AKGVG & ASSOCIATES
Chartered Accountants

Auditors' Report on Quarterly Financial Results and Year to Date Results of the Company pursuant to Clause-41 of Listing Agreement

To
Board of Directors of
V2 Retail Limited.

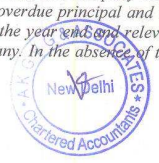
1. We have audited the quarterly financial results of **V2 Retail Limited** for the quarter ended March 31st 2014 and the financial results for the year ended March 2014, attached herewith, being submitted by the Company pursuant to requirements of Clause 41 of the Listing Agreements except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between audited figures in respect of the year ended 31st March 2014 and the published year to date figures upto December 31, 2013 being the date of the end of the third quarter of the current financial year, which were subject to limited review. The Financial results for the quarter ended March 31st 2014 have been prepared on the basis of financial results for the 9 months period ended December 31st 2013, the audited annual financial results as at and for the year ended March 31st 2014, and the relevant requirements of clause 41 of the Listing agreement and are the responsibility of the company's management and have been approved by the board of directors of the company. Our responsibility is to express an opinion on the these financials results, based on our review of the financial results for the nine months period ended December 31st 2013, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act 1956 read with General Circular 8/2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs and other accounting principles generally accepted in India; our audit of the annual financial results as at and for the year ended March 31st 2014; and the relevant requirements of the clause 41 of the Listing Agreement.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. We draw attention to :

   a) *As stated in these quarterly financial results, included in capital reserve amounting to Rs. 60,523.24/- lacs, is Rs. 42,942/- lacs arising out of transfer of asset and liabilities to the acquiring companies in earlier years for which necessary reconciliation/ information to the tune of Rs 372.24/- lacs is not available with the company. Accordingly in the absence of the same, we are unable to comment on the appropriateness of capital reserve including consequential impact, if any, arising out of the same on these quarterly financial results.*

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



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436C, Tower B3, 4th Floor, SPAZE I-Tech Park, Sec.-49, Sohna Road, Gurgaon
E-mail : akgvgca@gmail.com, Website : www.akgvg.com

c) *As stated in these quarterly financial results, to the quarterly financial results, the Company has recognized Rs. 27,111.06/- lacs as deferred tax assets at the year-end for which it does not have virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized in accordance with principles of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India . Had the company not recognized deferred tax, impact on profit and loss account would have been increase in loss during the year by Rs. 16.70/- lacs and decrease in Reserves and Surplus by Rs. 27,111.06-/ lacs.*

d) *As stated in Note 6 of these quarterly financial results, the Company has disclosed contingent liabilities on account of appeals with various statutory authorities at different levels amounting to Rs. 16,957.11/- lacs for which necessary information is not available with the Company to reliably ascertain estimated amount of such liabilities and consequential impact thereof on these quarterly financial results in accordance with Accounting Standard-29 issued by the Institute of Chartered Accountants of India. Hence, we are unable to comment on the same.*

4. Without qualifying our opinion, we report that,
   a) Attention is invited to note 8 of these quarterly financial results wherein the Company has accumulated losses amounting to Rs. 53,663.49/- lacs at the year end and has incurred loss of Rs. 450.76/- lacs during the year which raises concern regarding going concern status of the Company. However, having regard to improvement in the business conditions, increase in revenue from operations, cost rationalization measures adopted and opening of new stores by the Company, these quarterly financial results have been prepared on a going concern basis and that no adjustments are required to the carrying value of assets and liabilities.

5. Subject to para 3(a), (b),(c) and (d) and 4(a) above, In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

   i. Are presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges and
   ii. Gives a true and fair view of the net loss and other financial information for the quarter ended March 31, 2014 and net loss and other financial information for the year ended March 31st, 2014

6. Further read with paragraph 1 above, we report that the figures for the quarter ended March 31 2014 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2014 and the published year-to date figures up to December 31, 2013, being the date of the end of the third quarter of current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(1)(d) of the Listing Agreement.
7. Further , read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanation given to us by the management, also verified the number as well percentage of shareholdings in respect to aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For A K G V G & Associates.
Chartered Accountants
ICAI Firm Registration Number.018598N

Vimal Saini

(Vimal Kumar Saini)
(Partner)
(Membership No. 515915)

A K G V G & ASSOCIATES * Chartered Accountants * New Delhi

Place: New Delhi
Date: 30th May, 2014

AKGVG & ASSOCIATES
Chartered Accountants

Auditors' Report on Consolidated Financial Results Year to Date of the Company pursuant to Clause-41 of Listing Agreement

To
Board of Directors of
V2 Retail Limited.

1. We have audited the consolidated financial results of **V2 Retail Group, comprising, its subsidiaries, joint ventures (together, ' the V2 Retail Group')** for the year ended March 31st 2014, attached herewith, being submitted by the Company pursuant to requirements of Clause 41 of the Listing Agreements except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosure made by the management and have not been audited by us. Our responsibility is to express an opinion on these consolidated financial results, based on our audit of the annual consolidated financial results as at and for the year ended March 31st 2014; and the relevant requirements of the clause 41 of the Listing Agreement.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial information of subsidiaries, whose financial information prepared under the generally accepted accounting principles accepted in India, whose financial results reflects total assets of Rs. 26.76/- lacs as at March 31st 2014, (year to date), total revenue of Rs Nil for the year ended March 31st 2014, as well as net cash outflow of Rs. 0.37/-lacs for the year ended March 31st 2014. The Financial results have been audited by other auditors whose report has been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditor.

4. We did not audit the financial information of a joint venture,, whose financial information, reflects total assets of Rs. 0.25/- lacs as at March 31st 2014, (year to date), total revenue of Rs Nil For the year ended March 31st 2014, being the proportionate share of V2 Retail Group, for the year ended. The Financial information has been prepared by the management, and our opinion is based solely on the management certified accounts. Our Opinion is not qualified in respect of this matter.

5. We draw attention to :
   a) *As stated in these quarterly financial results, included in capital reserve amounting to Rs. 60,523.24/-lacs, is Rs. 42,942/- lacs arising out of transfer of asset and liabilities to the acquiring companies in earlier years for which necessary reconciliation/ information to the tune of Rs 372.24 lacs is not available with the company. Accordingly in the absence of the same, we are unable to comment on the appropriateness of capital reserve including consequential impact, if any, arising out of the same on these quarterly financial results.*

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

AKGVG & ASSOCIATES * New Delhi * Chartered Accountants *

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436C, Tower B3, 4th Floor, SPAZE I-Tech Park, Sec.-49, Sohna Road, Gurgaon
E-mail : akgvgca@gmail.com, Website : www.akgvg.com

c) *As stated in these quarterly financial results, the Company has recognized Rs. 27,111.06/- lacs as deferred tax assets at the year-end for which it does not have virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized in accordance with principles of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India . Had the company not recognized deferred tax, impact on profit and loss account would have been increase in loss by Rs. 16.70/- lacs and decrease in Reserves and Surplus by Rs. 27,111.06/- lacs.*

d) *As stated in Note 6 of these quarterly financial results, the Company has disclosed contingent liabilities on account of appeals with various statutory authorities at different levels amounting to Rs. 16,957.11/- lacs for which necessary information is not available with the Company to reliably ascertain estimated amount of such liabilities and consequential impact thereof on these quarterly financial results in accordance with Accounting Standard-29 issued by the Institute of Chartered Accountants of India. Hence, we are unable to comment on the same.*

6. Without qualifying our opinion, we report that,
   a) Attention is invited to note 8 of these quarterly financial results wherein the Company has accumulated losses amounting to Rs. 53,752.93/- lacs at the year end and has incurred loss of Rs. 450.72/- lacs during the year which raises concern regarding going concern status of the Company. However, having regard to improvement in the business conditions, increase in revenue from operations, cost rationalization measures adopted and opening of new stores by the Company, these quarterly financial results have been prepared on a going concern basis and that no adjustments are required to the carrying value of assets and liabilities.

7. In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results for the year ended March 31, 2014:

   i. Are presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges and
   ii. Give a true and fair view of the net loss and other financial information for the year ended March 31, 2014

8. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanation given to us by the management, also verified the number of consolidated shares as well as percentage of shareholdings in respect to aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of Listing Agreement and found the same to be correct.

For A K G V G & Associates.
Chartered Accountants
ICAI Firm Registration Number:.018598N

Vimal Saini

(Vimal Kumar Saini)
(Partner)
(Membership No. 513915)

A K G V G & ASSOCIATES * Chartered Accountants * New Delhi

Place: New Delhi

Date: 30th May, 2014

V2
VALUE & VARIETY

V2 Retail Limited

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Rs. In Lacs)

S.No.	Particulars	For the Quarters Ended			Year Ended		Consolidated	
		31st Mar 2014	31st Dec 2013	31st Mar 2013	31st Mar 2014	31st Mar 2013	31st Mar 2014	31st Mar 2013
		Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	**Income from Operations**							
a.	Sales (net of excise duty)	5,239.61	7,020.40	2,601.84	22,889.23	10,567.12	22,889.23	10,567.12
b.	Other Operating Income	-	-	-	-	-	-	-
c.	**Total**	**5,239.61**	**7,020.40**	**2,601.84**	**22,889.23**	**10,567.12**	**22,889.23**	**10,567.12**
2	**Expenditure**							
a.	(Increase)/decrease in stock in trade and work in progress	121.09	(223.14)	(1,895.48)	(1,069.42)	(2,878.26)	(1,069.42)	(2,878.26)
b.	Consumption of raw materials	-	-	-	-	-	-	-
c.	Purchase of traded goods	4,107.17	5,383.42	3,892.57	18,287.20	10,776.54	18,287.20	10,776.54
d.	Employee benefit expenses	399.46	394.81	201.41	1,592.01	826.72	1,592.01	826.72
e.	Depreciation and amortisation expenses	97.27	91.68	59.91	348.19	227.10	348.19	227.10
f.	Other expenses	1,258.54	755.49	596.47	3,655.13	1,768.58	3,655.37	1,769.02
g.	**Total**	**5,983.53**	**6,402.26**	**2,854.88**	**22,813.10**	**10,720.67**	**22,813.34**	**10,721.11**
3	Profit / (Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(743.93)	618.14	(253.04)	76.13	(153.55)	75.89	(153.99)
4	Other Income	58.60	54.62	51.86	220.66	209.93	220.66	210.03
5	Profit / (Loss) from ordinary activities before Finance Cost & Exceptional Items (3+4)	(685.33)	672.76	(201.18)	296.79	56.38	296.55	56.04
6	Finance Costs	211.63	205.49	174.43	805.46	652.11	805.46	652.11
7	Profit / (Loss) from ordinary activities after Finance Cost but before Exceptional Items (5-6)	(896.96)	467.27	(375.61)	(508.67)	(595.73)	(508.91)	(596.07)
8	Exceptional Items (Refer Note No. 5)	-	-	93.26	17.33	120.19	17.33	120.19
9	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	(896.96)	467.27	(468.87)	(526.01)	(715.92)	(526.24)	(716.26)
10	Tax expense	(113.19)	(141.48)	121.86	75.25	188.44	(75.76)	(188.22)
11	Net Profit /Loss from Ordinary Activities after tax (9+10)	(1,010.15)	325.79	(347.01)	(450.76)	(527.48)	(450.48)	(528.04)
12	Extraordinary Items (Net of Tax Expenses)	-	-	-	-	-	-	-
13	**Net Profit /Loss for the period (11-12)**	**(1,010.15)**	**325.79**	**(347.01)**	**(450.76)**	**(527.48)**	**(450.48)**	**(528.04)**
14	Share of Profit / Loss of Joint Venture							1.01
15	Minority Interest						(0.23)	(0.34)
16	Net Profit / Loss for the group (13-14-15)	**(1,010.15)**	**325.79**	**(347.01)**	**(450.76)**	**(527.48)**	**(450.71)**	**(527.37)**

A.K. GUPTA & ASSOCIATES Chartered Accountants New Delhi

V2 Retail Ltd. New Delhi

17	Paid-up equity share capital		2,239.89	2,239.89	2,239.89	2,239.89	2,239.89	2,239.89	2,239.89
	(Equity Shares of Rs. 10/- each)		10/-	10/-	10/-	10/-	10/-	10/-	10/-
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					24,072.19	24,780.21	23,982.75	24,690.72
19	Earnings Per Share (EPS)								
	a.	Basic EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(4.51)	1.45	(1.55)	(1.94)	(1.82)	(1.93)	(1.82)
	a(i).	Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(4.51)	1.45	(1.55)	(1.94)	(1.82)	(1.93)	(1.82)
	b.	Basic EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(4.51)	1.45	1.55	(2.01)	(2.35)	(2.01)	(2.35)
	b(i).	Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(4.51)	1.45	1.55	(2.01)	(2.35)	(2.01)	(2.35)
20	Public shareholding								
	a.	Number of shares	**9587998**	**9587998**	**9585998**	**9587998**	**9585998**	**9587998**	**9585998**
	b.	Percentage of shareholding	**42.81%**	**42.81%**	**42.80%**	**42.81%**	**42.80%**	**42.81%**	**42.80%**
21	Promoters and Promoter Group Shareholding **								
	a.	Pledged / Encumbered							
		- Number of shares	**12377194**	**12377194**	**12377194**	**12377194**	**12377194**	**12377194**	**12377194**
		- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	**96.61%**	**96.61%**	**96.60%**	**96.61%**	**96.60%**	**96.61%**	**96.60%**
		- Percentage of shares (as a % of the total share capital of the company)	**55.26%**	**55.26%**	**55.25%**	**55.26%**	**55.25%**	**55.26%**	**55.25%**
	b.	Unencumbered							
		- Number of shares	**433677**	**433677**	**435677**	**433677**	**435677**	**433677**	**435677**
		- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	**3.39%**	**3.39%**	**3.40%**	**3.39%**	**3.40%**	**3.39%**	**3.40%**
		- Percentage of shares (as a % of the total share capital of the company)	**1.93%**	**1.93%**	**1.94%**	**1.93%**	**1.94%**	**1.93%**	**1.94%**

Notes to Results:

1) STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH 2014 (Rs. in Lacs)

Particulars	Standalone		Consolidated	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
	Audited (Rs. in lacs)	Audited (Rs. in lacs)	Audited (Rs. in lacs)	Audited (Rs. in lacs)
Shareholder's Funds				
(a) Share Capital	2,240	2,240	2,240	2,240
(b) Reserves and Surplus	24,072	24,780	23,983	24,691
(c)Capital Reserve on Consolidation of Joint Venture			21	21
Sub-total - Shareholders funds	**26,312**	**27,020**	**26,243**	**26,952**
Non-Current Liabilities				
(a) Long-term borrowings	3,772	3,156	3,772	3,155
(c) Other Long term liabilities	49	49	49	49
(d) Long term provisions	465	13	465	13
Sub-total - Non-current liabilities	**4,286**	**3,218**	**4,286**	**3,217**
Current Liabilities				
(a) Short-term borrowings			13	13
(b) Trade payables	2,820	2,467	2,820	2,467
(c) Other current liabilities	5,054	4,015	5,116	4,077
(d) Short-term provisions	63	42	63	42
Sub-total - Current liabilities	**7,937**	**6,524**	**8,012**	**6,599**
Total Equity and Liabilities	**38,535**	**36,762**	**38,542**	**36,768**
ASSETS				
Non-current assets				
(a) Fixed assets				
(i) Tangible assets	1,404	833	1,404	833
(ii) Intangible assets	30	24	30	24
(iii) Capital work-in-progress	4	125	4	125
	1,438	983	1,438	983
(b) Non Current Investment	3,139	3,226	3,119	3,205
(c) Deferred tax assets (net)	27,111	27,094	27,111	27,094
(d) Long term loans and advances	172	165	172	166
(e) Other non-current assets	487	302	502	318
Sub-total Non Current Assets	**32,347**	**31,770**	**32,343**	**31,765**
Current assets				
(a) Inventories	5,552	4,483	5,552	4,483
(b) Trade receivables	2	1	12	10
(c) Cash and cash equivalents	213	180	215	181
(d) Short-term loans and advances	420	327	420	327
(e) Other current assets	1	2	1	2
Sub-total Current Assets	**6,188**	**4,992**	**6,199**	**5,003**
Total Assets	**38,535**	**36,762**	**38,542**	**36,768**

A.K.G.V.G & ASSOCIATES New Delhi Chartered Accountants

V2 Retail Ltd. New Delhi

2) The above audited financial results, as reviewed by the Audit Committee of the Board, were approved and taken on record by the Board of Directors at their meeting held 30th May, 2014.

3) The financial results for the quarter ended 31st March, 2014 are balancing figures between the audited results for the full financial year ended 31st March 2014 and the reviewed year to date figures upto 31st December 2013.

4) The consolidated financial results have been prepared in accordance with the Accounting Standard- 21 on "Consolidated Financial Statements" and Accounting Standard – 27 on "Financial Reporting of Interest in Joint Ventures". Financial results of the following subsidiaries viz. VRL Infrastructure Limited, VRL Movers Limited, VRL Retail Venture Limited and joint venture VRL Retailer Business Solution Private Limited have been consolidated.

5) Exceptional Item represents Prior period Expenses.

6) The Company has only a single reportable primary (business) segment viz. Retail Business. Therefore, segment information is provided only on a consolidated basis for the Company, its subsidiaries and joint venture called the "Group".

7) The Company has Contingent Liabilities to the tune of Rs. 16957.11 Lacs which includes Rs. 46.53 Lacs relating to Bank Guarantee. All Contingent Liabilities except Bank Guarantees are under appeal with different authorities at different levels.

8) The Company has incurred substantial losses in the past and its net worth has been eroded. However, having regard to improvement in the economic sentiment, rationalization measures adopted by the Company, Opening of new stores and the implementation of the debt recast package with the lenders and promoters, these financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

9) The accumulates losses Rs. 53,663.49 Lacs (Rupees Five Hundred Thirty Six Crores Sixty Three Lacs Forty Nine hundred Ninety Four only) as at 31st March, 2014 which exceed the net worth of the company.

10) Details of number of Investor Complaints/Queries for the Quarter ended 31st March 2014; Pending at the beginning NIL, Received during the quarter NIL, Resolved during the quarter NIL, Pending at closing NIL.

11) The management has conducted physical verification of inventory at reasonable intervals during the year. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory. Discrepancies noted on physical verification of inventories have been properly dealt with in the books of account.

12) The previous year figures have been regrouped and recasted, wherever considered necessary.

For V2 Retail Limited
CIN : L749999DL2001PLC147724

(RAM CHANDRA AGARWAL)
Chairman & Managing Director

V2 Retail Ltd. New Delhi

A.K.G.V.G & ASSOCIATES New Delhi Chartered Accountants

Place: New Delhi
Date: May 30, 2014