



January 27, 2017

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Sub: Press Release on Un-Audited Financial Results for Q3FY 2016-17

Dear Sir,

Please find enclosed Press Release on Un-Audited Financial Results for the quarter ended on December 2016.

Thanking You,

For V2 Retail Ltd.

Umesh Kumar

(Company Secretary & Compliance Officer)

V2Retail Ltd (Registered office: Khasra No. 928,
Extended Lal Dora Adabi, Village Kapashera, Tehsil
Vasant Vihar, New Delhi-110037)



Press Release dated January 27, 2017

V2 Retail Limited, India's fastest growing Retail Company, has declared its Unaudited Results for the quarter ended December 31, 2016.

Financials at a Glance:

Particulars (₹ in Crores)	Q3FY17	Q3FY16	Y-o-Y	9MFY17	9MFY16	Y-o-Y	FY16
Revenue	152.8	98.1	56%	364.2	240.6	51%	319.9
Gross Profit	48.2	30.7	57%	108.4	77.2	40%	95.6
Gross Margin (%)	31.5%	31.3%		29.8%	32.1%		29.9%
Operational EBIDTA	23.0	13.3	73%	41.9	30.2	39%	31.4
Operational EBIDTA Margin (%)	15.0%	13.5%		11.5%	12.6%		9.8%
Profit Before Tax (Adjusted)	20.1	9.2	118%	30.6	18.8	62%	16.23
Profit After Tax	33.4	9.7	245%	39.0	14.7	166%	12.2

Revenue:

- Revenue grew by 56% Y-o-Y in Q3FY17 from ₹ 98crores to ₹ 153crores. Revenue for the 9MFY17 grew at 51% Y-o-Y from ₹ 241crores to ₹ 364crores.
- The company has maintained sales momentum in this quarter as well led by healthy demand and new stores opening.

Gross Profit:

- Gross Profit increased from ₹ 31 crores to ₹ 48crores in this quarter. Gross margins improved from 31.3% to 31.5%.
- For the 9MFY17, Gross Profit stood at ₹ 108crores vis-à-vis ₹ 77crores last year.

Operational EBIDTA:

- Operational EBIDTA grew by 73% Y-o-Y in Q3FY17 from ₹ 13crores to ₹ 23crores. Operational EBIDTA margins improved from 13.5% to 15% during the quarter.
- For the 9MFY17, Operational EBIDTA stood at ₹ 42crores vis-à-vis ₹ 30crores last year.
- Operational EBIDTA calculated by adding one-time provision of ₹ 4.06 crores made towards modification in agreement entered for advertisement and expensed off ₹ 1.57 crores towards software implementation cost during the quarter, which are one off in nature.

Profit Before Tax (Adjusted):

- Adjusted Profit Before Tax (PBT) increased by 118% Y-o-Y from ₹ 9 crores to ₹ 20 crores in Q3FY17.
- For the 9MFY17, Adjusted PBT increased from ₹ 19 crores to ₹ 31 crores.

Profit After Tax (PAT):

- PAT increased 245% Y-o-Y from ₹ 10crores to ₹ 33crores in Q3FY17.
- Finance Cost for the quarter reduced to ₹ 1.52crores due to repayment of outstanding loan.
- For the 9MFY17, PAT increased from ₹ 15crores to ₹ 39crores.





Others:

- The company has opened 4 new stores and closed 2 stores during the quarter. The Company currently owns and operates 32 stores spread across 10 states with a total retail area in excess of 3.81 lac Sq. Ft.
- The company has issued and allotted 40 lacs number of Equity shares to Promoters and Non Promoters at a price of ₹ 75/- per share on a preferential basis and issued and allotted 10 lac number of warrants to Promoters (Convertible into equity share at a price of ₹ 75/- per share) during the quarter.
- The Company has sold its property situated at Kolkata against a sale consideration of ₹ 18.38 crores and had earned a gain of ₹ 8.19 crores, which has been shown as exceptional items in the results.
- The proceeds of the Preferential Issue, Sell of property and internal accruals were used to reduce the outstanding loans of the Company.
- The Company vide proposal for settlement of term loan date 30th June 2016 from Pegasus Assets Reconstruction Private Limited (one of the Company's lender) has agreed for one time settlement of its loan including interest at ₹ 42.50 crore along with interest at 12% p.a. on monthly rests to be paid till 30th November 2016. During the quarter ended 31st December 2016, the Company has settled the total outstanding amount of loan including interest and has reversed the excess interest amounting to ₹ 15.13 crore recorded in its books which has been shown as exceptional item in the results. The Company has also obtained "No Dues Certificate" dated 30th November 2016 from the lender to this effect.





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

"I am happy to announce that our Company has reported revenue of ₹ 153crores and PAT of ₹ 33 croresrespectively for Q3FY17.

Improvement in performance for the quarter was on the back of improvements in sentiments due to good monsoon which led to increase in spending and opening of new stores during the year. Also, our constant endeavour to improve internal efficiencies and cost optimisation has helped in achieving better profitability.

The Indian consumer is evolving with respect to habits, lifestyles, tastes and preferences. We continuously try and understand the consumer needs through market research and keep churning our product basket as per needs of the consumer.

We are confident of performing well as we remain focussed on Tier 2 and Tier 3 cities, building a brand, looking to penetrate the unexplored markets and opening new stores."

About V2 Retail Limited

V2 Retail is one of the fastest growing retail company in India and enjoys strong brand equity from customers across segments.The company offers a portfolio of products, including apparel and non-apparel.V2 stands for 'Value and Variety' it sells good quality fashion garments at affordable prices, which suits every individual and household.The Company currently owns and operates 32 stores spread across 10 states with a total retail area in excess of 3.81 lac Sq. Ft. The Company has a Strong presence in Northern & Eastern India. The Company caters to the neo middle class group of population living in small towns and cities.

