Manufacturing Private Limited	India	100%	100%

- 53 The Board of Directors of the Company has not declared any dividend during the current year and previous year.
- 54 Previous year's figures has been regrouped and/or reclassified wherever necessary to conform to the current year's groupings an classifications, however, the regrouping is not material therefore, details are not given.

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Manshu Tandon**  
Chief Executive Officer

**Pratik Adukia**  
Chief Financial Officer

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

Place: New Delhi  
Date: May 25, 2023

# Independent Auditor's Report

To the Members of V2 Retail Limited

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of V2 Retail Limited ('the Company or Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements including summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

As described in Note 46 to the accompanying consolidated financial statements, the Company has performed physical verification of property, plant and equipment during the year ended March 31, 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. Pending completion of the said reconciliation, we are unable to comment on any adjustment that may be required to the carrying value of such Property, Plant and Equipment as at March 31, 2023. Our opinion on the consolidated financial statements for the year ended March 31, 2023 is qualified in respect of this matter.

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013, as amended ("the

Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in "other matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Emphasis of Matters

We draw attention to Note 15 to the accompanying consolidated financial results, the Company restructured its business in the financial year 2010-11 resulting in creation of Capital Reserve amounting to Rs. 60,523.24 lakhs. The afore mentioned reserve has been reconciled to amount recognized in the books of accounts except for Rs. 365.36 lakhs which the Company is in the process of reconciling. Our opinion is not qualified in respect of this matter.

We draw attention to Note 44 of the accompanying consolidated financial results, which describes that an advance amounting to Rs. 1,557.65 lacs outstanding since April 2019, has been considered good basis management's assessment of extension of the underlying contract with Bennett, Coleman and Co. Limited ('BCCL') till July 07, 2023. The management is confident of the utilization of such advance against future advertisement services to be provided by BCCL within the extended period of the contract and hence, has considered the aforesaid balance as fully recoverable as on date. Our opinion is not qualified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described

below to be the key audit matters to be communicated in our report. The results of our audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished

to us by the management, including those procedures wherever performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

S.N.	Key Audit Matter	Auditor's Response
1.	<p><b>Existence and valuation of Inventories</b></p> <p>Refer note 1(vi)(k) for significant accounting policy, note 8 and note 37 for the financial statement disclosure.</p> <p>At the end of each reporting period, management of the Company assesses whether there is adequate provision for inventory losses on account of lower net realizable value and obsolete inventory.</p> <p>The management applies judgement in determining appropriate provisions for inventory losses which include:</p> <p>a) Applying specific identification process to ascertain slow moving and obsolete inventory.</p> <p>b) Assessing the net realizable value of such slow moving and obsolete inventory.</p> <p>In addition to the above, the management adopts a cyclical count for physical verification of inventory which is a complex exercise owing to the nature of the inventory and the multiple locations covered in such cyclical counts.</p> <p>Considering the aforesaid complexities involved in cyclical physical verification of inventory which required us to undertake alternate audit techniques as described in this key audit matter, and significant management judgements and estimates required with respect to allowance for inventory loss, existence and valuation of inventory was determined to be a key audit matter for the current year audit.</p>	<p>How our audit addressed the key audit matter:</p> <p>Our audit included, but was not limited to, the following audit procedures over inventory existence and valuation:</p> <ul style="list-style-type: none"> <li>Understood the management process for cyclical physical counts, identification of slow moving, non-moving or obsolete inventories and determining net realisable value, and evaluated whether such processes are consistently followed.</li> <li>Evaluated design and tested the operating effectiveness of controls implemented around above mentioned processes throughout the year.</li> </ul> <p><b>Cyclical physical counts and physical count performed subsequent to year end:</b></p> <ul style="list-style-type: none"> <li>Inspected management's inventory count records and observed physical inventory verification for locations selected based on materiality and risk considerations.</li> <li>Performed independent test counts to corroborate the management count for the locations selected as above performed roll-back procedures by verification of movement between the year-end date and sample test count date with the supporting documents which included purchase invoice, sales invoice, dispatch register, gate inward/outward register, etc. to substantiate the existence of inventory as at the reporting date;</li> <li>Tested the adjustment made in the books of accounts basis the results of the physical counts performed by the management.</li> </ul> <p><b>Slow-moving/obsolete inventory provisions:</b></p> <ul style="list-style-type: none"> <li>Tested inventory ageing obtained through system reports, where applicable.</li> <li>Obtained from management the list of slow and non-moving inventories identified as at March 31, 2023 and their corresponding expected sales in future periods.</li> <li>Tested the computation for allowance for slow moving, non-moving and obsolete inventories by performing an independent age-wise analysis of the inventory line items.</li> <li>Tested the net realizable value of traded goods inventory on a sample basis to recent selling prices.</li> </ul>

S.N.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> <li>Compared and assessed the actual utilization/sale to the previous estimates done by the management in prior periods to determine the efficacy of the process of estimation by the management.</li> </ul> <p>Obtained written representations from management on the completeness and adequacy of inventory allowances as at the year end.</p>
2.	<p><b>Accounting of leases under Ind AS 116- (Leases)</b></p> <p>Leases Refer note 1(vi)(h) for significant accounting policy and note 45 for the financial statement disclosure.</p> <p>Owing to the volume of the lease contracts, materiality of the impact of practical expedient and the estimates involved, we have considered this matter to be a key audit matter in our audit.</p>	<p><b>How our audit addressed the key audit matter:</b></p> <p>Our audit included, but was not limited to, the following audit procedures:</p> <ul style="list-style-type: none"> <li>Understood the management process for identification of leasing arrangements for accounting of leases by applying the practical expedient.</li> <li>Evaluated design and tested the operating effectiveness of controls implemented around above mentioned process throughout the year.</li> <li>Reviewed the overall impact analysis prepared by the Company including completeness of lease contracts and application of practical expedients.</li> <li>Tested the accuracy of the revised lease agreements entered for a sample of leases through the inspection of lease documentation.</li> <li>Verified the accuracy of the underlying lease data used to calculate the lease liability, by agreeing a representative sample of leases to original contracts or other supporting information.</li> <li>Evaluated the appropriateness and adequacy of disclosures made in the financial statements with respect to Lease liability, Right of Use Assets and application of practical expedient, in conformity with the Ind AS 116 (Leases).</li> </ul> <p>Obtained written representations from management on the completeness of lease data and application of practical expedient.</p>

### Other Information

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial

statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.



## Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective companies included in the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of

users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its subsidiary to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent Auditors. We

are responsible for the direction, supervision, and performance of the audit of financial statements of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in planning the scope of our audit work and in evaluating the results of our work and to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

a. We did not audit the financial statements of one subsidiary, whose financial statements include total assets of Rs. 6,530 Lakhs as at March 31, 2023, revenues from operations of Rs. 9,398 Lakhs, total net profit/(loss) after tax of Rs. 268 Lakhs, total comprehensive income of Rs. 266 Lakhs, for the year ended on that date, and net cash inflows of Rs. 239 Lakhs for the year ended on that date. These financial statements have been audited by other auditor, whose unmodified reports have been furnished to us by the management and our opinion

on the consolidated financial statements, in so far as it relates to the amounts and disclosures as required by Section 143(3) of the Act included in respect of these subsidiary is based solely on reports of the other auditor.

b. The audit of financial statement for the year ended March 31, 2022 included in these consolidated financial statements are carried out by the previous auditor, whose report issued on May 30, 2022 expressed qualified opinion on those financial statements.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

### Report on Other Legal and Regulatory Requirements

1. As required by the companies (Auditor's Report) Order 2020 ("the Order") issued by the central government of India in terms of section 143(11) of the Act, we give the "annexure-A" a statement of the matters specified in paragraphs 3 and 4 of the order, to extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
  - A. We have sought and except for the matters described in the Basis of Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - B. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matters described in Basis of Qualified Opinion section;
  - C. The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- D. Except for the possible effects of the matters described in Basis of Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
- E. Qualification on consolidated financial statement has no adverse effect on the functioning of the group.
- F. On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its subsidiary none of the Directors of the Group company incorporated in India is disqualified as at March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- G. The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in Basis for Qualified Opinion section with respect to the Holding Company;
- H. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate Report in "Annexure B" to this report;
- I. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of subsidiary company:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 35 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts;
  - iii. The Group did not have any amounts required to be transferred to the Investor Education and Protection Fund.
  - iv. a) The respective Managements of the Company and its subsidiary have represented that, to the best of their knowledge and belief, as disclosed in the Note 50 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) during the year by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - b) The respective Managements of the Company and its subsidiary have represented, that, to the best of their knowledge and belief, as disclosed in the Note 50 to the consolidated financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), during the year with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material mis-statement
  - v. The Holding company and its subsidiary company, have not declared or paid any dividend during the year ended March 31, 2023.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules,

2014 is not applicable for the financial year ended March 31, 2023.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

- J. In our opinion and based on the reports of the statutory auditors of subsidiary company incorporated in India, the remuneration paid/ provided during the year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of section 197 of the Act.

Place: Noida (Delhi-NCR)  
Date: May 25, 2023

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926  
UDIN:23088926BGXBBI4117

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**Annexure A to Independent Auditor's Report of even date to the members of V2 Retail Limited on the Consolidated Financial Statements as of and for the year ended on March 31, 2023 (refer to in paragraph 1 of our report on other legal and regulatory requirements)**

Based on the audit report submitted by the auditors of following companies included in the consolidated financial statements, there have been adverse remarks in the following clause by respective auditors in the Companies (Auditor's Report) Order (CARO) Report.

S.No.	Name	CIN	Holding/ Subsidiary	Clause no. of the CARO report which is qualified or adverse
1.	V2 Retail Limited	L74999DL2001PLC147724	Holding	(i) (b)

## **Annexure B to Independent Auditor's Report of even date to the members of V2 Retail Limited on the Consolidated Financial Statements as of and for the year ended on March 31, 2023 (refer to in paragraph 2(H) of our report on other legal and regulatory requirements)**

We have audited the internal financial controls over financial reporting of V2 Retail Limited (the Holding Company) and its subsidiary company incorporated in India (the Holding Company and its subsidiary together referred to as "the Group"), as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements of and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal

financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statement included obtaining an understanding of internal financial controls with reference to consolidated financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of Internal Financial Controls with reference consolidated financial statements, including the possibility of collusion or improper management override of controls, material



misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the holding's internal financial controls with reference to financial statements as at 31 March 2023:

- a) The Holding's internal financial controls over retention of adequate information towards reconciliation of capital reserve in accordance with accounting principles generally accepted in India were not operating effectively, which could lead to a potential material misstatement in Other equity in the accompanying financial statements.
- b) The Holding's internal financial controls system over the reconciliation of physically verified property, plant and equipment with the books of account were not operating effectively, which could lead to a potential material misstatement in the carrying value of the PPE and its consequential impact on earnings, other equity and related disclosures in the accompanying financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to

financial statements as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2023, and these material weaknesses mentioned above paragraphs have affected our opinion on the consolidated financial statements of the Company and we have issued a qualified opinion on the consolidated financial statements.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company, which is incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our Opinion is not modified in respect of this matter.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

**Bimal Kumar Sipani**  
Partner

Place: Noida (Delhi - NCR)  
Date: May 25, 2023

Membership No. 088926  
UDIN:23088926BGXBBI4117

**ANNEXURE I****Statement on impact of Audit Qualifications (for audit report with modified opinion) submitted along with Consolidated Annual Audited Financial Results**

Figure in Rs. Lakh, except for per share data

<b>Statement on impact of audit qualifications for the financial year ended 31 March 2023</b>				
<b>(See Regulation 33/52 of the SEBI(LODR) (Amendment) Regulation, 2016</b>				
<b>I.</b>	<b>S. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications)</b>	<b>Audited Figures (as reported after adjusting for qualifications)</b>
	1.	Turnover/total income	84,555.20	84,555.20
	2.	Total expenditure	86,250.39	86,250.39
	3.	Net(loss)/profit for the period	(1,281.67)	(1,281.67)
	4.	Earnings per share	(3.73)	(3.73)
	5.	Total assets	79,428.16	79,428.16
	6.	Total liabilities	54,735.73	54,735.73
	7.	Networth	24,692.43	24,692.43
	8.	Any other financial item (as felt appropriate by the management)	Nil	Nil

**II. Audit qualification(each audit qualification separately)****a. Details of audit qualifications:**

The audit report of statutory auditors includes following qualification on the audited financial statements/ results for the quarter/year ended March 31, 2023:

As described in Note 7 to the accompanying consolidated financial results, the Company has performed physical verification of property, plant and equipment during the year ended March 31, 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. Pending completion of the said reconciliation, we are unable to comment on any adjustment that may be required to the carrying value of such Property, Plant and Equipment as at March 31, 2023. Our opinion on the consolidated financial results for the quarter and year ended March 31, 2023 is qualified in respect of this matter.

**b. Type of audit qualification:** Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion  
Qualified Opinion**c. Frequency of qualification:** Whether appeared first time/repetitive/since how long continuing Repetitive-  
Qualification stated is Continuing from the financial year ended 31 March 2022.**d. For audit qualification(s) where the impact is quantified by the auditor, Management's view:**

Management's view: Not applicable

**e. For audit qualification(s) where the impact is not quantified by the auditor:**

i. Management's estimation on the impact of audit qualification: Not quantified

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ii. if management is unable to estimate the impact, reasons for the same:

As described in Note 7 to the accompanying consolidated financial results, the Company has performed physical verification of property, plant and equipment during the year ended March 31, 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Company. However, the management does not foresee resultant treatment to be material in the financial statement.

iii. Auditor's comments on(i) and (ii) above:

Since management could not ascertain the impact, the auditor has unable to given to comment on any adjustment that may be required to the carrying value of such Property, Plant and Equipment as at March 31, 2023.

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Signatories:

Yours Sincerely,  
**For V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman & Managing Director  
DIN00491885

**Pratik Adukia**  
Chief Financial Officer

**Archana Surendra Yadav**  
Chairperson of Audit Committee  
DIN 07335198

**Place:** New Delhi  
**Date:** 25 May 2023

**For Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

## Consolidated Balance Sheet as at 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2 (i)	9,859.75	10,290.22
Capital work-in-progress	2 (ii)	10.98	-
Right of use assets (ROU)	3 (i)	30,583.52	28,638.16
Intangible assets	3 (ii)	368.46	454.82
Intangible assets under development	3 (iii)	29.94	-
Financial assets		-	-
Other financial assets	4	828.55	801.91
Deferred tax assets (net)	5	3,201.41	2,741.30
Income tax assets (net)	6	57.72	141.88
Other non-current assets	7	1,800.18	1,872.09
<b>Total non-current assets</b>		<b>46,740.51</b>	<b>44,940.38</b>
<b>Current assets</b>			
Inventories	8	27,888.16	29,077.63
Financial assets			
Trade receivables	9	6.70	132.37
Cash and cash equivalents	10	492.02	653.86
Other bank balances	11	21.54	85.71
Other financial assets	12	109.28	145.83
Other current assets	13	4,169.95	4,182.53
<b>Total current assets</b>		<b>32,687.65</b>	<b>34,277.93</b>
<b>Total assets</b>		<b>79,428.16</b>	<b>79,218.31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14	3,438.93	3,438.93
Other equity	15	21,253.50	22,380.90
<b>Total equity</b>		<b>24,692.43</b>	<b>25,819.83</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16	722.13	560.81
Lease Liability	3 (i)	33,025.85	30,885.08
Other financial liabilities	17	22.78	14.74
Provisions	18	443.64	403.59
<b>Total non-current liabilities</b>		<b>34,214.40</b>	<b>31,864.22</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	19	4,647.62	4,892.63
Lease Liability	3 (i)	3,977.99	3,421.64
Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		481.92	462.55
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		10,264.33	11,491.48
Other financial liabilities	21	721.51	868.37
Provisions (Employee benefit obligation)	22	237.05	225.22
Current Tax Liabilities	22A	40.89	-
Other current liabilities	23	150.02	172.37
<b>Total current liabilities</b>		<b>20,521.33</b>	<b>21,534.26</b>
<b>Total liabilities</b>		<b>79,428.16</b>	<b>79,218.31</b>

The accompanying notes form an integral part of these consolidated financial statements.  
As per our report of even date attached

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25 2023

## Consolidated Statement of Profit and Loss

for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>			
Revenue from operations	24	83,888.30	62,922.49
Other income	25	666.90	1,588.90
<b>Total income</b>		<b>84,555.20</b>	<b>64,511.39</b>
<b>Expenses</b>			
Purchase of stock-in-trade	26	48,137.23	34,640.02
Changes in inventories of stock-in-trade	27	5,383.95	4,745.03
Direct expenses	28	1,816.56	855.32
Employee benefits expense	29	8,860.99	6,300.30
Finance costs	30	4,055.31	3,657.18
Depreciation and amortization expense	31	6,705.41	5,883.08
Other expenses	32	11,290.94	9,916.33
<b>Total expenses</b>		<b>86,250.39</b>	<b>65,997.25</b>
<b>Loss before exceptional items and tax</b>		<b>(1,695.19)</b>	<b>(1,485.86)</b>
Exceptional item		-	-
<b>Loss before tax</b>		<b>(1,695.19)</b>	<b>(1,485.86)</b>
<b>Tax expense:</b>	5		
Current tax		48.63	-
Previous year tax		(7.85)	
Deferred tax (income)/charge		(454.30)	(318.14)
<b>Total tax expense</b>		<b>(413.52)</b>	<b>(318.14)</b>
<b>Loss for the year</b>		<b>(1,281.67)</b>	<b>(1,167.72)</b>
<b>Other comprehensive Income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Re-measurement (loss) of defined employee benefit plans		(23.96)	(52.80)
Income tax relating to items that will not be reclassified to profit or loss		5.84	13.28
<b>Other comprehensive Income for the year</b>		<b>(18.12)</b>	<b>(39.52)</b>
<b>Total comprehensive loss for the year</b>		<b>-</b>	<b>-</b>
Significant accounting policies	1	(1,299.79)	(1,207.24)
<b>Earnings per share (face value of ₹ 10 each)</b>			
Basic (₹)	34	(3.73)	(3.40)
Diluted (₹)		(3.73)	(3.39)

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Manshu Tandon**  
Chief Executive Officer

**Pratik Adukia**  
Chief Financial Officer

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

Place: New Delhi  
Date: May 25, 2023

## Statement of Consolidated Cash flow for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Loss before tax	(1,695.18)	(1,485.86)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	6,705.41	5,883.08
Interest income	(99.32)	(581.84)
(Gain) / Loss on derecognition of lease liabilities including security deposits	(400.55)	-
Intangible assets under development written-off	-	51.00
Rent concession on lease rentals	(30.27)	(865.98)
Finance charges	4,055.31	3,657.18
(Profit) / loss on sale of property, plant and equipment (net)	(5.61)	(15.61)
Provision against inventory	689.34	628.10
Provision against doubtful advances	42.47	57.53
Provision for expected credit losses	38.21	-
Balances written off	-	31.22
Share based payments expense	172.38	129.19
<b>Operating profit before working capital changes</b>	<b>9,472.21</b>	<b>7,488.01</b>
<b>Movement in working capital</b>		
Movement in trade payables	(1,207.78)	(1,190.39)
Movement in trade receivables	87.45	(66.56)
Movement in provisions	27.88	77.55
Movement in other liabilities	(22.35)	25.46
Movement in other financial liabilities	(271.83)	(43.56)
Movement in inventories	500.13	470.83
Movement in other financial assets	1.64	(33.99)
Movement in other assets	(57.96)	(945.74)
<b>Cash flows generated from/(used in) operating activities post working capital changes</b>	<b>8,529.42</b>	<b>5,781.61</b>
Income taxes paid (net)	106.27	79.79
<b>Net cash flow generated from/(used in) operating activities (A)</b>	<b>8,635.69</b>	<b>5,861.40</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment (including capital work-in-progress and payable towards property, plant and equipment)	(1,197.58)	(1,608.47)
Sale of property, plant and equipment	20.28	121.45
Purchase of intangible assets including intangible assets under development	(110.51)	(68.05)
Investment/maturity in fixed deposits (net)	53.45	(30.03)
Interest received	7.00	14.04
<b>Net cash flows (used in)/generated from investing activities (B)</b>	<b>(1,227.34)</b>	<b>(1,571.06)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of equity shares	-	28.43
(Repayment of) / proceeds from current borrowings (net)	(245.00)	(475.88)
Proceeds from non-current borrowings	161.32	666.00
Repayment of non-current borrowings	-	(116.85)
Payment of lease liabilities	(3,431.18)	(5,468.50)
Interest paid	(4,055.31)	(462.45)
<b>Net cash flows (used in) financing activities (C)</b>	<b>(7,570.17)</b>	<b>(5,829.25)</b>
Net Increase/decrease in cash and cash equivalents (A+B+C)	(161.83)	(1,538.91)
Cash and cash equivalents at the beginning of the year	653.86	2,192.77
<b>Cash and cash equivalents at the end of the year</b>	<b>492.02</b>	<b>653.86</b>
<b>Components of cash and cash equivalents at the end of the year</b>		
Cash on hand	137.31	160.01
Balance with banks:		
-in current accounts	354.71	493.85
<b>Total</b>	<b>492.02</b>	<b>653.86</b>

**Note:**

The cash flow has been prepared under the "Indirect method", as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25, 2023



# Consolidated Statement of changes in equity for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

## A Equity share capital

	31 March 2023	31 March 2022
Opening Balance	3,438.93	3,410.50
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	3,438.93	3,410.50
Changes in equity share capital during the year	-	28.43
Closing Balance	3,438.93	3,438.93

## B Other equity

Particulars	Attributable to owners of V2 Retail Limited				Total
	Reserves and surplus				
	Retained earnings	Securities premium reserve	Capital reserve	Share options outstanding account	
Balance as at 1 April 2021	(67,536.34)	29,574.09	61,043.56	377.65	23,458.96
Loss for the year	(1,167.72)	-	-	-	(1,167.72)
Other comprehensive loss for the year (net of tax)	(39.52)	-	-	-	(39.52)
<b>Total comprehensive loss for the year</b>	<b>(1,207.23)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,207.24)</b>
Employee stock options charge for the year (refer note 29)	-	-	-	129.19	129.19
Employee stock options exercised during the year	-	397.29	-	(397.29)	0.00
<b>Balance as at 31 March 2022</b>	<b>(68,743.58)</b>	<b>29,971.38</b>	<b>61,043.56</b>	<b>109.56</b>	<b>22,380.90</b>
Balance as at 1 April 2022	(68,743.58)	29,971.38	61,043.56	109.56	22,380.92
Loss for the year	(1,281.67)	-	-	-	(1,281.67)
Other comprehensive loss for the year (net of tax)	(18.12)	-	-	-	(18.12)
<b>Total comprehensive loss for the year</b>	<b>(1,299.80)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,299.80)</b>
Employee stock options exercised during the year	-	-	-	-	-
Employee stock options charge for the year (refer note 29)	-	-	-	172.38	172.38
<b>Balance as at 31 March 2023</b>	<b>(70,043.37)</b>	<b>29,971.38</b>	<b>61,043.56</b>	<b>281.94</b>	<b>21,253.50</b>

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25, 2023

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 1. i) Corporate information

V2 Retail Limited formerly known as Vishal Retail Limited ('Holding Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Group's ethos stands for "value and variety" and remains focused on selling quality fashion garments for significant lower prices targeting the very core of the nation. The Holding Company is listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) having its registered office located at Khasra No. 928, Extended Lal Dora Abadi Village, Kapashera Border, Tehsil Vasant Vihar, New Delhi – 110037.

The Holding Company has one wholly owned subsidiary, V2 Smart Manufacturing Private Limited ('VSMPL') which was incorporated on October 25, 2019. VSMPL is in the business of manufacturing of apparels.

The Consolidated Financial Statements of the Company for the year ended March 31, 2023 were approved for issue by board of directors on May 25, 2023. However, the shareholders have the power to amend the Consolidated Financial Statements after the issue.

### ii) Statement of Compliance

The Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the guidelines issued by Securities and Exchange Board of India to the extent applicable.

### iii) Basis of preparation

The Consolidated financial statements of the Group comprise of the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and a summary of Significant Accounting Policies and Other explanatory Information for the year ended 31 March 2023.

The wholly owned subsidiary, V2 Smart Manufacturing Private Limited was incorporated on 25 October 2019 and had commenced its business on 12 November 2019.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

These financial statements have been prepared under the historical cost convention basis except for the following –

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Dened benet plans – plan assets measured at fair value.
- Share based payments are initially measured at fair value.

The consolidated financial statements of the Group are presented in Indian Rupees (INR), which is also the functional currency of the Holding Company and all amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless otherwise stated.

### iv) Basis of consolidation

The Group's consolidated financial statements comprise the financial statements of Holding Company and its wholly owned subsidiary as at 31 March 2023.

The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Subsidiaries are all entities over which, Holding Company exercises control. Holding Company exercises control only if it has the following:

- a) power over the entity
- b) exposure, or rights, to variable returns from its involvement with the entity; and
- c) the ability to use its power over the entity to affect the amount of its returns.

The Holding Company or any of its subsidiaries, whether it controls an entity, if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The difference between the cost of investment in subsidiaries (investee company) to the Group and the proportionate share in the equity of the investee Company as at the date of acquisition of stake is recognised in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

The Consolidation of the financial statements of subsidiaries begins on the date control is established.

### v) Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

### vi) Significant accounting policies

#### a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle\*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle\*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

\*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### b) Property, plant and equipment

#### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognized in consolidated statement of profit or loss as incurred. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognized as interest expense and not included in cost of asset.

#### Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life which are equal to those prescribed under Schedule II of the Companies Act, 2013 except for furniture and fixtures and vehicles in which useful lives are different from those prescribed under Schedule II of the Companies Act, 2013. In respect of furniture and fixtures and vehicles, the management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The following useful life of assets has been taken by the Group:

Tangible Assets	Useful Life as per the Schedule II	Useful Life as assessed by the management
Plant and machinery	15 Years	15 Years
Furniture and fittings	10 Years	8 to 10 Years
Vehicles-Motor Cycle	10 Years	10 Years
Vehicles-Motor cars	8 Years	8 Years
Office equipment	5 Years	5 Years
Computer equipment	3 Years	3 Years
Servers and networking equipment	6 Years	6 Years
Electrical equipment & fittings	10 Years	10 Years
Air conditioners	10 Years	9 Years
Generator sets	15 Years	15 Years

Leasehold improvements are depreciated over the period of lease term.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

#### De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

### c) Intangible Assets

Recognition and initial measurement

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Purchased intangible assets are stated at cost less accumulated amortization and impairment, if any.

### Subsequent measurement (amortisation)

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The following useful lives are applied:

Intangible assets	Useful life (in years)
Software	Amortized over a period of 3 years

### De-recognition

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss when the asset is derecognised.

#### d) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset (other than inventories and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations are recognized in the consolidated statement of Profit and Loss.

Reversal of impairment losses is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

#### e) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale in its present condition rather than through continuing use and a sale is considered highly probable and it is expected that sale will be completed within one year from the date of classification. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

#### f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) and other costs like finance charges in respect of the finance leases recognized in accordance with Ind AS 116, that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### g) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### Foreign currencies

#### Transactions and balances

##### Initial recognition

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

##### Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

#### h) Leases

##### (i) Transition

Effective 1 April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease. Accordingly, Group has taken the cumulative adjustment to retained earnings, on the date of initial application (1 April 2019). Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

##### (ii) The Group as a lessee

The Group's lease asset classes primarily consist of property leases. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. For lease liabilities that are not accounted for as a separate lease the Group shall account for



## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

the remeasurement of the lease liability, in case of partial or full termination of the lease for lease modifications, by decreasing the carrying amount of the right-of-use asset to reflect the that decrease the scope of the lease and recognizing any gain or loss relating to the partial or full termination of the lease in profit or loss account and in case of other lease modification making a corresponding adjustment to the right-of-use asset.

### i) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized with in the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### j) Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost less provision for impairment.

### k) Inventories

The Group has stock in trade, finished good, work in progress and raw material in its inventory which is valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of inventory comprises of cost of purchases and other costs incurred in bringing the inventories to their present condition and location. Cost of finished goods and work in progress is determined by taking cost of material consumed. Cost is determined by the weighted average cost method. Purchases cost of raw materials, stock in trade and stores consumables are net of input tax credits, rebates and discounts. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Provision for cost of obsolescence and other anticipated losses, wherever considered necessary, are recognised in the books of account.

### l) Revenue recognition

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ services. To recognize revenues, the Company applies the following five-step approach:

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract and
- Recognise revenues when a performance obligation is satisfied.

### Sale of goods

Revenue is measured at transaction price which represents value of goods after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax (GST).

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. It is the group's policy to sell its products to the end customer with a right of return within 30 days. Accumulated experience is used to estimate and provide for such returns at the time of sale. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

### Income from services

Revenues from rent and display activities are recognized as per the terms of the contract.

### Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

### Contract Liability

A contract liability is recognised when the Group is under an obligation to redeem discount coupon, credit vouchers etc. given to customer on existing sales. Contract liabilities are recognised as revenue when the group performs under the contract (i.e. transfers control of the related goods or services to the customer).

## m) Financial instruments

Financial instruments are recognized when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

### Financial assets

#### Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

- i. Financial assets at amortized cost – a financial instrument is measured at amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method.

### ii. Financial assets at fair value

- Investments in equity instruments other than above – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

### Financial liabilities

#### Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortized cost using the effective interest method (EIR).

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as finance costs in the consolidated statement of profit and loss.

#### De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables

### n) Retirement and other employee benefits

#### Defined Contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group makes defined contribution to Government Employee Provident Fund, Employee Deposit Linked Insurance and ESI which are recognized in the consolidated statement of profit and loss on accrual basis.

The Group recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services. The Group has no obligation other than the contribution payable to the Provided Fund. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### Defined benefit plan

The Group operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

#### Other employee benefits

##### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the actuarial valuation performed by an independent actuary using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

### o) Employee stock option plan

The cost of equity settled share-based plan is recognized based on the fair value of the options as at the grant date. The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in other equity. The total expense is recognised over the vesting period, which is period over which all of the specified vesting conditions are satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in consolidated statement of profit and loss, with a corresponding adjustment to equity. The fair value of options is determined using the Black Scholes valuation model.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### p) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of Profit and Loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

### r) Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### s) Segment reporting

The Group is engaged in the business of retail trade of garments, textiles and accessories in India and there are no separate reportable segments as per Ind AS 108 'Segment Reporting'.

### t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

### v) Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognized in the consolidated financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- i. Useful lives of depreciable/amortizable assets/Right of use assets – Management reviews its estimate of the useful lives of depreciable/amortizable/Right of use assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.
- ii. Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- iii. Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- iv. Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- v. Contingent liabilities – The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.
- vi. Inventories – The Group estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices. Further, the Group also estimate expected loss due to shrinkage, pilferage etc. along with NRV impact on old inventory taking into account most reliable information available at the reporting date.
- vii. Employee stock option plan – Assessment of appropriate input to the Black Scholes valuation model for valuation of share based payment including expected life of share option, volatility and divided yield and making assumption about them.



## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (All amounts in ₹ in lakh unless otherwise stated)

viii. Fair values hierarchy – Assessment of reliability of inputs considered for fair valuation of financial assets and liabilities falls under hierarchy Level 3.

### w) Standard issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- a. Ind AS 1 – Material accounting policies - The amendments mainly related to shifting of disclosure of erstwhile “significant accounting policies” in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policies to make them more “entity specific. This amendment aligns with the “material” concept already required under International Financial Reporting Standards (IFRS). The Company does not expect this amendment to have any significant impact in its financial statement.
- b. Ind AS 8 – Definition of accounting estimates - The amendments specify definition of ‘change in accounting estimate’ replaced with the definition of ‘accounting estimates’. The Company does not expect this amendment to have any significant impact in its financial statement.
- c. Ind AS 12 – Income taxes – Annual Improvements to Ind AS (2021) - The amendment clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption does not apply. Also, If a company has not yet recognised deferred tax asset and deferred tax liability on right-of-use assets and lease liabilities or has recognised deferred tax asset or deferred tax liability on net basis, that company shall have to recognise deferred tax assets and deferred tax liabilities on gross basis based on the carrying amount of right-of-use assets and lease liabilities existing at the beginning of 1 April 2022. The Company does not expect this amendment to have any significant impact in its financial statement.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 2(i) Property, plant and equipment

Description	Leasehold improve-ments	Vehicle	Office equip-ments	Plant and machin-ery	Air con-ditioner	Genera-tor Set	Electrical equip-ments	Furniture and fix-ture	Compu-ter hard-ware	Total
<b>Gross carrying value</b>										
As at 1 April 2021	486.06	352.49	2,639.08	2,490.93	-	-	3,232.99	6,475.99	1,875.31	17,552.85
Additions	106.57	-	134.36	445.28	0.88	29.37	268.90	472.88	215.24	1,673.47
Disposals	(23.01)	-	(35.38)	(90.13)	-	-	(4.28)	(38.42)	(4.73)	(195.95)
<b>As at 31 March 2022</b>	<b>569.62</b>	<b>352.49</b>	<b>2,738.05</b>	<b>2,846.08</b>	<b>0.88</b>	<b>29.37</b>	<b>3,497.61</b>	<b>6,910.45</b>	<b>2,085.83</b>	<b>19,030.37</b>
Additions	61.85	25.05	189.56	253.80	0.88	-	229.93	393.89	264.67	1,419.63
Disposals	-	-	(12.34)	-	-	-	(0.31)	(11.07)	(2.45)	(26.17)
<b>As at 31 March 2023</b>	<b>631.47</b>	<b>377.54</b>	<b>2,915.27</b>	<b>3,099.88</b>	<b>1.76</b>	<b>29.37</b>	<b>3,727.22</b>	<b>7,293.26</b>	<b>2,348.05</b>	<b>20,423.83</b>
<b>Accumulated depreciation</b>										
As at 1 April 2021	137.57	102.91	1,067.00	460.48	-	-	1,157.02	2,793.18	1,343.47	7,061.64
Charge for the year	67.28	41.82	340.03	127.68	0.06	0.36	304.03	682.20	205.16	1,768.62
Disposals	(23.01)	-	(20.86)	(20.74)	-	-	(1.02)	(21.11)	(3.37)	(90.11)
<b>As at 31 March 2022</b>	<b>181.84</b>	<b>144.73</b>	<b>1,386.17</b>	<b>567.43</b>	<b>0.06</b>	<b>0.36</b>	<b>1,460.03</b>	<b>3,454.28</b>	<b>1,545.26</b>	<b>8,740.15</b>
Charged for the year	64.92	41.99	369.87	126.63	0.17	1.86	329.67	668.35	231.95	1,835.42
Disposals	-	-	(4.10)	-	-	-	(0.08)	(5.60)	(1.72)	(11.51)
<b>As at 31 March 2023</b>	<b>246.76</b>	<b>186.72</b>	<b>1,751.94</b>	<b>694.05</b>	<b>0.23</b>	<b>2.22</b>	<b>1,789.62</b>	<b>4,117.03</b>	<b>1,775.49</b>	<b>10,564.07</b>
<b>Net block as at 31 March 2022</b>	<b>387.78</b>	<b>207.75</b>	<b>1,351.88</b>	<b>2,278.65</b>	<b>0.82</b>	<b>29.01</b>	<b>2,037.58</b>	<b>3,456.17</b>	<b>540.57</b>	<b>10,290.22</b>
<b>Net block as at 31 March 2023</b>	<b>384.71</b>	<b>190.81</b>	<b>1,163.33</b>	<b>2,405.83</b>	<b>1.53</b>	<b>27.15</b>	<b>1,937.60</b>	<b>3,176.24</b>	<b>572.56</b>	<b>9,859.75</b>

#### Notes:

- Contractual obligations**  
Refer note 35(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Capitalisation of borrowing cost**  
The Group has not capitalised any borrowing costs during the year ended 31 March 2023 and 31 March 2022.
- Gross block of vehicles amounting to Rs Nil lakhs (217.36 lakhs) are hypothecated against vehicle loans taken. Refer note 17.

	As at 31 March 2023	As at 31 March 2022
<b>2 (ii) Capital work-in-progress</b>		
Capital work-in-progress	10.98	-
	<b>10.98</b>	<b>-</b>

Particulars	Amount
<b>Capital work-in-progress as at 1 April 2021</b>	-
Add: Additions during the year	30.88
Less: Capitalisation during the year	(30.88)
<b>Capital work-in-progress as at 31 March 2022</b>	-
Add: Additions during the year	24.44
Less: Capitalisation during the year	(13.46)
<b>Capital work-in-progress as at 31 March 2023#</b>	<b>10.98</b>

#Capital work-in-progress include office equipment and furniture & fixtures amounting to ₹ 10.98 lakhs which are pending for capitalisation.

#### Capital work in process ageing schedule as on 31 March 2023

Capital work in process	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10.98	-	-	-	10.98

**Summary of significant accounting policies and other explanatory information**  
for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

3 (i) **Right of use assets and lease liabilities**

Set out below are the carrying amounts of right of use assets and lease liabilities and the movements during the year:

Particulars	Total	
<b>(a) Right-of-use assets</b>		
<b>Cost</b>		
<b>Balance as on 1 April 2021</b>		<b>44,504.64</b>
Add: Additions during the year		5,277.54
Less: Deletion during the year		(1,552.60)
<b>Balance as at 31 March 2022</b>		<b>48,229.58</b>
Add: Additions during the year		8,938.16
Less: Deletion/modification during the year		(10,482.04)
<b>Balance as at 31 March 2023</b>		<b>46,685.70</b>
<b>Accumulated amortisation</b>		
<b>Balance as on 1 April 2021</b>		<b>15,550.86</b>
Add: Amortisation for the year (refer note 31)		4,040.56
<b>Balance as at 31 March 2022</b>		<b>19,591.42</b>
Add: Amortisation for the year (refer note 31)		4,703.05
Less: Deletion/modification during the year		(8,192.29)
<b>Balance as at 31 March 2023</b>		<b>16,102.18</b>
<b>Net carrying amount</b>		
<b>Balance as at 31 March 2022</b>		<b>28,638.16</b>
<b>Balance as at 31 March 2023</b>		<b>30,583.52</b>
<b>(b) Lease liabilities</b>		
	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Opening Balance</b>	<b>34,306.70</b>	<b>34,245.83</b>
Add: Addition in lease liabilities during the year	8,800.58	5,198.624
Add: Deletion in lease liabilities during the year	(2,641.99)	(1,998.01)
Add: Interest on lease liabilities	3,580.86	3,194.74
Less: Rent concession on lease rentals	(30.27)	(865.98)
Less: Lease liabilities paid	(7,012.04)	(5,468.50)
<b>Closing balance</b>	<b>37,003.84</b>	<b>34,306.72</b>
<b>Current</b>	<b>3,977.99</b>	<b>3,421.64</b>
<b>Non-current</b>	<b>33,025.85</b>	<b>30,885.08</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 3(ii) Intangible assets

Description	Computer software	Total
<b>Gross carrying value</b>		
As at 1 April 2021	361.08	361.08
Additions	479.52	479.52
Disposals	-	-
<b>As at 31 March 2022</b>	<b>840.60</b>	<b>840.60</b>
Additions during the year	80.57	80.57
Disposals	-	-
<b>As at 31 March 2023</b>	<b>921.17</b>	<b>921.17</b>
<b>Accumulated amortization</b>		
As at 1 April 2021	311.88	311.88
Amortisation during the year	73.90	73.90
Disposals	-	-
<b>As at 31 March 2022</b>	<b>385.78</b>	<b>385.78</b>
Amortisation during the year	166.94	166.94
Disposals	-	-
<b>As at 31 March 2023</b>	<b>552.72</b>	<b>552.72</b>
<b>Net block as at 31 March 2022</b>	<b>454.83</b>	<b>454.83</b>
<b>Net block as at 31 March 2023</b>	<b>368.46</b>	<b>368.46</b>

	As at 31 March 2023	As at 31 March 2022
<b>3(iii) Intangible assets under development</b>		
Intangible assets under development	29.94	-
	<b>29.94</b>	<b>-</b>

Intangible assets under development	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	29.94	-	-	-	29.94
Total	29.94	-	-	-	29.94

There are no projects as on each reporting period where activity had been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>4 Other financial assets</b>		
Fixed deposits having maturity of more than 12 months	50.23	39.51
Security deposits	778.31	673.69
Advance paid against dispute	-	88.71
	<b>828.54</b>	<b>801.91</b>
*Fixed deposits amounting to Rs 50.23 laks (Rs 39.51 lakh) are held as margin money towards bank guarantees and overdraft facility.		

	As at 31 March 2023	As at 31 March 2022
<b>5 (i) Deferred tax assets (net)</b>		
<b>Deferred tax asset arising on account of:</b>		
Property, plant and equipment	164.95	98.28
Provision for employee benefits	194.61	222.54
Provision for doubtfuls and obsolescence	37.47	172.56
Unabsorbed business losses	1,103.24	688.94
Lease liabilities	9,264.80	8,567.72
Fair valuation of interest free security deposits	146.10	135.98
	<b>10,911.17</b>	<b>9,886.02</b>
<b>Deferred tax liability arising on account of:</b>		
Right of use assets	7,652.88	7,144.72
Others	56.88	-
	<b>7,709.76</b>	<b>7,144.72</b>
<b>Net deferred tax assets</b>	<b>3,201.41</b>	<b>2,741.30</b>

Notes:

(a) Movement in deferred tax assets/(liabilities) for the year ended 31 March 2023 is as follows:

Description	Opening Balance	Recognised / (reversed) through profit and loss	Recognised / (reversed) in other comprehensive income	Closing Balance
<b>Deferred tax assets in relation to:</b>				
Property, plant and equipment	98.28	66.67	-	164.95
Provision for employee benefits	222.54	(33.76)	5.84	194.61
Provision for doubtfuls and obsolescence	172.56	(135.09)	-	37.47
Unabsorbed business losses	688.94	414.29	-	1,103.24
Lease liabilities	8,567.72	697.08	-	9,264.80
Fair valuation of interest free security deposits	135.98	10.12	-	146.10
<b>Sub-total (a)</b>	<b>9,886.02</b>	<b>1,019.30</b>	<b>5.84</b>	<b>10,911.17</b>
<b>Deferred tax liabilities in relation to:</b>				
Right of use assets	7,144.72	508.16	-	7,652.88
Others	-	56.88	-	56.88
<b>Sub-total (b)</b>	<b>7,144.72</b>	<b>565.04</b>	<b>-</b>	<b>7,709.76</b>
<b>Total (a-b)</b>	<b>2,741.30</b>	<b>454.27</b>	<b>5.84</b>	<b>3,201.41</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Notes:

(b) Movement in deferred tax assets/(liabilities) for the year ended 31 March 2022 is as follows:

Description	Opening Balance	Recognised/ (reversed) through profit and loss	Recognised / (reversed) in other comprehensive income	Closing Balance
<b>Deferred tax assets/(liabilities) in relation to:</b>				
Property, plant and equipment	55.96	42.32	-	98.28
Provision for employee benefits	182.75	26.51	13.28	222.54
Provision for doubtfuls and obsolescence	33.47	139.09	-	172.56
Unabsorbed business losses	660.70	28.24	-	688.94
Lease liabilities	8,577.85	(10.13)	-	8,567.72
Fair valuation of interest free security deposits	149.09	(13.11)	-	135.98
<b>Sub-total (a)</b>	<b>9,659.83</b>	<b>212.92</b>	<b>13.28</b>	<b>9,886.02</b>
<b>Deferred tax liabilities in relation to:</b>				
Right of use assets	7,249.94	(105.22)	-	7,144.72
<b>Sub-total (b)</b>	<b>7,249.94</b>	<b>(105.22)</b>	<b>-</b>	<b>7,144.72</b>
<b>Total (a-b)</b>	<b>2,409.89</b>	<b>318.14</b>	<b>13.28</b>	<b>2,741.30</b>

	Year ended 31 March 2023	Year ended 31 March 2022
<b>6 (i) Tax expense</b>		
The income tax expense consists of the following:		
<b>Recognised in profit and loss</b>		
Current tax expense	48.63	-
Tax expense of earlier years	(7.85)	
Deferred tax expense/ (credit)	(454.30)	(318.14)
<b>Total income tax expense</b>	<b>(413.52)</b>	<b>(318.14)</b>

	Year ended 31 March 2023	Year ended 31 March 2022
<b>(a) The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.17% and the reported tax expense in statement of profit and loss are as follows:</b>		
Profit before income tax	(1,695.19)	(1,485.86)
Income tax using the Company's domestic tax rate *	25.17%	25.17%
<b>Expected tax expense [A]</b>	<b>(426.64)</b>	<b>(373.95)</b>
Expenses/incomes not considered in determining taxable profit		
<b>Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense</b>		
Tax expense of earlier years	(7.85)	
Items of permanent difference on which deferred tax not created	2.51	53.16
Impact of change in tax rate	(25.94)	(24.81)
Others	44.41	27.46
<b>Total adjustments [B]</b>	<b>13.13</b>	<b>55.81</b>
<b>Actual tax expense [C=A+B]</b>	<b>(413.52)</b>	<b>(318.14)</b>
Tax expense recognised in consolidated statement of profit and loss	(413.52)	(318.14)
* Domestic tax rate applicable to the Company has been computed as follows:	-	-
Base tax rate	22%	22%
Surcharge (% of tax)	10%	10%
Cess (% of tax)	4%	4%
Applicable rate holding company	25.17%	25.17%
Applicable rate subsidiary company	17.16%	17.16%



**Summary of significant accounting policies and other explanatory information**  
for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

- (b) **Unused tax losses and credits on which deferred tax assets has not been recognised**

	As at 31 March 2023	As at 31 March 2022
<b>Long Term Capital Loss</b>		
2017-2018 (2025-26*)	1127.49	1127.49
2020-2021 (2028-29*)	175.18	175.18
	<b>1302.67</b>	<b>1302.67</b>
* year of expiry		
Unabsorbed Depreciation on which Deferred tax assets has not been recognised		
Unabsorbed Depreciation	1,615.00	1,711.38
<b>Total tax losses and unabsorbed depreciation</b>	<b>2,917.67</b>	<b>3,014.05</b>

	As at 31 March 2023	As at 31 March 2022
<b>6 Income tax assets (net)</b>		
Advance tax (net of provision of tax)	57.72	141.88
	<b>57.72</b>	<b>141.88</b>

	As at 31 March 2023	As at 31 March 2022
<b>7 Advance for services (refer note 48)</b>		
Advance for services (refer note 48)	1,557.65	1,557.65
Advance with service tax department	75.00	75.00
Advance paid against dispute	142.06	113.98
Advance for capex	2.09	102.07
Security deposit with suppliers (IGL)	23.39	23.39
	<b>1,800.19</b>	<b>1,872.09</b>
<b>8 Inventories (Refer note 37)</b>		
(Valued at lower of cost and net realisable value, unless otherwise stated)		
Raw Materials	2,363.07	1,664.83
Work-in-process	1,195.83	869.90
Finished goods	49.98	41.07
Stock-in-trade	24,279.28	26,430.68
Stores and consumables	-	71.15
	<b>27,888.16</b>	<b>29,077.63</b>

	As at 31 March 2023	As at 31 March 2022
<b>9 Trade receivables</b>		
Trade receivables		
Unsecured		
Considered good	6.70	94.16
Have Significant increase in Credit Risk	38.21	38.21
Less: Expected credit loss	(38.21)	-
	<b>6.70</b>	<b>132.37</b>

For Details of receivable from related parties, refer note no.41, Related party disclosures

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Particulars	As at 31 March 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	-	3.72	2.98	-	-	6.70
Have Significant increase in Credit Risk	-	-	23.56	12.28	2.37	38.21
Less: Expected credit loss	-	-	23.56	12.28	2.37	38.21
<b>Total</b>	-	3.72	2.98	-	-	6.70

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	94.16	-	-	-	-	94.16
Have Significant increase in Credit Risk	16.93	6.63	12.28	2.37	-	38.21
Less: Expected credit loss	-	-	-	-	-	-
<b>Total</b>	111.09	6.63	12.28	2.37	0.00	132.37

	As at 31 March 2023	As at 31 March 2022
<b>10 Cash and cash equivalents</b>		
Cash in hand	137.31	160.01
Fixed deposits having remaining maturity of less than 3 months*	-	-
Balance with banks:		
-in current accounts	354.71	493.85
	<b>492.02</b>	<b>493.86</b>

	As at 31 March 2023	As at 31 March 2022
<b>11 Other bank balances</b>		
Fixed deposits having maturity of more than 3 months and less than 12 months*	21.54	85.71
	<b>21.54</b>	<b>85.71</b>

\* Fixed deposits amounting to Rs. 21.54 lakh (Rs 85.71 lakh) are held as margin money towards bank guarantees.

	As at 31 March 2023	As at 31 March 2022
<b>12 Other financial assets</b>		
<b>Current</b>		
Advances recoverable in cash	-	-
Credit card receivables	70.53	58.43
Security Deposits	38.75	87.40
	<b>109.28</b>	<b>145.83</b>

The carrying values are considered to be a reasonable approximation of fair value.

Refer note 42 for disclosure of fair values in respect of financial assets measured at amortised cost.

**Summary of significant accounting policies and other explanatory information**  
for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

<b>13 Other current assets</b>		
Prepaid expenses	13.82	10.93
Advances recoverable in kind or value to be received	16.02	29.18
Advance to suppliers	411.82	723.72
Advance to employees	18.07	23.69
Balance with statutory authorities	3,710.22	3,395.01
	<b>4,169.95</b>	<b>4,182.53</b>

	As at 31 March 2023	As at 31 March 2022
<b>14 Equity share capital</b>		
<b>Authorised</b>		
40,000,000 equity shares of ₹ 10 each (31 March 2022: 40,000,000 equity shares of ₹ 10 each)	4,000.00	4,000.00
<b>Issued, subscribed and fully paid-up</b>		
34,389,341 equity shares of ₹ 10 each (31 March 2022: 34,389,341 equity shares of ₹ 10 each)	3,438.93	3,438.93
	<b>3,438.93</b>	<b>3,438.93</b>

	31 March 2023		31 March 2022	
	No of shares	Amount	No of shares	Amount
<b>(a) Reconciliation of number of shares</b>				
Equity shares at the beginning of the year	3,43,89,341	3,438.93	3,41,05,026	3,410.50
Changes during the year*	-	-	2,84,315	28.43
Equity shares at the end of the year	<b>3,43,89,341</b>	<b>3,438.93</b>	<b>3,43,89,341</b>	<b>3,438.93</b>

**(b) Terms/rights attached to equity shares/warrants**

The holding company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The holding company declares and pays dividend in Indian rupees. The Board of Directors of the holding company has not declared any dividend during the reporting period.

In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

\*During the year ended 31 March 2022, the Holding Company has made allotment of 284,315 equity shares @ Rs 10 per equity share to the eligible employees on exercise of employee stock option scheme.

	31 March 2022		31 March 2020	
	No of shares	% holding	No of shares	% holding
<b>(c) Details of shareholders holding more than 5% shares in the company</b>				
Unicon Marketing Private Limited	-	0.00%	54,44,710	15.83%
Ricon Commodities Private Limited	1,28,62,710	37.40%	71,70,000	20.85%
Mr. Ram Chandra Agarwal	32,07,911	9.33%	32,07,911	9.33%
"India 2020 Fund II, Limited"	22,00,000	6.40%	22,00,000	6.40%
"India 2020 Fund II, Limited"	1,82,70,621		1,80,22,621	
	<b>18,022,621</b>		<b>19,857,124</b>	

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

"Details of promoters share holding in the company as on 31 March 2023"	Shareholding as on 01 April 2022	Purchase during the year	Sales during the year	Shareholding as on 31 March 2023	% change in Shareholding
<b>(d) Details of promoters share holding in the company</b>					
Ram Chandra Agarwal	32,07,911	-	-	32,07,911	0.00%
Uma Agarwal	3,44,000	-	-	3,44,000	0.00%
Ramchandra Agarwal (HUF)	1,55,000	-	-	1,55,000	0.00%
Akash Agarwal	1,33,480	-	-	1,33,480	0.00%
Ricon Commodities Private Limited	71,70,000	56,92,710	-	1,28,62,710	79.40%
Unicon Marketing Private Limited	54,44,710	-	54,44,710	-	-100.00%
Vishal Waterworld Private Limited	10,84,134	-	-	10,84,134	0.00%
V2 Conglomerate Limited	6,32,582	-	-	6,32,582	0.00%
Sunita Fashion Private Limited	2,48,000	-	2,48,000	-	-100.00%
	<b>1,84,19,817</b>	<b>56,92,710</b>	<b>56,92,710</b>	<b>1,84,19,817</b>	

"Details of promoters share holding in the company as on 31 March 2022"	Shareholding as on 01 April 2022	Purchase during the year	Sales during the year	Shareholding as on 31 March 2023	% change in Shareholding
<b>Details of promoters share holding in the company</b>					
Ram Chandra Agarwal	32,07,911	-	-	32,07,911	0.00%
Uma Agarwal	3,44,000	-	-	3,44,000	0.00%
Ramchandra Agarwal (HUF)	1,55,000	-	-	1,55,000	0.00%
Akash Agarwal	1,31,500	1,980	-	1,33,480	1.51%
Ricon Commodities Private Limited	71,70,000	-	-	71,70,000	0.00%
Unicon Marketing Private Limited	54,44,710	-	-	54,44,710	0.00%
Vishal Waterworld Private Limited	10,84,134	-	-	10,84,134	0.00%
V2 Conglomerate Limited	6,32,582	-	-	6,32,582	0.00%
Sunita Fashion Private Limited	2,48,000	-	-	2,48,000	0.00%
	<b>1,84,17,837</b>	<b>1,980</b>	<b>-</b>	<b>1,84,19,817</b>	

- (e) The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of immediately preceding five years except for equity shares allotted under the Employee stock option plan as consideration for services rendered by employees for which only exercise price has been received in cash.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>15 Other equity</b>		
<b>Securities premium account</b>		
Opening balance	29,971.38	29,574.09
Change during the year	-	397.29
	<b>29,971.38</b>	<b>29,971.38</b>
<b>Capital reserve [refer note (a) below]</b>		
Opening balance	61,043.56	61,043.56
Change during the year	-	-
	<b>61,043.56</b>	<b>61,043.56</b>
<b>Employees' stock option outstanding account</b>		
Opening balance	109.55	377.65
Less: Exercised during year	-	(397.29)
Add: Charge for the year	172.38	129.19
	<b>281.94</b>	<b>109.55</b>
<b>Retained earnings</b>		
Opening balance	(68,743.58)	(67,536.32)
Add: Net loss for the year	(1,281.67)	(1,167.72)
Add: Remeasurement benefit of defined benefit plans (net of tax)	(18.12)	(39.52)
	<b>(70,043.37)</b>	<b>(68,743.58)</b>
	<b>21,253.50</b>	<b>22,380.90</b>

- (a) The Holding Company restructured its business in the financial year 2010-11 resulting in creation of Capital Reserve amounting to ₹ 60,523.24 lakhs. The aforementioned reserve has been reconciled to amount recognised in the books of accounts except for ₹ 365.36 lakhs which the Holding Company is in the process of reconciling. However, the management believes that there is no impact of same on Consolidated statement of profit and loss.

### Nature and purpose of other reserves

- (i) **Securities premium**  
Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- (ii) **Capital reserve:**  
This reserve represents the excess of net assets taken, over the cost of consideration paid at the time of amalgamation done in prior years. This reserve is not available for the distribution to the shareholders.
- (iii) **Employees' stock options outstanding account**  
The account is used to recognise the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.
- (iv) **Retained earnings**  
Retained earnings comprise of the Company's accumulated undistributed profits/(losses) after taxes.

	As at 31 March 2023	As at 31 March 2022
<b>16 Non-current borrowings</b>		
<b>Term loan</b>		
<b>Secured</b>		
Vehicle loans from financial institutions	-	11.10
<b>Unsecured</b>		
(i) Loan from directors and their relatives	500.96	560.81
(ii) Loan from group companies	221.18	-
	<b>722.14</b>	<b>571.91</b>
Less: Current maturities of long-term borrowings (refer note 19)	-	11.10
	<b>722.14</b>	<b>560.81</b>

### Notes:

- (a) Vehicle loan from ICICI Bank Limited amounting to ₹ Nil (31 March 2022: ₹ 11.10 lakh) was carrying an interest @ 8.70% per annum fully repaid in February 2023. The loan was secured against hypothecation of vehicle.
- (b) Refer note 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>17 Other non-current financial liabilities</b>		
Security deposits*	22.78	14.74
	<b>22.78</b>	<b>14.74</b>

\* The above amount includes security deposits received from shop-in-shop vendors.

	As at 31 March 2023	As at 31 March 2022
<b>18 Provisions</b>		
<b>Non-current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity	284.33	255.25
Provision for compensated absences	159.31	148.34
	<b>443.64</b>	<b>403.59</b>

For disclosures on gratuity and other post employment benefit obligation, refer note 38.

	As at 31 March 2023	As at 31 March 2022
<b>19 Short-term borrowings</b>		
<b>Secured</b>		
Working capital facility from a Bank (refer note a below)	4,647.62	4,881.53
Current maturities of long-term borrowings (refer note 16)	-	11.10
	<b>4,647.62</b>	<b>4,892.64</b>

- a. Working capital facility of Rs. 5000 lacs from a bank carries an interest rate based upon MCLR 9.75% per annum. This facility is secured against stock and book debts. Further corporate guarantee given by a related party (Vishal Water World Private Limited) and personal guarantee given by managing director of the Company.

b. **Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:**

Particulars	As at 1 April 2022	Cash out flows	Non cash changes			As at 31 March 2023
			Lease additions	Impact of rent concession & leases closed	Interest expenses	
Non Current borrowings	560.81	161.32	-	-	-	722.13
"Lease liabilities (including current maturities)"	34,306.72	(3,431.18)	8,800.58	(2,672.26)	-	37,003.84
Current borrowings (net)	4,892.64	(245.01)	-	-	-	4,647.63
Interest accrued	-	(4,055.31)	-	-	4,055.31	-
Issuance of equity shares	3,438.93	-	-	-	-	3,438.93
<b>Total liabilities from financial activities</b>	<b>43,199.09</b>	<b>(7,570.18)</b>	<b>8,800.58</b>	<b>(2,672.26)</b>	<b>4,055.31</b>	<b>45,812.53</b>

Particulars	As at 1 April 2021	Cash out flows	Non cash changes			As at 31 March 2022
			Lease additions	Impact of rent concession & leases closed	Interest expenses	
Non Current borrowings	11.66	549.15	-	-	-	560.81
"Lease liabilities (including current maturities)"	34,245.83	(2,273.76)	5,198.64	(2,863.99)	-	34,306.72
Current borrowings (net)	5,368.51	(475.87)	-	-	-	4,892.64
Interest accrued	-	(3,657.18)	-	-	3,657.18	-
Issuance of equity shares	3,410.50	28.43	-	-	-	3,438.93
<b>Total liabilities from financial activities</b>	<b>43,036.50</b>	<b>(5,829.25)</b>	<b>5,198.64</b>	<b>(2,863.99)</b>	<b>3,657.18</b>	<b>43,199.09</b>



**Summary of significant accounting policies and other explanatory information**  
for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>20 Trade payables</b>		
i.Total outstanding dues of micro enterprises and small enterprises		
ii.Total outstanding dues of creditors other than micro enterprises and small enterprises	481.92	462.55
<b>Total</b>	<b>10,264.33</b>	<b>11,491.48</b>
	<b>10,746.25</b>	<b>11,954.03</b>

Due to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	31 March 2023	31 March 2022
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal amount remaining unpaid	481.92	462.55
Interest accrued and remaining unpaid as at year end		
ii) "Amount of interest paid by the Group to the suppliers in terms of section 16 of the Act"		
iii) Amount paid to the suppliers beyond the respective due date.		
iv) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.		
v) Amount of interest accrued and remaining unpaid at the end of accounting period.		
vi) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.		

(b) Trade payables ageing is as follows:

Particulars	As at 31 March 2023					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- MSME	340.10	141.82	-	-	-	481.92
(ii) Undisputed- Others	6,638.29	3,384.81	111.80	48.44	55.92	10,239.26
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	25.07	25.07
<b>Total</b>	<b>6,978.39</b>	<b>3,526.63</b>	<b>111.80</b>	<b>48.44</b>	<b>80.99</b>	<b>10,746.25</b>

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- MSME		462.55	-	-	-	462.55
(ii) Undisputed- Others	450.29	10,868.21	57.83	43.91	71.24	11,491.48
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-
<b>Total</b>	<b>450.29</b>	<b>11,330.77</b>	<b>57.83</b>	<b>43.91</b>	<b>71.24</b>	<b>11,954.03</b>

	As at 31 March 2023	As at 31 March 2022
<b>21 Other financial liabilities</b>		
<b>Current</b>		
Employee related payables	318.49	595.76
Creditors for capital purchases	393.64	260.64
Payable towards credit card	9.39	11.97
	<b>721.51</b>	<b>868.37</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>22 Provisions</b>		
<b>Current</b>		
Provision for gratuity	137.03	109.86
Provision for compensated absences	99.99	115.36
	<b>237.02</b>	<b>225.22</b>
For disclosures on gratuity and other post employment benefit obligation, refer note 38.		
<b>22A Current Tax Liabilities</b>		
Provision for Income Tax	40.89	-
	<b>40.89</b>	<b>-</b>
	As at 31 March 2023	As at 31 March 2022
<b>23 Other current liabilities</b>		
Statutory liabilities	138.11	159.68
Amount payables to customers	11.91	12.69
	<b>150.02</b>	<b>172.37</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>24 Revenue from operations<sup>\$</sup></b>		
<b>Operating revenue</b>		
Traded goods*	83,612.62	62,756.16
<b>Other operating revenue</b>		
Scrap sales	164.96	115.00
Display income	110.72	51.33
	<b>83,888.30</b>	<b>62,922.49</b>
<b>* Details of sale of traded goods</b>		
Apparels	80,611.44	58,542.65
Non-apparels	3,001.18	4,213.51
	<b>83,612.62</b>	<b>62,756.16</b>
<b>Detail of Operating revenue by Geographical locations</b>		
In India	83,612.62	62,756.16
Outside India	-	-
<b>Total</b>	<b>83,612.62</b>	<b>62,756.16</b>
<sup>\$</sup> Refer note 40		
	Year ended 31 March 2023	Year ended 31 March 2022
<b>25 Other income</b>		
<b>Interest Income on:</b>		
-Bank deposits	7.00	14.04
-Other financial assets carried at amortised cost	70.32	103.64
-Interest on Income tax refund	22.00	0.12
Gain on derecognition of lease liabilities including security deposits	400.55	464.17
Rent concession received from landlords	30.27	865.98
Gain on sale of assets (net)	5.61	15.61
Insurance claim received	8.08	46.49
Sales of consumables	3.89	21.23
Miscellaneous income	119.18	57.62
	<b>666.90</b>	<b>1,588.90</b>

**Summary of significant accounting policies and other explanatory information**  
for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>26 Purchase of stock-in-trade</b>		
Purchase of stock-in-trade (refer note below)	48,137.23	34,640.01
	<b>48,137.23</b>	<b>34,640.01</b>
<b>(a) Details of purchase of stock-in-trade</b>		
Apparels	38,864.71	31,202.00
Non-apparel	9,272.52	3,438.01
	<b>48,137.23</b>	<b>34,640.01</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>27 Cost of Material Consumed</b>		
Raw Material Inventory at the beginning of the year	1,664.83	1,959.47
Add: Purchases during the year	6,082.19	4,450.39
Less: Raw Material Inventory at the end of the year	2,363.07	1,664.83
	<b>5,383.95</b>	<b>4,745.03</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>28 Changes in inventories of stock-in-trade</b>		
<b>Opening Stock</b>		
Work-in-process	869.90	1,740.10
Finished goods	41.07	13.67
Traded goods	26,430.68	26,443.20
	<b>27,341.65</b>	<b>28,196.97</b>
<b>Closing stock</b>		
Work-in-process	1,195.83	869.90
Finished goods	49.98	41.07
Traded goods	24,279.28	26,430.68
	<b>25,525.09</b>	<b>27,341.65</b>
	<b>1,816.56</b>	<b>855.32</b>
<b>a. Details of closing stock</b>		
Apparels	21,619.54	25,263.40
Non-apparel	3,905.54	2,078.25
	<b>25,525.08</b>	<b>27,341.65</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>29 Employee benefit expense</b>		
Salaries, wages and bonus	7,829.25	5,581.27
Gratuity (refer note 38)	89.65	73.62
Contribution to provident and other funds	394.48	291.87
Share based payments to employees (refer note 39)	172.38	129.19
Staff welfare	375.23	224.35
	<b>8,860.99</b>	<b>6,300.30</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>30 Finance costs</b>		
Interest on		
Term loans	0.49	4.78
Unsecured loans from related parties	10.28	-
Working capital loans	449.92	457.66
Lease liabilities	3,580.86	3,194.74
Other borrowing cost	13.75	-
	<b>4,055.31</b>	<b>3,657.18</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>31 Depreciation and amortisation</b>		
Depreciation on property, plant and equipment	1,835.42	1,768.62
Amortization of intangible assets	166.94	73.90
Depreciation on right of use assets	4,703.05	4,040.56
	<b>6,705.41</b>	<b>5,883.08</b>
<b>32 Other expenses</b>		
Power, fuel and electricity	2,827.23	2,053.62
Water charges	17.69	18.12
Repair and maintenance		
- Building	53.48	12.41
- Plant and machinery	39.77	24.89
- Others	306.60	251.24
Rent (refer note 46)	189.88	72.05
Jobwork Charges	2,101.64	1,922
Insurance charges	41.84	45.07
Rates and taxes	191.38	155.63
Bank charges	66.29	137.48
Legal and professional	558.70	413.81
Bad debts	38.21	-
Motor vehicle expenses	29.91	23.74
Printing and stationery	59.26	8.87
Packing materials & expenses	1,044.71	574.92
Provision for inventory obsolescence	100.00	-
Security service charges	314.64	201.17
Housekeeping expenses	208.21	152.39
Telephone expenses	94.59	71.07
E-Commerce expenses	76.90	1,014.59
Traveling and conveyance	245.98	181.13
Postage and telephones	4.20	1.15
Payment to auditors (refer note a below)	36.58	29.56
Credit cards charges	80.34	99.01
Advertisement & sales promotion	555.85	505.25
Commission charges	2.53	6.63
Compensation to landlord	85.70	-
Transportation charges	1,467.30	993.98
Expenditure towards corporate social responsibility (CSR) activities (Refer note: 33)	-	-
Other Factory Expenses	258.29	604.98
Miscellaneous expenses	193.23	341.75
	<b>11,290.93</b>	<b>9,916.33</b>
<b>a. Auditors' remuneration</b>		
Statutory audit (including fees for limited reviews)*	31.85	27.30
Other services	0.15	-
Out of pocket expenses	4.58	2.26
	<b>36.58</b>	<b>29.56</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>33 Details of expenditure incurred in relation to CSR activates during the year</b>		
In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:		
Average net profit of the Holding Company for last three financial years	-	-
Gross amount required to be spent by the Company during the year		
Amount spent during the year on the following:	-	-
(a) Construction/acquisition of any asset		
(b) On purposes other than (a) above	-	-
Amount unspent during the year and deposited in a scheduled bank	-	-
Shortfall at the end of the year	-	-
Reason of Shortfall	-	-
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

	Year ended 31 March 2023	Year ended 31 March 2022
<b>34 Earnings per share</b>		
Loss attributable to equity shareholders before exceptional items (A)	(1,281.67)	(1,167.72)
Nominal value per share	10.00	10.00
<b>Weighted-average number of ordinary shares (basic)</b>		
Numbers of weighted average equity share outstanding at the beginning	3,43,89,341	3,41,05,026
Issued ordinary shares	-	2,10,315
Weighted average number of equity shares outstanding during the year (B)	<b>3,43,89,341</b>	<b>3,43,15,341</b>

### Weighted-average number of ordinary shares (diluted)

Category	Grant date	No. of Options	
		31 March 2023	31 March 2022
Tranche - I -2021	28 June 2021	2,25,000	2,25,000
<b>Total ESOP's granted</b>		<b>2,25,000</b>	<b>2,25,000</b>

Particulars	31 March 2023	31 March 2022
Average price of the share	108.95	140.86
Face Value	10	10
Exercise price	10	10
Diluted shares (nos.)	204,348	209,027
<b>Weighted average number of equity shares adjusted for the effect of dilution (C)</b>	<b>34,593,689</b>	<b>34,524,368</b>
<b>Basic loss per equity share (Amount in ₹) (A/B)</b>	<b>(3.73)</b>	<b>(3.40)</b>
<b>Diluted loss per equity share (Amount in ₹) (A/C)</b>	<b>(3.73)</b>	<b>(3.40)</b>

The effect of potential equity shares is anti dilutive in nature accordingly not considered for the purpose of arriving at dilutive earning per share for the year ended March 2023 and March 2022

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	31 March 2023	31 March 2022
<b>35 Contingencies and commitments</b>		
<b>(a) Contingent liabilities</b>		
Claims against the holding Company not acknowledged as debt [refer note (i) below]	1,597.17	1,869.51
Dispute under sales tax law (matters under appeal) [refer note (ii) below]	2,520.94	2,801.78
Dispute under service tax law (matters under appeal) [refer note (iii) below]	302.08	302.08
Disputes under income tax law	1,014.34	11,887.49
<b>(i)</b> The holding company has certain cases/disputes aggregating to ₹ 1,597.17 lakhs (31 March 2022: ₹ 1869.51 lakhs) involving customers, vendors and ex-employees. Whilst the impact of these litigations on these financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the holding company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these consolidated financial statements.		
<b>(ii)</b> The Holding Company has certain litigations related to Sales tax and Values added tax (VAT) pending under Rajasthan Value Added Tax Act, 2003 aggregating to Nil Lakhs (31 March 2022 ₹ 441.28 lakhs) West Bengal Value Added Tax Act, 2003 aggregating to ₹ 2,250 lakhs ( 31 March 2022 ₹ 2,250 lakhs), The Assam Value Added Tax Act, 2003 aggregating to ₹ 7.20 lakhs (31 march 2022 ₹ 7.20 lakhs), The Uttar Pradesh Value Added Tax Act, 2008 aggregating to ₹ 24.46 lakhs (31 March 2022 ₹ 24.46 Lakhs), The Haryana Value Added Tax Act, 2003 aggregating to ₹ 59.79 lakhs( 31 March 2022 ₹ 59.79 lakhs) and The Bihar Value Added Tax Act, 2005 ₹ 179.49 lakhs (31 March 2022 ₹ 19.05). Whilst the impact of these litigations on these financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the Company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these standalone financial statements.		
<b>(iii)</b> The holding company has pending litigation related to service tax under Finance Act, 1994 amounting to ₹ 302.08 lakhs (31 March 2022: ₹ 302.08 lakhs). Whilst the impact of these litigations on these financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the holding company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these consolidated financial statements.		
<b>(iv)</b> Out of contingent liabilities existing as at 31 March 2023 as disclosed above, certain cases amounting to ₹ Nil (31 March 2022: ₹ 747.25 lakhs) comprising of claims against the holding company not acknowledged as debt of ₹ Nil (31 March 2022: ₹ 281.51 lakh) and Value added tax related disputes aggregating ₹ Nil (31 March 2022: ₹ 465.75 lakh) [(included in point (i) and (ii) above) are under appeal with different authorities at different levels for which the management does not have necessary details and information. Whilst the impact of these contingent liabilities on the consolidated financial statements can only be ascertained on the settlement of such cases/disputes, management has broadly assessed that based on the merits of such cases, the holding company has reasonably good chances of succeeding and accordingly, no provision has been recognised in these consolidated financial statements.		
<b>(b) Commitments</b>		
i) Estimated amount of contracts remaining to be executed by holding company on capital account and not provided for (net of advance)	207.77	38.77
ii) During the year the Company has entered into lease arrangements for which lease accounting will be started from the commencement of store and company has to pay rent of Rs. 354.12 lakhs over the period of lease term.		

### 36 Segment information

"In accordance with Ind AS 108, the Board of directors, being the Chief operating decision maker of the Group, has determined that the Group is engaged in the business of retail trade of garments, textiles and accessories in India and there are no separate reportable segments as per Ind AS 108. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statement. The Group's operations are such that all activities are confined only to India and here are no customers accounting for more than 10% of its revenue."

**37** During the current year ended 31 March 2023, the management has recorded additional provision amounting to 789.34 (31 March 2022: ₹ 728.10 lakhs) for expected loss for sale of old inventory taking into account most reliable information available at the reporting date and in view of management, the provision is adequate. Further, during the current year, management has performed physical verification of inventories at stores and warehouse. Based on the physical verification, the Holding Company has written-off inventory amounting to ₹ 634.46 lakhs (31 March 2022: ₹ 825.20 lakhs) which has been adjusted against the provision created.



## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (All amounts in ₹ in lakh unless otherwise stated)

### 38 Gratuity and other post employment benefit plans

Particulars	31 March 2023		31 March 2022	
	Current	Non-current	Current	Non-current
Gratuity	137.03	284.33	109.86	255.25
	<b>137.03</b>	<b>284.33</b>	<b>109.86</b>	<b>255.25</b>

#### A Gratuity

The Group operates gratuity plan where in every employee is entitled to benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vests after five years of continuous service. Gratuity benefits valued were in accordance with the payment of Gratuity Act, 1972.

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit or loss and amounts recognised in the consolidated balance sheet for the Gratuity plan:

#### (i) Amount recognised in the consolidated statement of profit and loss is as under:

Description	31 March 2023	31 March 2022
Current service cost <sup>^</sup>	71.50	61.28
Interest cost <sup>*</sup>	18.15	12.33
<b>Amount recognised in the consolidated statement of profit and loss</b>	<b>89.65</b>	<b>73.61</b>
<sup>^</sup> Included in employee benefit expense		
<sup>*</sup> Included in finance cost		

#### (ii) Changes in the present value of the defined benefit obligation are as follows :

Description	31 March 2023	31 March 2022
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>365.11</b>	<b>272.37</b>
Current service cost	71.50	61.28
Interest cost	18.15	12.33
Actuarial loss/(gain) recognised during the year	23.96	52.80
Benefits paid	(57.36)	(33.67)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>421.36</b>	<b>365.11</b>

#### (iii) Amount recognised in Other comprehensive income is as under:

Description	31 March 2023	31 March 2022
Actuarial loss on arising from change in demographic assumption	-	26.47
Actuarial (gain)/loss on arising from change in financial assumption	(23.11)	(2.67)
Actuarial loss on arising from experience adjustment	47.07	29.00
<b>Total actuarial loss</b>	<b>23.96</b>	<b>52.80</b>

#### (iv) The principal assumptions used in determining gratuity benefit obligations for the Group are shown below

Description	31 March 2023	31 March 2022
Discount rate	7.04%	4.97%
Retirement age	58 years	58 years
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition at ages:		
- Upto 30 years	50.00%	50.00%
- From 31 to 44 years	40% to 50%	40% to 50%
- Above 44 years	20% to 50%	20% to 50%
Rate of increase in compensation	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

	31 March 2023	31 March 2022
(v) <b>Sensitivity analysis for gratuity liability</b>		
<b>Description</b>		
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	<b>421.36</b>	<b>365.11</b>
- Impact due to increase of 0.50 %	(5.24)	(4.83)
- Impact due to decrease of 0.50 %	5.41	5.00
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	<b>421.36</b>	<b>365.11</b>
- Impact due to increase of 0.50 %	4.70	4.15
- Impact due to decrease of 0.50 %	(4.62)	(4.08)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

	31 March 2023	31 March 2022
<b>Expected contribution</b>		
Expected contribution to Gratuity in next year (Amount in ₹)	96.23	81.37
(vi) <b>Maturity profile of defined benefit obligation (undiscounted)</b>		
<b>Description</b>		
Within next 12 months	137.03	109.86
Between 2-5 years	215.93	197.04
Beyond 5 years	68.40	58.19

**Notes:**

- 1 The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- 2 The estimates of future salary increase considered takes into account the inflations, seniority, promotion and other relevant factors on long term basis.

### 39 Share based payment

During the year ended 31 March 2023, the holding company has granted Nil (31 March 2022: 225,000) (net of ESOP lapsed during the year) employee stock options ("ESOP") as per scheme approved by "Nomination and Remuneration Committee", at an exercise price of ₹ 10 per option. Further, out of 284,684 (31 March 2022: 284,684) ESOP outstanding as at the beginning of the year, the holding company has forfeited Nil (31 March 2022: 369) ESOP and holding company has issued shares for Nil (31 March 2022: 284,315) ESOP exercised. Total ESOP outstanding as at 31 March 2023 are 225,000 (31 March 2022: 225,000). The vesting period of the ESOP is ranging from 15 months to 36 months. The granted options can be exercised after vesting at any time before the expiry of 3 months from vesting date. An amount of ₹ 172.38 lakhs (31 March 2022: ₹ 129.19 lakhs) has been recorded for the year ended 31 March 2023 as employee benefits expense, as the proportionate cost of ESOP granted.

The Holding Company provides share-based payment scheme to its employees. During the year ended 31 March 2017, an Employee Stock Option Plan was introduced. The relevant details of the scheme and the grant as below, in the Annual General Meeting held on 30 September 2016, the Board of Directors ("Board") has approved the V2 R-Employee Stock Option Scheme 2016 ("ESOP 2016") and grant of options to the eligible employee of the Holding Company under the Scheme. The Details of the scheme are as below:

a) "Employee stock option scheme :

As at 31 March 2023 the Holding Company had the following outstanding share based payment arrangements:"

Particulars	ESOP Scheme	Method of Settlement	Vesting period	Grant Date	No. of Options granted	Exercise price per share (₹)	Market price on the date of granting of option (₹)
Tranche -I-2021	Scheme 2016	Equity	21 Months	28 June 2021	2,25,000	10	128.55

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### b) Movement of option granted

Particulars	31 March 2023	31 March 2022
	Number of options	Number of options
Options Outstanding at the beginning of the year	2,25,000	2,84,684
Granted during the year (net of lapsed)	-	2,25,000
Exercised during the year*	-	2,84,315
Forfeited during the year	-	369
Options outstanding during the year	2,25,000	2,25,000
Options unvested at the end of the year	2,25,000	2,25,000
Option exercisable at the end of the year	-	-

\* During the year ended 31 March 2022, 2,84,315 ESOP exercised and weighted average price is 121.20 on date of exercised.

#### Fair Valuation:

The fair valuation of the options used to compute proforma net profit and earnings per share have been done by an independent valuer on the date of grant using Black-Scholes Merton Formula. The key assumption and fair value are as under:

Particulars	Risk free Interest Rate (%)	Life (Months)	Expected Volatility (%)	Expected Dividend Yield (%)	Weighted average Fair Value Per Option (₹)
Tranche - I -2022	7.40	4	23.23	-	131.16

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not also necessary be the actual outcome.

### 40 Revenue from Contracts with Customers

"Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied."

#### Assets and liabilities related to contracts with customers

Description	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
<b>Contract liabilities related to sale of goods</b>				
Amount payables to customers	-	11.91	-	12.69
<b>Contract receivables related to sale of goods</b>				
Trade receivables	-	6.70	-	132.37

#### Significant changes in contract assets and liabilities

There has been no significant changes in contract assets/contract liabilities during the year.

#### Performance obligation:

Company generally sales goods to customer when its received payment from customers.

#### Obligations:

Company sell its products to the end customer with a right of return within 30 days.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes.

Description	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	12.69	5.64
Addition during the year	11.91	12.69
Revenue recognised during the year	(12.69)	(5.64)
Closing balance	<b>11.91</b>	<b>12.69</b>

### Disaggregation of revenue

Revenue arises mainly from the sale of traded goods:

Description	31 March 2023	31 March 2022
<b>(A) Sale of goods</b>		
Revenue from sale of goods	83,612.62	62,756.16
<b>(B) Other ancillary revenue</b>		
Scrap sales	164.96	115.00
Display income	110.72	51.33
	<b>83,888.30</b>	<b>62,922.49</b>

Reconciliation of revenue recognised with contract price	Year ended 31 March 2023	Year ended 31 March 2022
Contract Price	83,612.62	62,756.16
Less: Rebate and Discount	-	-
Revenue from contracts with customers	<b>83,612.62</b>	<b>62,756.16</b>

## 41 Related party disclosures

### (a) Key managerial personnel

Mr. Ram Chandra Agarwal (Chairman and Managing Director)

Mrs. Uma Agarwal (Director)

Mr. Akash Agarwal ceases as Whole Time Director and Chief Financial Officer w.e.f. 03 September 2022 and appointed as Non-executive director w.e.f. 03 September 2022

Ms. Archana Surendra Yadav (Independent Director)

Dr. Arun Kumar Roopanwal (Independent Director)

Mrs. Rochelle Susanna Dsouza (Non-executive Director) (upto 11 August 2022)

Mr. Harbir Singh Sidhu (Independent Director) (upto 14th November, 2022)

Mr. Lalit Kumar (Independent Director) (upto 26th December, 2022)

Mr. M.S. Anand (Independent Director) (w.e.f. 10th February, 2023)

Mr. Manshu Tandon (Chief Executive Officer)

Mr. Sudhir Kumar (Company Secretary and Compliance Officer)

Mr. Pratik Adukia (Chief Financial Officer) [w.e.f. 10th February, 2023]

Mr. Roshan Varshney (Company Secretary)

### (b) Companies in which Directors and Key Management Personnel or their relatives have control or significant influence

Vishal Water World Private Limited

**Summary of significant accounting policies and other explanatory information**  
for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

(c) Summary of transactions with related parties:

S. No.	Particulars	31 March 2023	31 March 2022
<b>1</b>	<b>Loans accepted</b>		
	Vishal Water World Private Limited	245.00	-
	Ram Chandra Agarwal	40.00	560.81
	Uma Agarwal	40.00	-
<b>2</b>	<b>Loans repaid (including repaid)</b>		
	Vishal Water World Private Limited (Including interest Rs. 9.10 Lakhs)	34.10	-
	Ram Chandra Agarwal	99.85	-
	Uma Agarwal	40.00	-
<b>3</b>	<b>Interest expense on loans taken</b>		
	Vishal Water World Private Limited	10.28	-
<b>4</b>	<b>Remuneration</b>		
	Mr. Ram Chandra Agarwal	60.00	54.50
	Mrs. Uma Agarwal	60.00	53.75
	Mr. Akash Agarwal	25.00	51.21
	Mr. Manshu Tandon*	87.97	69.23
	Mr. Sudhir Kumar	15.50	12.25
	Mr. Pratik Adukia	9.17	-
	Mr. Roshan Varshney	3.36	0.76
<b>5</b>	<b>Sitting fees</b>		
	Mr. Harbir Singh Sidhu	3.00	3.00
	Ms. Archana Surendra Yadav	3.75	3.00
	Dr. Arun Kumar Roopanwal	3.75	3.00
	Mr. Lalit Kumar	3.00	3.00
	Mr. M S Anand	0.75	-
<b>6</b>	<b>Employee Higher Education Sponsorship Program Expenses</b>		
	Mr. Akash Agarwal	90.28	-
<b>7</b>	<b>Sales of Traded goods during the year</b>		
	Vishal Water World Private Limited	3.72	-
<b>8</b>	<b>Remuneration Payable</b>		
	Mrs. Uma Agarwal	3.94	6.50
	Mr. Akash Agarwal	-	11.55
	Mr. Manshu Tandon*	-	-
	Mr. Sudhir Kumar	-	0.80
<b>9</b>	<b>Sitting fees Payable</b>		
	Mr. Harbir Singh Sidhu	-	0.75
	Ms. Archana Surendra Yadav	-	0.75
	Dr. Arun Kumar Roopanwal	-	0.75
	Mr. Lalit Kumar	-	0.75
	Mr. M S Anand	-	-
<b>10</b>	<b>Loan Payable</b>		
	Vishal Water World Private Limited	221.18	-
	Ram Chandra Agarwal	500.96	560.81
	Uma Agarwal	-	-
<b>11</b>	<b>Trade Receivables</b>		
	Vishal Water World Private Limited	3.72	-
	<b>For guarantee given by related parties (refer note 19)</b>		
	<b>Summary of payment made to KMP*#</b>		
	Short term employee benefit	293.02	253.70
	Other long term benefit	11.92	-
	Share based payment	-	243.31
	Post employment benefit	28.85	-

Certain KMPs also participate in post employment benefit plans provided by the Company. The amount in respect of these towards the KMPs can not be segregated as these are based on actuarial valuation for all employees of the Company.

\*excludes the amount charged/reversed to the consolidated statement of profit and loss on grant/forfeiture of employee stock options.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### 42 Fair value disclosures

#### A Financial instruments by category

Particulars	31 March 2023			31 March 2022		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
<b>Financial assets measured at amortised cost</b>						
Security deposits						
Current			38.75			87.40
Non-current			778.31			673.69
Cash and cash equivalents	-	-	513.56	-	-	739.57
Trade receivables	-	-	6.70	-	-	132.37
Other financial assets	-	-	-	-	-	-
Current	-	-	70.53	-	-	58.42
Non-current	-	-	50.23	-	-	128.22
<b>Total</b>	-	-	<b>1,337.32</b>	-	-	<b>1,633.03</b>
<b>Financial liabilities measured at amortised cost</b>						
Borrowings						
Current			4,647.62			4,892.64
Non-current			722.13			560.81
Lease liabilities			-			-
Current			3,977.99			3,421.64
Non-current			33,025.85			30,885.08
Trade payable	-	-	10,746.25	-	-	11,954.03
Other financial liabilities			-			-
Current			721.51			868.37
Non-current			22.78			14.74
<b>Total</b>	-	-	<b>53,119.84</b>	-	-	<b>51,714.19</b>

#### B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into two categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### C Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Description	As at 31 March 2023		As at 31 March 2022	
	Carrying value	Fair value	Carrying value	Fair value
Security deposits	817.06	817.06	761.09	761.09
	817.06	817.06	761.09	761.09

The management assessed that fair values of cash and cash equivalents, trade payables, Interest accrued on bank deposits with banks, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of borrowings, lease liabilities and other financial assets and liabilities are considered to be the same as their fair values, as there is an immaterial change in the lending rates.



## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (All amounts in ₹ in lakh unless otherwise stated)

### 42(a) Financial risk management

#### i) Risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Recognised variable rate financial liabilities denominated in Indian rupee (INR)	Cash flow forecasting	Company is in the process of reducing the debt component to reduce the interest rate risk

#### A) Credit risk

"Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- loans and receivables carried at amortised cost, and
- deposits with banks"

#### a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

Assets under credit risk:

Credit rating	Particulars	31 March 2023	31 March 2022
A: Low	Security deposits	817.06	761.09
	Other financial assets	120.76	186.64
	<b>Trade receivables</b>	<b>6.70</b>	<b>132.37</b>
	Cash & cash equivalents and bank deposits	513.56	739.57

#### Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

#### Trade receivable, loans and other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. The Group's trade receivables does not have any expected credit loss as it sells products once the entire payment is received except some sales which were made through E-Commerce operators by Holding Company on which the Holding Company has created life time expected credit loss.

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

### Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

### Trade receivable, loans and other financial assets measured at amortised cost

These are measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Particulars	As at 31 March 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount	-	3.72	26.54	12.28	2.37	44.91
Specific provision (Expected Credit Loss)	-	-	23.56	12.28	2.37	38.21
Carrying amount	-	3.72	2.98	-	-	6.70

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount	111.09	6.63	12.28	2.37	-	132.37
Specific provision (Expected Credit Loss)	-	-	-	-	-	-
Carrying amount	111.09	6.63	12.28	2.37	-	132.37

### Reconciliation of loss allowance provision - Trade receivables:

Particulars	31 March 2023	31 March 2022
Opening Balance	-	-
Change in loss allowance	38.21	-
Closing Balance	38.21	-

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

### Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity of Group based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2023	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	4,647.62	722.13	-	5,369.75
Trade payable	10,746.25	-	-	10,746.25
Lease liabilities	7,369.14	14,397.47	31,550.89	53,317.50
Other financial liabilities	721.51	22.78	-	744.29
<b>Total</b>	<b>23,484.53</b>	<b>15,142.38</b>	<b>31,550.89</b>	<b>70,177.79</b>

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

31 March 2022	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	4,892.64	560.81	-	5,453.45
Trade payable	11,954.03	-	-	11,954.03
Lease liabilities	6,664.72	13,251.49	29,915.48	49,831.69
Other financial liabilities	868.37	14.74	-	883.11
<b>Total</b>	<b>24,379.77</b>	<b>13,827.05</b>	<b>29,915.48</b>	<b>68,122.27</b>

### C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### a) Interest rate risk

##### i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31 March 2022, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

#### **Interest rate risk exposure**

Below is the overall exposure of the Group to interest rate risk:

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	4,647.62	4,881.53
Fixed rate borrowing	221.18	11.10
<b>Total borrowings</b>	<b>4,868.80</b>	<b>4,892.63</b>

#### **Sensitivity**

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31 March 2023	31 March 2022
<b>Interest sensitivity*</b>		
Interest rates – increase by 100 basis points	46.48	48.82
Interest rates – decrease by 100 basis points	46.48	48.82

\* Holding all other variables constant

##### ii) Assets

The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

- 42(b) The Group has recognised deferred tax assets arising from unabsorbed depreciation and business losses to the extent there is reasonable certainty the Group would be able to realise the deferred tax assets against future taxable income.

### 43 Capital management

The Group's capital management objectives are

- to safeguard their ability to continue as a going concern
- to maintain an optimal capital structure to reduce the cost of capital

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group's adjusted net debt to equity ratio at 31 March 2023 and 31 March 2022 are as follows:

## Summary of significant accounting policies and other explanatory information

for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

Particulars	31 March 2023	31 March 2022
Total borrowings (including current maturity)	5,369.75	5,453.45
Less: cash and bank balances (including fixed deposits)	563.79	779.08
<b>Net debt</b>	<b>4,805.95</b>	<b>4,674.36</b>
Total equity	24,692.43	25,819.83
<b>Adjusted net debt to adjusted equity ratio</b>	<b>19.46%</b>	<b>18.10%</b>

#### 44 Advertising advance to Bennett, Coleman and Company Limited (BCCL)

The Parent Company executed an Advertisement contract dated 7 July 2015 for the period of 5 years with Bennet Coleman and Company Limited (BCCL), pursuant to which the parent Company has agreed to give advertisements of Rs. 5,000 lakhs, being the total commitment and BCCL has extended long-term credit facility amounting to Rs. 3,250 lakhs to be utilized in accordance with the terms of aforesaid agreement. The aforesaid agreement was further extended twice for a term of one year each and the management is confident of its renewal beyond July 7, 2023 basis its ongoing discussion with BCCL and past practice. The parent Company has paid Rs. 1,557.65 lakhs till year ended 31 March 2022 (outstanding since April, 2019,) pursuant to this contract and disclosed this amount under "other non-current assets" as at 31 March 2023. Further, the management is confident of utilising the above advance within the extended contractual period and therefore, has considered the aforesaid advance as good and recoverable.

#### 45 Ind AS 116 - Leases

"The Group has leases for the office, warehouse, factory, retail stores and others. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The lease terms for office premises, warehouse, factory and store sites are for a period of one year to fifteen years and having a lock-in period ranging from one to three years. The lease are further renewable on expiry of total lease term subject to mutual consent of both the parties. The Holding Company also sub leases portion of retail stores. However, the sub-lease income is not material to the total lease outflows."

##### A Lease payments not included in measurement of lease liability

Particulars	31 March 2023	31 March 2022
Expenses relating to short term leases (included in other expenses)	189.88	72.05
<b>Total</b>	<b>189.88</b>	<b>72.05</b>

##### B The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

	No of right-of-use assets leased	"Range of remaining term (in years)"	"Average remaining lease term (in years)"
Office	2	0.19 - 7.76 Years	3.98 Years
Stores	103	0.02 - 13.33 Years	6.67 Years
Warehouse	2	1.92 - 2.5 Year	2.21 Years
Factory	2	1.59 - 3.69 Year	2.64 Years

##### C The following are amounts recognised in statement of profit and loss:

	Year ended 31 March 2023	Year ended 31 March 2022
Amortisation expense of right-of-use assets	4,703.05	4,040.56
Interest expense on lease liabilities	3,580.86	3,194.74
Rent expense	189.88	72.05
<b>Total</b>	<b>8,473.79</b>	<b>7,307.35</b>

The Group had elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24 July 2020 and 18 June 2021 on Ind AS 116 for rent concessions which are granted due to COVID-19 pandemic. Accordingly, it has accounted for Rs. 30.27 lakhs in year ended 31 March 2023, (Rs. 865.98 lakhs year ended 31 March 2022) under head other income with respect to unconditional rent concessions confirmed by the landlord.

For movement of lease liability refer note no. 3(i)(b) and for maturity profile of lease liability refer note 42(a).

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ in lakh unless otherwise stated)

46 The parent Company has performed physical verification of property, plant and equipment during the year ended 31 March 2023 in accordance with the phased program of conducting such verification over a period of 3 years. However, the parent Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the parent Company. However the management does not expect any adjustments to be material to the financial statements.

### 47 Interests in subsidiaries

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity	'Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs.)	As % of consolidated net assets	Amount (Rs.)	As % of consolidated net assets	Amount (Rs.)	As % of consolidated net assets	Amount (Rs.)
<b>Parent</b>								
V2 Retail Limited	100.12%	24,722.03	113.04%	(1,448.84)	88.17%	(15.98)	112.70%	(1,464.82)
<b>Indian subsidiary</b>								
V2 Smart Manufacturing Private Limited	7.07%	1,745.43	-20.94%	268.40	11.86%	(2.15)	-20.48%	266.25
		<b>26,467.46</b>		<b>(1,180.44)</b>		<b>(18.13)</b>		<b>(1,198.58)</b>
Consolidation adjustments and eliminations	-7.19%	(1,775.03)	7.90%	(101.23)	0.00%	-	7.79%	(101.20)
<b>Total</b>	<b>100.00%</b>	<b>24,692.43</b>	<b>100.00%</b>	<b>(1,281.67)</b>	<b>100.03%</b>	<b>(18.12)</b>	<b>100.00%</b>	<b>(1,299.79)</b>

48 No adjusting or significant non-adjusting events have occurred between 31 March 2023 reporting date and the date of authorisation.

### 49 Assets pledged as security

	31 March 2023	31 March 2022
<b>Current assets</b>		
Inventories	24,646.88	26,734.12
Trade Receivables	6.70	132.37
Cash and cash equivalents	193.66	594.09
Other Bank balances	21.54	85.71
Other financial assets	729.79	1,675.78
Other current assets	4,847.79	3,556.08
<b>Total current assets pledged as security<sup>^</sup></b>	<b>30,446.36</b>	<b>32,778.15</b>
Vehicles*	-	143.75
<b>Total assets pledged as security</b>	<b>30,446.36</b>	<b>32,921.90</b>

<sup>^</sup>Working capital facility taken by the Holding Company has been obtained from Punjab National Bank of ₹ 5,000 lacs. This facility is secured against all current assets of the Holding Company.

\*Vehicle loan from ICICI Bank Limited amounting to ₹ Nil (31 March 2022: ₹ 11.10 lakh) taken by Holding Company was carrying an interest @ 8.70% per annum fully repaid in February 2023. The loan was secured against hypothecation of vehicle.

**50 Other Statutory Information**

- (i) "The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property."
  - (ii) The Group do not have any transactions with struck off companies.
  - (iii) The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (iv) The Group have complied with the number of layers prescribed under the Companies Act, 2013.
  - (v) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - (vi) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
  - (vii) "The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:"
    - "(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or"
    - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - (viii) "The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:"
    - "(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or"
    - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
  - (ix) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
  - (x) Borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.
  - (xi) The group has been sanctioned working capital limit from bank on the basis of security of current assets. The quarterly returns/ statements filed by the group with the bank, are in agreement with the books of accounts of the group of the respective quarters and differences, are not material.
- 51 The Board of Directors of the Company has not declared any dividend during the current and previous year.
- 52 Previous year's figures has been regrouped and/or reclassified wherever necessary to conform to the current year's groupings an classifications, however, the regrouping is not material therefore, details are not given.

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

For and on behalf of the Board of Directors of  
**V2 Retail Limited**

**Ram Chandra Agarwal**  
Chairman and Managing Director  
DIN: 00491885

**Pratik Adukia**  
Chief Financial Officer

**Uma Agarwal**  
Whole Time Director  
DIN: 00495945

**Sudhir Kumar**  
Company Secretary  
M.No. A25125

**Manshu Tandon**  
Chief Executive Officer

Place: New Delhi  
Date: May 25, 2023



**Summary of significant accounting policies and other explanatory information**  
for the year ended 31 March 2023  
(All amounts in ₹ in lakh unless otherwise stated)

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

Name of the subsidiary	V2 Smart Manufacturing Private Limited
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Same as of holding company
Share capital	1500
Reserves & surplus	245.43
Total assets	6529.99
Total liabilities*	6529.99
Investments	0
Turnover	9573.28
Profit before taxation	323.87
Provision for taxation	55.47
Profit after taxation	268.4
Proposed Dividend	0
% of shareholding	100

\*Total Liabilities excluding of share capital and Reserves & Surplus.

Names of the subsidiaries which are yet to commence operations – NIL

Names of subsidiaries which have been liquidated or sold during the year – NIL

**Part "B": Associates and Joint Ventures**

(Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

For and on behalf of the Board of Directors  
of  
V2 Retail Limited

**Ram Chandra Agarwal**

Chairman and  
Managing Director  
DIN: 00491885

**Uma Agarwal**

Whole-time  
Director  
DIN:00495945

**Manshu Tandon**

Chief Executive Officer

**Sudhir Kumar**

Company Secretary  
& Compliance  
Officer

**Pratik Adukia**

Chief Financial  
Officer

Place: New Delhi

Date: May 25, 2023

## CORPORATE INFORMATION

### Chairman & Managing Director

Mr. Ram Chandra Agarwal

### Whole Time Director

Mrs. Uma Agarwal

### Whole Time Director

Mr. Akash Agarwal

### Chief Executive Officer

Mr. Manshu Tandon

### Chief Financial Officer

Mr. Pratik Adukia

### Directors

Dr. Arun Kumar Roopanwal  
(Independent Director)

Mrs. Archana Surendra Yadav  
(Independent Director)

Mr. Srinivas Anand Mannava  
(Independent Director)

### Company Secretary & Compliance Officer

Mr. Sudhir Kumar

### Board Committees

#### Audit Committee

Mrs. Archana Surendra Yadav, Chairperson  
Mr. Ram Chandra Agarwal  
Dr. Arun Kumar Roopanwal  
Mr. Srinivas Anand Mannava

#### Stakeholders Relationship Committee

Dr. Arun Kumar Roopanwal, Chairman  
Mrs. Archana Surendra Yadav  
Mr. Ram Chandra Agarwal  
Mrs. Uma Agarwal

#### Risk Management Committee

Mr. Arun Kumar Roopanwal, Chairman  
Mr. Akash Agarwal  
Mr. Srinivas Anand Mannava  
Mr. Manshu Tandon

#### Nomination and Remuneration Committee

Dr. Arun Kumar Roopanwal, Chairman  
Mrs. Archana Surendra Yadav  
Mr. Srinivas Anand Mannava

#### Corporate Social Responsibility Committee

Mrs. Archana Surendra Yadav, Chairperson  
Mr. Ram Chandra Agarwal  
Dr. Arun Kumar Roopanwal  
Mr. Akash Agarwal

### Statutory Auditors

Singhi & Co.  
Chartered Accountants

### Registrar & Transfer Agent

Link Intime India Private Limited  
Noble Height, 1st Floor, Plot No. NH-2, C-1 Block,  
LSC, Near Savitri Market, Janakpuri,  
New Delhi-110058  
Tel No : 011-41410592  
Email: delhi@linkintime.co.in

### Registered & Corporate Office

Khasra No. 928, Extended Lal Dora Abadi,  
Village - Kapashera, Tehsil -Vasant Vihar,  
New Delhi 110 037  
Tel : +91 11 41771850  
E-mail: cs@v2retail.net.in/ cs@v2kart.com

### Warehouse / Distribution Center

Village Mubarikpur, Farrukh Nagar,  
Gurgaon-122506

**Website :** [www.v2retail.com](http://www.v2retail.com)

**CIN :** L74999DL2001PLC147724



**Registered & Corporate Office**

Khasra No. 928, Extended Lal Dora Abadi,  
Village - Kapashera, Tehsil -Vasant Vihar,  
New Delhi 110 037  
Tel : +91 11 41771850  
E-mail: [cs@v2retail.net.in](mailto:cs@v2retail.net.in)