



# V2 Retail Limited

February 04, 2021

<b>BSE Limited</b> Corporate Relationship Department 1 <sup>st</sup> Floor, New Trading, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001	<b>National Stock Exchange Of India Limited</b> Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
<b>Scrip Code – 532867</b>	<b>Scrip Code – V2RETAIL</b>

**Sub: Press Release on unaudited standalone & consolidated Financial Results for the third quarter and nine months ended December 31, 2020**

Dear Sir/Madam,

Please find enclosed herewith Press Release on unaudited standalone & consolidated Financial Results for the third quarter and nine months ended December 31, 2020.

Kindly take the same on your record.

Thanking you,

Yours truly,  
For V2 Retail Limited

Sudhir Kumar  
Company Secretary & Compliance Officer



Encl.: As above



Press Release dated February 4, 2021

**V2 Retail Limited, one of India's fastest growing Retail Company, declared its Unaudited Financial Results for the Quarter & Nine Months ended December 31, 2020**

**Standalone Financials Performance at a Glance:**

Particulars (₹ in mn)	Q3FY21	Q3FY20	Y-o-Y	9M FY21	9M FY20	Y-o-Y	FY2020
Revenue	2,274	2,190	4%	3,493	5,721	-39%	7,012
Gross Profit	786	656	20%	1,166	1,664	-30%	1,960
<b>Gross Margin (%)</b>	<b>34.6%</b>	<b>29.9%</b>	15%	<b>33.4%</b>	<b>29.1%</b>	15%	<b>27.9%</b>
EBIDTA	419	351	20%	587	746	-21%	783
<b>EBIDTA Margin (%)</b>	<b>18.4%</b>	<b>16.0%</b>	15%	<b>16.8%</b>	<b>13.0%</b>	29%	<b>11.2%</b>
PBT Before Exceptional Item	191	154	24%	(24)	134		105
Exceptional Item (Gain) / Loss	-	(125)		-	(125)		(125)
Profit / (Loss) Before Tax	191	279		(24)	259		105
<b>Profit / (Loss) After Tax</b>	<b>138</b>	<b>208</b>		<b>(24)</b>	<b>218</b>		<b>101</b>
Total Comprehensive Income / (Loss)	138	205		(25)	213		96

- For the quarter, revenue from operations stood at ₹ 2,274 mn, registering a growth of 4% on Y-O-Y basis. The easing of lockdown and faster than expected improvement in consumer sentiment is boding well for the Company. Gross Margin stood at 34.6% for Q3 FY21 as compared to 29.9% for Q3FY20. EBIDTA for the quarter stood at ₹ 419 mn as compared to ₹ 351 mn in Q3 FY20. EBIDTA margin stood at 18.4% for Q3 FY21 as compared to 16.0% for Q3FY20.
- Agile OPEX management along with a good surge in festival shopping allowed us to deliver a significantly better quarter than the previous two quarters.
- The Company was able to reduce inventory norms across categories and drove comprehensive SKU rationalization leading to reduced inventory turnover days from 102 days as at March 31, 2020 to 84 days for Q3 FY21.
- The Company remain Net Debt free as on December 31, 2020.
- Various cost mitigation measures and prioritized cost reductions especially involving discretionary spends have helped us in bettering our margins. We believe many of these initiatives would continue to deliver efficiencies over the medium term.
- As a prudent measure, Company has made additional provision for inventories estimated at over ₹ 63.53 mn during the 9M FY21 under review.

**Key developments:**

- The Company opened 13 new stores and closed 1 non-profitable store during Q3 FY21.
- As on December 31, 2020, the Company operates 88 stores spread across 16 states and 77 cities with a total retail area of ~9.25 lac Sq. Ft.



- We have witnessed strong rebound in consumer demand during Q3 FY21. Despite certain restriction owing to pandemic, our revenue recovered fully and also able to grow by 4% as compared to Q3 FY20.

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

*“The Company witnessed robust demand trends across stores amidst steadily improving consumer confidence and a declining COVID-19 graph. With faster than expected recovery in the demand sentiment and a declining COVID graph, the sector appears to be gradually regaining its sheen. We remain optimistic that this trend will sustain owing to growth witnessed in rural and a growth-oriented Union Budget. We believe the momentum should continue and is expected to gain further traction in the upcoming festive & wedding season starting from end March.*

*In light of the above, the Company is confident of growing well ahead of medium term aspirations in the next few quarters. We are confident that our growth and profitability will continue to accelerate on the back of sustained focus on customer experience, merchandise selection, strong brand recall and our omnichannel presence. Our online retailing platform ([www.v2kart.com](http://www.v2kart.com)) has been receiving good response. The Company is also focusing on Digital initiatives to improve consumer engagement, drive sales through E-Commerce for internet-savvy consumers and build Data Analytics capabilities.*

*Continuing with our philosophy of deleveraged growth, we have expanded our store network from 76 stores as at March 31, 2020 to 88 stores as at December 31, 2020. We will keep on exploring new stores opportunities. The Company has invested in start of art warehousing infrastructure to keep pace with the growing stores opportunities and demand surge.”*

*Health and safety of all our customers and employees are of paramount importance and all required precautions are being adhered to.*

**About V2 Retail Limited:**

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

**For further information, please contact**

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