The information in this Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI ICDR Regulations, on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be issued through this Placement Document.



# V2 RETAIL LIMITED

V2 Retail Limited (the "**Issuer**" or our "**Company**") was originally incorporated as "*Vishal Retail Private Limited*" on July 23, 2001, under the Companies Act, 1956 with the Registrar of Companies, West Bengal at Kolkata. Our Company was converted to a public limited company, approved by our Shareholders' vide special resolution, at its extraordinary general meeting held on November 28, 2005, pursuant to which the name of our Company was changed to "*Vishal Retail Limited*" and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, West Bengal at Kolkata dated February 20, 2006. Thereafter the name of our Company was changed to "*V2 Retail Limited*" pursuant to approval of the shareholders vide special resolution, at its extraordinary general meeting held on June 25, 2011 and a certificate of change of name was issued by the Registrar of Companies, NCT of Delhi and Haryana at Delhi on July 29, 2011. For further details of brief history of our Company, see "***General Information***" on page 225.

**Corporate Identity Number:** L74999DL2001PLC147724
**Registered Office:** Khasra no.928, Extended Lal dora abadi, Village Kapashera, Tehsil Vasant Vihar, New Delhi – 110037
**Corporate Office:** 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol 122015, Haryana
**Telephone:** 011-41771850 | **Website**: www.v2retail.com | **Email:** cs@v2kart.com;
**Contact Person:** Shivam Aggarwal, Company Secretary and Compliance Officer

Issue of 18,74,414 equity shares of face value of ₹ 10 each of our Company ("**Equity Shares**") at a price of ₹2,134 per Equity Share, including a premium of ₹2,124 per Equity Share (the "**Issue Price**"), aggregating to ₹39,999.99 lakhs (the "**Issue**"). For further details, see "***Summary of the Issue***" on page 32.

**THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND THE RULES MADE THEREUNDER, AS AMENDED (THE "COMPANIES ACT, 2013").**

The Equity Shares of our Company are listed on the National Stock Exchange of India Limited (the "**NSE**") and the BSE Limited (the "**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the outstanding Equity Shares on the NSE and the BSE as on October 31, 2025 were ₹ 2,442.00 and ₹ 2,449.55 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended (the **"SEBI Listing Regulations"**) for listing of the Equity Shares to be issued pursuant to this Issue, from each of BSE and NSE on October 30, 2025. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

**OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTIONS 42 AND 62 OF THE COMPANIES ACT, 2013, READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND OTHER RULES MADE THEREUNDER, AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THE ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THE PRELIMINARY PLACEMENT DOCUMENT WAS CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.**

Except for this Placement Document, the information on the website of our Company, our Subsidiary, or any website directly or indirectly linked to our Company's website or the website of the Book Running Lead Manager (as defined hereinafter) and their affiliates or agents does not form part of this Placement Document, and prospective investors should not rely on such information contained in, or available through, such websites for their investment in this Issue. Copies of the Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) have been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Delhi and Haryana at Delhi ("**RoC**"), within the stipulated period as prescribed under the Companies Act and the PAS Rules. The Preliminary Placement Document and this Placement Document have not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction. The placement of Equity Shares proposed to be made pursuant to the Preliminary Placement Document and this Placement Document is meant solely for Eligible QIBs on a private placement basis and is not an offer to the public or to any other class of investors.

**YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THE PRELIMINARY PLACEMENT DOCUMENT OR THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THE PRELIMINARY PLACEMENT DOCUMENT OR THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THE PRELIMINARY PLACEMENT DOCUMENT OR THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE COMPANIES ACT, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.**

**INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" ON PAGE 34, BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT. (AS DEFINED HEREINAFTER) PROSPECTIVE INVESTORS OF THE EQUITY SHARES OFFERED SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT AND/OR THIS PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR**.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue were made pursuant to the Preliminary Placement Document and this Placement Document together with the Application Form and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "Issue Procedure" on page 159. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent, to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transaction" as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where such offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "***Selling Restrictions***" on page 177. Also see, "***Purchaser Representations and Transfer Restrictions***" on page 181 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

This Placement Document is dated November 3, 2025

**BOOK RUNNING LEAD MANAGER**

**MOTILAL OSWAL INVESTMENT ADVISORS LIMITED**

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## NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company and our Subsidiary (collectively, our "**Group**") and the Equity Shares, which is material in the context of the Issue. The statements contained in this Placement Document relating to our Group and the Equity Shares are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Group. There are no other facts in relation to our Group and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Group has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Group nor the Motilal Oswal Investment Advisors Limited (the "**Book Running Lead Manager**" or "**BRLM**") has any obligation to update such information to a later date.

The information contained in this Placement Document has been provided by our Company and from other sources identified herein, as applicable. The BRLM has not separately verified all of the information contained in the Preliminary Placement Document and this Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Manager nor any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Manager and/or any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in the Preliminary Placement Document and this Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Group and the Issue of the Equity Shares or distribution of this Placement Document. Each person receiving this Placement Document acknowledges that such person has not relied either on the Book Running Lead Manager or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Group and the merits and risks involved in investing in the Equity Shares issued pursuant to this Issue. Prospective investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or by or on behalf of the Book Running Lead Manager. The delivery of the Preliminary Placement Document and this Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The distribution of the Preliminary Placement Document and this Placement Document and the issue of Equity Shares and the offering of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for India, no action has been taken by our Company nor will be taken and the Book Running Lead Manager that would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document and this Placement Document or any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Purchasers of the Equity Shares offered in this Issue will be deemed to make the representations, warranties, acknowledgements and agreements set forth in. For a description of the restrictions applicable to the offer, transfer and sale of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***" on pages 177 and 181, respectively.

The Preliminary Placement Document and this Placement Agreement do not purport to contain all the information that any Eligible QIB may require in order to make an investment decision in relation to the Equity Shares offered in the Issue. Further, this Placement Document has been prepared for information purposes only and upon the express understanding that it will be used for the purposes set forth herein.

In making an investment decision, the prospective investors must rely on their own examination of our Group and the Equity Shares and the terms of this Issue, including merits and risks involved. Prospective investors should not construe the contents of this Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, our Company and the Book Running Lead Manager are not making any representations to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality or suitability of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each investor, subscriber, offeree or purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 of the Companies Act, 2013 and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and rules made thereunder, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority, in India or any other jurisdiction from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each investor, subscriber, offeree or purchaser of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

The information on our Company's website, viz, www.v2retail.com or any website directly or indirectly linked to our Company or on the website of the Book Running Lead Manager or any of their respective affiliates, does not constitute nor form part of this Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites. This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

Our Company does not undertake to update this Placement Document to reflect subsequent events after the date of this Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of the Preliminary Placement Document and this Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date hereof.

Our Company and the Book Running Lead Manager are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations (as defined hereinafter) and the QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations (as defined hereinafter) and other applicable laws, rules, regulations, guidelines and circulars.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

The Equity Shares to be issued pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where such offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "***Selling Restrictions***" on page 177. Also see, "***Purchaser Representations and Transfer Restrictions***" on page 181 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

**NOTICE TO INVESTORS IN CERTAIN JURISDICTIONS**

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***" on pages 177 and 181, respectively.

Any information about our Company available on any website of the Stock Exchanges, our Company or the BRLM, other than this Placement Document, shall not constitute a part of this Placement Document and no investment decision should be made on the basis of such information.

## REPRESENTATIONS BY INVESTORS

All references herein to "you" or "your" in this section are to the Bidders in this Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreed to sections set forth in "***Notice to Investors***", "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions*** " on pages 3, 177 and 181, respectively, and to have represented, warranted, acknowledged to and agreed with our Company and the Book Running Lead Manager, as follows:

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Group which is not set forth in the Preliminary Placement Document and this Placement Document;

- You are a "**Qualified Institutional Buyer**" ("QIB") as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, and all other applicable laws; and (ii) comply with all requirements under SEBI ICDR Regulations, the Companies Act, and all other applicable laws in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

- You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;

- If you are not a resident of India, but a QIB, you are an Eligible FPI (as defined hereinafter) (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI (as defined hereinunder). You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

- You are aware that in terms of the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI (as defined hereinafter), subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. Since FVCIs are not permitted to participate in the Issue, you confirm that you are not an FVCI.

- You will provide the information as required under the provisions of the Companies Act, 2013, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue

and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

- If you are Allotted Equity Shares pursuant to this Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. For more information, see *"**Selling Restrictions**"* and *"**Purchaser Representations and Transfer Restrictions**"* on pages 177 and 181, respectively;

- You are eligible to invest in and hold the Equity Shares of our Company in accordance with the Consolidated FDI Policy, read along with the press note no. 3 (2020 Series)dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign investments can only be made through the Government approval route, as prescribed in the FEMA Regulations;

- You are aware that the Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. The Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document has been filed with the Stock Exchanges for record purposes only and the Preliminary Placement Document and this Placement Document will be displayed on the websites of our Company and the Stock Exchanges;

- You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorizations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;

- You are aware that, our Company, the Book Running Lead Manager or any of its respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions that you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the Book Running Lead Manager. The Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in a fiduciary capacity;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Manager may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Manager has advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in the Preliminary Placement Document and this Placement Document;

- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association (as defined hereinafter) and Articles of Association (as defined hereinafter) of our Company and will be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared.

- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company's present and future business strategies and environment in which our Group will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Neither our Company nor the Book Running Lead Manager or any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;

- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the Book Running Lead Manager;

- You are aware that in terms of the requirements of the Companies Act upon Allocation, our Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Manager;

- You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

- You have been provided a serially numbered copy of the Preliminary Placement Document and have read it in its entirety, including, in particular, "***Risk Factors***" on page 34.

- In making your investment decision, you have (i) relied on your own examination of the Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based on information as is publicly available, and in reliance of the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither our Company nor the Book Running Lead Manager nor any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Manager or their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in

relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

- If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

- You are not a "promoter" (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to our Promoter, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent our 'Promoter, or members of our 'Promoter Group' (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;

- You have no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board (as defined hereinafter), other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares. (A QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoter);

- You agree that in terms of Section 42(7) of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Placement Document and other filings required under the Companies Act;

- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/Issue Closing Date (as defined hereinafter);

- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible, as per any applicable law;

- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance, if any with all other applicable provisions of the SEBI Takeover Regulations;

- Your aggregate equity shareholding in our Company, together with other Eligible QIBs that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation;

(i) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

(ii) 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

- You are aware and understand that the Book Running Lead Manager has entered into a Placement Agreement with our Company, whereby the Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

- You understand the contents of the Preliminary Placement Document and this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Manager nor any person acting on its behalf or any of the counsel or advisors to the Issue has, or shall have, any liability for any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in the Preliminary Placement Document and this Placement Documennt or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document and this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Manager or our Company or any other person, and neither the Book Running Lead Manager nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the Book Running Lead Manager and its affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You are able to purchase the Equity Shares in accordance with the restrictions described in "***Selling Restrictions***" on page 177 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Selling Restrictions***" on page 177;

- You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "***Purchaser Representations and Transfer Restrictions***" on page 181 and you have made, or

are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Purchaser Representations and Transfer Restrictions***" on page 181;

- You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered, sold or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws;

- You are outside the United States, and you are subscribing for the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and are not our Company's or the Book Running Lead Manager's affiliate or a person acting on behalf of such an affiliate;

- You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, Maharashtra, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;

- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

- You agree to indemnify and hold our Company, the Book Running Lead Manager and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in the Preliminary Placement Document and this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

- You acknowledge that the Preliminary Placement Document, and this Placement Document did not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;

- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Book Running Lead Manager;

- You represent that you are not an affiliate of our Company or the Book Running Lead Manager or a person acting on behalf of such affiliate. However, affiliates of the BRLM, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see "***Offshore Derivative Instruments***" on page 13;

- Our Company, the Book Running Lead Manager, their respective affiliates, directors, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the

foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the Book Running Lead Manager; and

- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

## OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including the affiliates of the Book Running Lead Manager, which is registered as a Category I FPI may issue, subscribe to or otherwise deal in offshore derivate instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Such P-Notes can be issued subject to compliance with the KYC norms and such other conditions as specified by SEBI from time to time, including payment of applicable regulatory fee. P-Notes have not been and are not being offered or sold pursuant to the Preliminary Placement Document and this Placement Document. The Preliminary Placement Document and this Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue paid-up Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI investment and as a subscriber of P-Notes, these Investment Restrictions shall apply on the aggregate of the FPI and P-Notes positions held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the Book Running Lead Manager which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Manager do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Manager and does not constitute any obligations of or claims on the Book Running Lead Manager.

**Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own**

**financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

Please also see "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***" on pages 177 and 181, respectively.

## DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document have been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of the Preliminary Placement Document and this Placement Document;

2. warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Subsidiary, our Promoter, our management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that the Preliminary Placement Document and this Placement Document have been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

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## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'Bidder', 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue and references to 'our Company', 'Company', 'the Company' and the 'Issuer', are to V2 Retail Limited and references to 'we', 'us', or 'our' are to our Company together with our Subsidiary as well as at and during relevant fiscal/period on a consolidated basis.

### Currency and units of presentation

In this Placement Document, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

All the numbers in this Placement Document have been presented in ₹ lakhs, unless stated otherwise. The amounts derived from financial statements included herein are presented in ₹ lakhs. Except as otherwise set out in this Placement Document, all figures set out in this Placement Document have been rounded off to the nearest whole number. However, all figures expressed in terms of percentage, have been rounded off to one or two decimal places, as applicable. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

In this Placement Document, references to "Lakhs" represents "1,00,000", "million" represents "10 lakh" or "1,000,000", "Crore" represents "1,00,00,000" or "10 million" or "100 lakhs", and "billion" represents "1,000,000,000" or "1,000 million" or "100 Crore".

### Page Numbers

Unless stated otherwise, all references to page numbers in this Placement Document are to the page numbers of this Placement Document.

### Financial Data and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'fiscal' or 'FY' refer to the twelve-month period ended on March 31 of that year.

In this Placement Document we have included the following financial statements of our Company prepared in accordance with Indian Accounting Standard notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended read with Section 133 of the Companies Act, 2013 ("Ind AS"): (i) the audited consolidated financial statements as of and for the Fiscal ended March 31, 2025 read along with the notes thereto ("**Fiscal 2025 Audited Consolidated Financial Statements**"); (ii) the audited consolidated financial statements for as of and for the Fiscal ended March 31, 2024 read along with the notes thereto ("**Fiscal 2024 Audited Consolidated Financial Statements**"); (iii) the audited consolidated financial statements as of and for the Fiscal ended March 31, 2023 read along with the notes thereto ("**Fiscal 2023 Audited Consolidated Financial Statements**"; and (iv) the limited review unaudited consolidated financial results as of and for the three months period ended June 30, 2025 read along with the management notes thereto ("**Unaudited Consolidated Financial Results**") which have been adopted pursuant to the meeting of our Board on July 30, 2025 and filed with the Stock Exchanges.

Our Audited Consolidated Financial Statement were audited and our Unaudited Consolidated Financial Results were reviewed by Singhi & Co, Chartered Accountants, our Statutory Auditor.

The Audited Consolidated Financial Statements should be read along with the respective audit reports and the Unaudited Consolidated Financial Results should be read along with the respective review report.

Our Unaudited Consolidated Financial Results have been prepared in accordance with Regulation 33 of the SEBI Listing Regulations.

Our Company prepares its annual financial statements in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor does our Company provide a reconciliation of its Financial Information to IFRS or U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Placement Document will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting standards or principles. Any reliance by persons not familiar with Indian accounting standards on the financial disclosures presented in this Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision. Please see, "***Risk Factors – Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document****"* on page 56.

**Non-GAAP measures**

We have included certain non-GAAP measures relating to our operations and financial performance such as, "EBITDA", "EBITDA Margin", "return on equity", "EBITDA", "Debt to Equity" and "Working capital" (together, "**Non-GAAP Measures**" and each, a "**Non-GAAP Measure**") in this Placement Document. These Non-GAAP Measures are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP.

We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the Company's businesses, many of which provide such Non-GAAP Measures and other statistical and operational information as part of their financial reporting. However, note that these Non-GAAP Measures and other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies. Other companies may calculate these Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. The presentation of these Non-GAAP Measures is not intended to be considered in isolation or as a substitute for the financial information included in this Placement Document. Prospective investors should read this information in conjunction with the financial information included in "***Financial Information***" on pages 227.

## INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete. Unless stated otherwise, the statistical information included in this Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in the section titled "***Summary of Industry***" on page 82.

The industry, market and economic data included in this Placement Document has been derived from the report titled "*Industry Report on Value Retail Market*" dated October, 2025 by Wazir Advisors Private Limited (the "**Industry Report**"). Our Company has commissioned and paid for the Industry Report pursuant to the engagement letter dated July 10, 2025. Wazir Advisors Private Limited does not have any direct / indirect interest in or relationship with the Company, its Promoters, its Directors, its management, or Subsidiary.

This data in the Industry Report is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the BRLM can assure Bidders as to their accuracy.

The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "***Risk Factors – This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Wazir Advisors Private Limited ("Wazir"), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue"*** on page 53.

Disclaimer of the Industry Report

*"This report is prepared by Wazir Advisors Private Limited ("**Wazir Advisors**"). Wazir Advisors has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in Wazir Advisors' proprietary database and other sources considered by Wazir Advisors as accurate and reliable, including information in the public domain. The views and opinions expressed herein do not constitute the opinion of Wazir Advisors to buy or invest in this industry, sector, or companies operating in this sector or industry, and are not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever. This report must be seen in its entirety; selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered reasonable by Wazir Advisors; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could differ from the projections.*

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## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute forward-looking statements. The prospective investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "goal", "intend", "may", "will", "plan", "objective", "potential", "project", "pursue", "seek to", "shall", "should", "will", "would, "will likely result", "will continue", "will pursue", "will achieve", "is likely" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements, among others include:

1. Any adverse developments in the regions where our stores are concentrated (mainly the northern and eastern parts of India) could have an adverse impact on our revenue and results of operations.

2. Our business is dependent on the sale of men's apparel and in particular sarees and any variations in demand and change in customer preferences could have an adverse impact on our business, financial condition and cash flows

3. If there is any inability to compete effectively within the fashion and retail industry, our cash flows, financial condition and results of operation may be adversely affected.

4. If we are unable to identify, obtain and retain quality retail spaces to operate our stores, there could be a negative impact on the growth of our business.

5. If we are unable to anticipate and respond to changes in market demands, fashion trends and customer preferences in a timely and effective manner and maintain an optimal level of inventory, our business, results of operations, cash flows and financial condition may be adversely affected.

Additional factors that could cause our actual results, performance or achievements of our Company to differ include, but are not limited to, those discussed under the sections "***Risk Factors***", "***Summary of Industry***" and "***Summary of Business***" on pages 34, 82 and 126, respectively.

By their nature, certain of the market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains, losses or impact on revenue or income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other

projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document, and neither our Company nor any of the Book Running Lead Manager nor any of their respective affiliates undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, our actual results of operations or cash flows or financial condition of our Group could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent oral or written forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI and Stock Exchange requirements, our Company and the Book Running Lead Manager will ensure that the Shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.

## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All of our Directors and Key Managerial Personnel and members of Senior Management named in this Placement Document are residents of India and majority of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A, respectively, of the Civil Procedure Code (as defined hereinafter), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except:

1. where the judgment has not been pronounced by a court of competent jurisdiction;

2. where the judgment has not been given on the merits of the case;

3. where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

4. where the proceedings in which the judgment was obtained were opposed to natural justice;

5. where the judgment has been obtained by fraud; and

6. where the judgment sustains a claim founded on a breach of any law then in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the foreign judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of fine or other penalties and does not include arbitration awards (even if such an award is enforceable as a decree or a judgement). The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such foreign judgement, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally, and any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. It is unlikely that an

Indian court would enforce foreign judgments that would be contrary to or in violation of Indian law. Our Company and the Book Running Lead Manager cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for or as of the end of the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$) for the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the websites of RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

**1. US$ (1 US$ = ₹)**

| **Period** | **Period end [(1)]** | **Average [(2)]** | **High [(3)]** | **Low [(4)]** |
|---|---|---|---|---|
| **Fiscal ended:** | | | | |
| March 31, 2025 | 85.58 | 84.57 | 87.59 | 83.07 |
| March 31, 2024 | 83.37 | 82.79 | 83.40 | 81.65 |
| March 31, 2023 | 82.22 | 80.51 | 83.20 | 76.09 |
| **Month ended:** | | | | |
| September 30, 2025 | 88.79 | 88.32 | 88.79 | 87.75 |
| August 31, 2025 | 87.85 | 87.52 | 87.85 | 86.79 |
| July 31, 2025 | 87.55 | 86.11 | 87.55 | 85.39 |
| June 30, 2025 | 85.54 | 85.90 | 86.81 | 85.44 |
| May 31, 2025 | 85.48 | 85.19 | 85.69 | 83.86 |
| April 30, 2025 | 85.05 | 85.56 | 86.62 | 85.05 |

*Source: www.rbi.org.in and www.fbil.org.in, as applicable.*

*Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places. The RBI reference rates are rounded off to two decimal places.*

Notes:

1. *The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.*
2. *Average of the official rate for each Working Day of the relevant period.*
3. *Maximum of the official rate for each Working Day of the relevant period.*
4. *Minimum of the official rate for each Working Day of the relevant period.*

*Note: If the exchange rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

## DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments thereto, from time to time

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "***Statement of Possible Tax Benefits*", "*Summary of Industry*", "*Financial Information*", and "*Legal Proceedings*"** beginning on pages 191, 82, 227, and 197, respectively, shall have the meaning given to such terms in such sections.

### General Terms

| Term | Description |
|---|---|
| "the Issuer", "Company", "Our Company", "the Company" | Unless the context otherwise indicates or requires, refers to V2 Retail Limited, a limited company incorporated under the Companies Act, 1956 having its registered office at Khasra no.928, Extended Lal dora abadi, Village Kapashera, Tehsil Vasant Vihar, New Delhi – 110037 and Corporate Office at 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol 122015, Haryana |
| "we", "us" or "our" or "Group" | Unless the context otherwise indicates or requires, refers to our Company together with our Subsidiary, on consolidated basis. |

### Company related terms

| Term | Description |
|---|---|
| Articles or Articles of Association | Articles of association of our Company, as amended from time to time. |
| Audit Committee | The audit committee of our Board of Directors, as disclosed in "***Board of Directors and Senior Management - Committees of the Board of Directors***" on page 141. |
| Audited Consolidated Financial Statements | Collectively, Fiscal 2025 Audited Consolidated Financial Statements, Fiscal 2024 Audited Consolidated Financial Statements, Fiscal 2023 Audited Consolidated Financial Statements |
| Auditors / Statutory Auditor | The current statutory auditor of our Company namely Singhi & Co, Chartered Accountants. |
| Board of Directors / Board | The board of directors of our Company or any duly constituted committee thereof. |
| Chief Financial Officer / CFO | The chief financial officer of our Company, being Pratik Adukia. |
| Company Secretary and Compliance Officer | The company secretary and compliance officer of our Company, being Shivam Aggarwal. |
| Corporate Office | The corporate office of our Company located at 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol 122015, Haryana. |
| CSR Committee | The corporate social responsibility committee of our Board, as disclosed in "***Board of Directors and Senior Management - Committees of the Board of Directors***" on page 141. |
| Wazir Advisors Private Limited | Wazir Advisors Private Limited appointed by our Company pursuant to the engagement letter July 10, 2025 |
| Industry Report | Report titled *"Industry Report on Value Retail Market"* dated October, 2025 issued by Wazir Advisors Private Limited and commissioned by our Company for an agreed fees exclusively in connection with the Issue |

| Term | Description |
|---|---|
| Director(s) | The director(s) on the Board of our Company, as may be appointed from time to time. |
| Equity Share(s) | The equity shares of our Company of face value of ₹ 10 each. |
| Executive Director | An executive non-independent director in terms of Companies Act, 2013, as disclosed in *"**Board of Directors and Senior Management**"* on page 137 |
| Independent Director(s) | The independent Director(s) of our Company as per section 2(47) of the Companies Act and Regulation 16(1)(b) of the SEBI Listing Regulations, being Archana Surendra Yadav, Arun Kumar Roopanwal, and M S Anand. |
| KMP / Key Managerial Personnel | Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as further described in "***Board of Directors and Senior Management - Key Managerial Personnel***" on page 142 |
| Managing Director | The managing director of our Company, being Ram Chandra Aagarwal. |
| Material Subsidiary | The material subsidiary, as per SEBI Listing Regulations, of our Company, namely, V2 Smart Manufacturing Private Limited. |
| Memorandum or Memorandum of Association | Memorandum of association of our Company, as amended from time to time. |
| Nomination and Remuneration Committee | The nomination and remuneration committee constituted by our Board of Directors. |
| Non-Executive Director(s) | Non-executive directors of our Company, unless otherwise specified |
| Promoters | The promoter of our Company in terms of SEBI ICDR Regulations and the Companies Act, being Ram Chandra Agarwal and Uma Agarwal. |
| Promoter Group | The promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations |
| "Registrar of Companies"/ "RoC" | The Registrar of Companies, Delhi and Haryana at Delhi |
| Registered Office | The registered office of our Company located at Khasra no.928, Extended Lal dora abadi, Village Kapashera, Tehsil Vasant Vihar, New Delhi – 110037 |
| Risk Management Committee | The risk management committee constituted by our Board of Directors |
| Senior Management | Senior management of our Company as determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "***Board of Directors and Senior Management***" on page 82 |
| Shareholder(s) | The holders of the Equity Shares of our Company, from time to time. |
| Stakeholders Relationship Committee | The stakeholders relationship committee constituted by our Board of Directors |
| Subsidiary | The wholly owned subsidiary of our Company, namely V2 Smart Manufacturing Private Limited in accordance with the Companies Act, 2013 as on the date of this Placement Document, as described in "***Organisational Structure***" on page 158.<br><br>For the purpose of financial information, the term 'Subsidiary' shall mean our Subsidiary as at and during the relevant Fiscal/ period. |

**Issue related Terms**

| Term | Description |
|---|---|
| Allocated/ Allocation | The allocation of Equity Shares by our Company, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in consultation with the Book Running Lead Manager and in compliance with Chapter VI of the SEBI ICDR Regulations. |
| Allot/ Allotment/ Allotted | Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue. |
| Allottees | Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue. |

| Term | Description |
|---|---|
| Application Amount | The aggregate amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form. |
| Application Form | The form (including any revisions thereof) which has been submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period.<br><br>An indicative format of such form is set forth in "***Sample Application Form***" beginning on page 396. |
| Bid Amount | The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue at the time of submission of the Application Form. |
| Bid(s) | Indication of an Eligible QIB's interest, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term "Bidding" shall be construed accordingly. |
| Bid/ Issue Closing Date | Monday, November 3, 2025, the date after which our Company (or the Book Running Lead Manager on behalf of our Company) ceased to accept Application Forms and the Application Amount. |
| Bid/ Issue Opening Date | October 30, 2025, the date on which our Company (or the Book Running Lead Manager on behalf of our Company) commenced acceptance of the Application Forms and the Application Amount. |
| Bid/ Issue Period | Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs submitted their Bids including any revision and/or modifications thereof. |
| Bidder(s) | An Eligible QIB, who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form. |
| Book Running Lead Manager/ BRLM | Motilal Oswal Investment Advisors Limited |
| CAN/ Confirmation of Allocation Note | Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price. |
| Closing Date | The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about November 3, 2025. |
| Designated Date | The date of credit of Equity Shares, pursuant to the Issue, to the Allottee's demat account, as applicable to the respective Allottee. |
| Eligible FPIs | FPIs that are eligible to participate in the Issue in terms of applicable law, other than individuals, corporate bodies and family offices. |
| Eligible QIBs | Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law.<br><br>In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where such offers, and sales are made. |
| Escrow Agent/ Escrow Bank | Axis Bank Limited |
| Escrow Agreement | Agreement dated October 30, 2025 entered into amongst our Company, the Escrow Agent and the Book Running Lead Manager for collection of the Application Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders in relation to the Issue. |
| Escrow Account | Special non-interest bearing, no-lien, escrow bank account without any cheques or overdraft facilities, opened with the Escrow Agent by our Company in the name and style of "V2 Retail Limited QIP Escrow Account" subject to the terms of the Escrow Agreement, into which the Application Amount has been deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form. |

| Term | Description |
|---|---|
| Floor Price | The floor price of ₹ 2,245.75 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of 4.98% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their special resolution passed in the Annual General Meeting held on September 5, 2025 and in terms of Regulation 176(1) of the SEBI ICDR Regulations. |
| Gross Proceeds | The gross proceeds of the Issue that will be available to our Company pursuant to this Issue |
| Issue | The offer, issue and allotment of 18,74,414 Equity Shares at a price of ₹2,134 per Equity Share, including a premium of ₹2,124 per Equity Share, aggregating to ₹39,999.99 lakhs to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of Companies Act, 2013 and the rules made thereunder. |
| Issue Price | ₹2,134 per Equity Share, including a premium of ₹2,124 per Equity Share |
| Issue Size | The issue of 18,74,414 Equity Shares aggregating to ₹ 39,999.99 lakhs. |
| Listing Agreement(s) | The agreement entered into by our Company with each of the Stock Exchanges in relation to Equity Shares listed on each of the Stock Exchanges |
| Monitoring Agency | India Ratings and Research Private Limited, being a credit rating agency registered with SEBI, appointed by our Company in accordance with the provisions of the SEBI ICDR Regulations |
| Mutual Fund | A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. |
| Net Proceeds | The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue. |
| Placement Agreement | Agreement dated October 30, 2025 entered into amongst our Company and the Book Running Lead Manager. |
| Placement Document | This placement document dated November 3, 2025 issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder. |
| Preliminary Placement Document | The preliminary placement document cum application form dated October 30, 2025 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder. |
| QIBs or Qualified Institutional Buyers | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations. |
| QIP | Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and other applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014. |
| Refund Amount | The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue. |
| Refund Intimation | The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts. |
| Regulation S | Regulation S under the U. S. Securities Act |
| Relevant Date | October 30, 2025, which is the date of the meeting of the meeting of the Board of Directors, decided to open the Issue. |
| Stock Exchanges | BSE and NSE |
| Successful Bidders | The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who have been Allocated Equity Shares pursuant to the Issue. |
| U.S. Securities Act | United States Securities Act of 1933, as amended |
| U.S. / U.S.A/ United States | United States of America, its territories and possessions, any State of the United States and the District of Columbia |
| Wilful Defaulter or Fraudulent Borrower | Means a person or an issuer who or which is categorized as wilful defaulter or a fraudulent borrower by any bank or financial institutions (as defined under |

| Term | Description |
|---|---|
| | the Companies Act, 2013) or consortium thereof, in terms of Regulation 2(1)(lll) of SEBI ICDR Regulations. |
| Working Day | Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India or a trading day of the Stock Exchanges, as applicable. |

**Technical and Industry Related Terms**

| Term | Description |
|---|---|
| B&M | Brick-and-Mortar |
| CAGR | Cumulative Annual Growth Rate |
| COGS | Cost of Goods Sold |
| CY | Calendar Year |
| D2C | Direct-to-Customer |
| E | Estimated |
| E-Commerce | Electronic Commerce |
| EBOs | Exclusive Brand Outlets |
| EBIT | Earnings before Interest and Taxes |
| EBITDA | Earnings before Interest, Taxes, Depreciation and Amortization |
| FDI | Foreign Direct Investment |
| FY | Fiscal/Financial Year |
| GDP | Gross Domestic Product |
| GNDI | Gross National Disposable Income |
| GOI | Government of India |
| ICE | India's Consumer Economy |
| IMF | International Monetary Fund |
| INR | Indian Rupee |
| LFS | Large Format Stores |
| Ltd. | Limited |
| MCA | Ministry of Corporate Affairs |
| MBOs | Multi Brand Outlets |
| Mn sq. ft. | Million Square Feet |
| MOSPI | Ministry of Statistics and Programme Implementation |
| NA | Not Available |
| P | Projected |
| PAT | Profit after tax |
| PFCE | Private Final Consumption Expenditure |
| PRICE | People Research on India's Consumer Economy |
| Pvt. | Private |
| RBI | Reserve Bank of India |
| ROCE | Return on Capital Employed |
| ROE | Return on Equity |
| SEBI | Securities and Exchange Board of India |
| Sep' 25 | September, 2025 |
| SSSG | Same Store Sales Growth |
| UPI | Unified Payments Interface |
| USA | United States of America |
| US | United States |
| USD | United States Dollar |
| UTs | Union Territories |
| UV | Ultra-Violet |
| UK | United Kingdom |
| Vs. | Versus |

**Conventional and General Terms/Abbreviations**

| Terms | Description |
|---|---|
| ₹ / Rs. / Re./ Rupees / INR | Indian Rupee |
| AGM | Annual General Meeting |
| AIF(s) | Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India, as required under the Companies Act. |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| Civil Procedure Code | The Code of Civil Procedure, 1908, as amended |
| Companies Act, 1956 | The erstwhile Companies Act, 1956 along with the rules made thereunder. |
| Companies Act / Companies Act, 2013 | Companies Act, 2013, as amended and the rules, regulations, circulars, modifications and clarifications thereunder, to the extent notified. |
| Consolidated FDI Policy | Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Government of India bearing file number 5(2)/2020-FDI Policy dated and with effect from October 15, 2020. |
| CSR | Corporate social responsibility |
| Depositories Act | The Depositories Act, 1996, as amended |
| Depository | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended. |
| Depository Participant/ DP | A depository participant as defined under the Depositories Act. |
| DP ID Number | Depository Participant Identification Number |
| DIN | Director Identification Number |
| EBIT | Earnings Before Interest and Tax |
| EGM | Extraordinary General Meeting |
| EBITDA | Earnings Before Interest, Tax, Depreciation and Amortisation |
| ESG | Environment, social and governance |
| EPS | Earnings per share |
| FBIL | Financial Benchmark India Private Limited |
| FDI | Foreign Direct Investment |
| FEMA | The Foreign Exchange Management Act, 1999, as amended and the Regulations issued thereunder. |
| FEMA Non-Debt Rules/ FEMA Rules | The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder. |
| Financial Year / Fiscal Year / Fiscal / FY | Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year. |
| Form PAS-4 | Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended |
| FPI/ Foreign Portfolio Investor(s) | Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations. |
| FPI Operational Guidelines | SEBI circular dated November 5, 2019 which issued the operational guidelines for FPIs. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended. |
| FVCI | Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended. |
| GAAP | Generally accepted accounting principles |
| GDP | Gross domestic product |
| General Meeting | AGM or EGM |
| GoI / Government | Government of India, unless otherwise specified |
| GST | Goods and services tax |
| HUF | Hindu Undivided Family |
| ICAI | The Institute of Chartered Accountants of India |

| Terms | Description |
|---|---|
| IFRS | International Financial Reporting Standards of the International Accounting Standards Board. |
| Ind AS | Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended |
| Income Tax Act / IT Act | The Income tax Act, 1961 |
| Indian GAAP | Generally accepted accounting principles in India. |
| IRDAI | Insurance Regulatory and Development Authority of India |
| KYC | Know Your Customer |
| Lakh / Lac | Lakhs |
| MCA | Ministry of Corporate Affairs, GoI |
| Mn / mn | Million |
| N.A. / NA | Not Applicable |
| NAV | Net Asset Value |
| NCLT | National Company Law Tribunal |
| NR / Non-resident | A person resident outside India, as defined under the FEMA and includes an NRI. |
| Non-Resident Indian(s) / NRI | A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended. |
| NRO | Non-resident ordinary account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit after tax / profit for the respective period / year |
| PBT | Profit before tax |
| PAS Rules | Companies (Prospectus and Allotment of Securities) Rules,2014, as amended. |
| RBI | The Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934 |
| Regulation S | Regulation S under the U.S. Securities Act |
| S&P CNX NIFTY | Regional stock market index endorsed by Standard & Poor's which is composed of 50 of the largest and most liquid stocks found on the National Stock Exchange of India. |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| SEBI ESOP Regulations | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended |
| SEBI Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended |
| SENSEX | Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies |

| Terms | Description |
|---|---|
| STT | Securities Transaction Tax |
| TDS | Tax deducted at source |
| USA or U.S. or United States | The United States of America, its territories and possessions, any State of the United States and the District of Columbia |
| U.S. GAAP | Generally accepted accounting principles in the United States of America. |
| $/ U.S.$ / USD / U.S. dollar | United States Dollar, the legal currency of the United States of America. |
| U.S. Securities Act / Securities Act | The United States Securities Act of 1933, as amended |
| VCF | Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be. |
| Year/Calendar Year | Unless context otherwise requires, shall refer to the twelve-month period ending December 31 |

**Key Performance Indicators (KPI)**

| KPI | Definition of KPI |
|---|---|
| Same Store Sales Growth (SSSG) | SSSG measures the sales growth of stores that have been operational for more than 12 months, providing insight into a company's organic performance by excluding the impact of new store openings or closures. It reflects how well existing locations are performing year-over-year. |
| Volume growth (%) | Volume Growth refers to the year-on-year increase in the quantity of units sold, independent of pricing changes. It reflects underlying customer demand, market share gains, and operational efficiency in driving higher sales volumes. |
| Average selling price (₹) | Average revenue earned per unit sold during the year. |
| Average bill value (₹) | Measures the average transaction size per customer bill. |
| Sales per sq. ft. per month (₹) | Measures the revenue generated per square foot of retail space, indicating the efficiency and productivity of a store's physical footprint |
| Inventory holding (days) | Represents the average number of days Company holds inventory before selling it; indicates efficiency in inventory |

## SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including under the sections "***Risk Factors***", "***Objects of the Issue***", "***Placement and lock up***", "***Issue Procedure***" and "***Description of the Equity Shares***" beginning on pages 34, 65, 175, 159 and 188, respectively.

| | |
|---|---|
| **Issuer** | V2 Retail Limited |
| **Face value** | ₹ 10 per Equity Share |
| **Issue Price** | ₹ 2,134 per Equity Share (including a premium of ₹2,124 per Equity Share |
| **Floor Price** | ₹ 2,245.75 per Equity Share calculated on the basis of Regulation 176 of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price.<br><br>Our Company has offered a discount of 4.98% on the Floor Price, in accordance with the approval of the Shareholders accorded by way of a special resolution passed in the Annual General Meeting on September 5, 2025 and in terms of Regulation 176(1) of the SEBI ICDR Regulations. |
| **Issue Size** | Issue of 18,74,414 Equity Shares aggregating to ₹39,999.99 lakhs<br><br>A minimum of 10% of the Issue Size i.e. at least 1,87,442 Equity Shares was made available for Allocation to Mutual Funds only, and balance 16,86,972 Equity Shares were available for Allocation to all Eligible QIBs, including Mutual Funds.<br><br>In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allotted to other Eligible QIBs.<br><br>**Subject to finalisation of basis of allotment* |
| **Date of Board resolution authorizing the Issue** | July 30, 2025 |
| **Date of Shareholders' resolution authorizing the Issue** | September 5, 2025 |
| **Eligible investors** | Eligible QIBs, to whom the Preliminary Placement Document and the Application Form have been delivered and who are not excluded pursuant to Regulation 179 of the SEBI ICDR Regulations or restricted from participating in this Issue under the SEBI ICDR Regulations. FVCIs are not permitted to participate in this Issue. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form have been delivered has been determined by our Company in consultation with the Book Running Lead Manager, at its discretion.<br><br>For further details, see "***Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions***" on pages 159, 177 and 181, respectively. |
| **Dividend** | Please see section "***Description of the Equity Shares***", and "***Dividends***" on pages 188 and 80, respectively of this Placement Document. |
| **Issue procedure** | This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see "***Issue Procedure***" on page 159. |
| **Indian taxation** | For statement of tax benefits available to our Company and the shareholders of our Company under the tax laws in India, see "***Statement of Possible Tax Benefits***" on page 191. |
| **Equity Shares issued and outstanding** | 3,45,89,341 fully paid-up Equity Shares of ₹10 each |

| | |
|---|---|
| **immediately prior to the Issue** | |
| **Equity Shares issued and outstanding immediately after the Issue** | 3,64,63,755 Equity Shares |
| **Listing and trading** | Our Company has obtained in-principle approvals each dated October 30, 2025, from the Stock Exchanges in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing of the Equity Shares to be issued pursuant to the Issue.<br><br>Our Company will make applications to each of the Stock Exchanges for the final listing and trading approvals for the Equity Shares pursuant to this Issue, after the Allotment and credit of Equity Shares to the beneficiary account with the Depository Participants. The trading of the Equity Shares would be in dematerialised form and only in the cash segment of each of the Stock Exchanges. |
| **Lock-up** | For details of the lock-up, see "***Placement and Lock up***" on page 175. |
| **Proposed Allottees** | See "***Proposed Allottees in the Issue***" on page 392 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company. |
| **Transferability restrictions** | The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised Stock Exchange. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement.<br><br>Please see section "***Issue Procedure*", "*Purchaser Representations and Transfer Restrictions*" and "*Selling Restrictions***" on pages 159, 181 and 177, respectively. |
| **Use of proceeds** | The gross proceeds from the Issue aggregated to ₹ 39,999.99 lakhs.* The net proceeds from the Issue, after deducting Issue related expenses is expected to be approximately ₹ 39,080.00 lakhs.<br><br>**Subject to allotment of Equity Shares pursuant to the Issue*<br><br>See "***Objects of the Issue – Interim use of Proceeds***" on page 71 for information regarding the use of Net Proceeds from the Issue. |
| **Risk factors** | Please see section "***Risk Factors***" on page 34 for a discussion of risks you should consider before investing in the Equity Shares. |
| **Closing date** | The Allotment of the Equity Shares is expected to be made on or about November 3, 2025. |
| **Status, ranking and dividends** | The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including rights in respect of voting rights and dividends.<br><br>The Shareholders of our Company (who hold Equity Shares as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Bid/ Issue Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. Please see sections "***Dividends***" and "***Description of the Equity Shares***" on pages 80 and 188, respectively. |
| **Voting rights** | Please refer to the section titled "***Description of Equity Shares – Votes of members***" on page 189. |
| **Security codes/ symbols for the Equity Shares** | ISIN: INE945H01013<br>BSE Code: 532867<br>NSE Symbol: V2RETAIL |

## RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Placement Document, including the risks and uncertainties described below, before evaluating our business and making an investment in the Equity Shares pursuant to the Issue. This section should be read in conjunction with "**Summary of Industry**", "**Summary of Business**" and "**Financial Information**", on pages 82, 126 and 227, respectively, before making an investment decision in relation to the Equity Shares.*

*The risks and uncertainties described in this section are not the only risks that are relevant to us, the Equity Shares or the industry and sector in which we operate. Additional risks and uncertainties not currently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, cash flows and financial condition. If any of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of their investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors described below. However, there are certain risk factors where such implications are not quantifiable, and hence any quantification of the underlying risks has not been disclosed in such risk factors.*

*In making an investment decision, prospective investors must rely on their own examination of our Group and the terms of the Issue, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences they may encounter from investing in the Equity Shares.*

*This Placement Document contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For details, see "**Forward-Looking Statements**" on page 19.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements included in this Placement Document. For further information, see "**Financial Information**" on page 227. Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a "Fiscal" or "fiscal year" are to the 12-month period ended March 31 of the relevant year. References in this section to a "three months period" or "quarter" refers to the quarter ended June 30 of a particular fiscal year.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report entitled "Industry Report on Value Retail Market", dated October, 2025 ("**Industry Report**"), prepared by Wazir Advisors Private Limited, commissioned and paid for by our Company in connection with the Issue. Wazir Advisors Private Limited is not related in any manner to our Company, its Promoters, Subsidiary, Directors, Key Management Personnel, members of Senior Management, or the Book Running Lead Manager. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Industry Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Wazir Advisors Private Limited ("Wazir"), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue." on page 53. Also see, "Industry and Market Data" on page 18.*

*In this Placement Document, unless specified otherwise, any reference to "the Company" or "our Company" refers to V2 Retail Limited, on a standalone basis, and a reference to "we", "us", "our" or "Group" is a reference to our Company together with its Subsidiary V2 Smart Manufacturing Private Limited, on a consolidated basis, as applicable, as of and for the relevant fiscal year or period. However, in the Fiscal 2026, our Subsidiary V2 Smart Manufacturing Private Limited has shut down all its manufacturing units and disposed of certain assets.*

**Risks Relating to our Business**

1. ***Our stores are concentrated in the eastern and northern parts of India and any adverse developments affecting our operations in these states could have an adverse impact on our revenue and results of operations.***

Our stores are concentrated in the eastern and northern parts of India, and we generated a majority of our sales from our stores in Uttar Pradesh, Bihar, Odisha, Jharkhand and Assam etc. As of September 30, 2025, out of 259 stores that we operated, we had 49 stores in Uttar Pradesh, 44 stores in Bihar, 30 stores in Odisha, 19 stores in Jharkhand and 17 stores in Assam. We generated substantial portion of our revenue from operations, during Fiscals 2025, 2024 and 2023 from the stores located in the eastern and northern part of India. As a result, any material adverse social, political or economic development, natural calamities, pandemics such as COVID-19 in the past, civil disruptions or changes in the policies of the state or local governments in these states could adversely impact operations at our stores.

The table below provides details of our aggregate revenue from operations generated from Uttar Pradesh, Bihar, Odisha, Jharkhand and Assam for Fiscals 2025, 2024 and 2023:

| Fiscal 2025 | | Fiscal 2024 | | Fiscal 2023 | |
|---|---|---|---|---|---|
| **Revenue from Operations (in ₹ lakhs)** | **Percentage of Revenue from Operations (%)** | **Revenue from Operations (in ₹ lakhs)** | **Percentage of Revenue from Operations (%)** | **Revenue from Operations (in ₹ lakhs)** | **Percentage of Revenue from Operations (%)** |
| 1,41,452.40 | 75.20 | 92,001.50 | 79.25 | 67,948.55 | 81.35 |

We may continue to open more stores in such states. Existing and potential competitors to our businesses may increase their focus on these states, which could reduce our market share. For example, our competitors may intensify their efforts in these states to capture a larger market share by launching aggressive promotional campaigns. Any adverse development that affects the performance of the stores located in these states could have a material adverse effect on our business, financial condition and results of operations. Our past store sales may not be comparable to or indicative of future sales.

2. ***Our business is dependent on the sale of apparels, which contributed 91.99%, 88.13%, and 88.15% of our revenue from operations for Fiscals 2025, 2024 and 2023, respectively. Any variations in demand and change in customer preferences could have an adverse impact on our business, financial condition and cash flows.***

While our Company has various product offerings, our revenue from operations is primarily dependent from the sale of apparels. Our business is characterized by rapidly changing customer preferences and requirements for trendy and new designs of apparels.

Our results of operations are dependent on our ability to anticipate, gauge and respond to such changes in customer preferences and design and procure new products, approach other suppliers or hire different contract manufacturers to align them with changes in fashion trends as well as customer demand and preferences. If we are unable to anticipate changing customer preferences, or if we are unable to adapt to such changes in a timely basis or at all, we may lose or fail to attract customers, our inventory may become obsolete, and we may be subject to pricing pressure to sell such inventory at a discount, which would result in a decline in our total sales, revenue from operations and overall profitability. While we have not faced any such incidents during Fiscals 2025, 2024 and 2023, there can be no assurance these will not occur in the future, which in turn could adversely affect our business, results of operations, and cash flows.

3. ***We have recorded loss for the financial year 2023. Any losses in the future may have a significant adverse impact on our financial condition and may lead to further erosion of our net worth***

We have incurred a loss of ₹1,695.19 lakhs for the financial year ended March 31, 2023. Major factor which had a negative impact on our revenues resulting into a loss in the financial year ended March 31, 2023 was on account of unforeseen expenses, operational challenges, market fluctuations, delays, and other unforeseen events. We may incur losses in the future for a number of reasons and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown events. If we incur losses in the future or unable to generate sufficient revenue to meet our financial targets, reduce costs, become profitable and have sustainable positive cash flows, investors could lose their investment and the market price of our Equity Shares could suffer.

***4. The fashion and retail industry are highly competitive. If we do not respond to competition effectively, our cash flows, financial condition and results of operation may be adversely affected.***

We operate in the highly competitive industry which is characterised by swift shifts in consumer trends and technology, which may lead to an adverse impact on our market share at any time due to the significant number of competitors in our industry that may compete more effectively than us. These frequent changes and their impact on consumer demand may result into both price and demand volatility.

Due to the nature of our offerings, we face competition from various kinds of fashion players, including players operating in retail, wholesale, and e-commerce space, national and local department stores and independent retail stores. Many of our competitors may be, larger and may have at their disposal substantially greater financial, marketing and other resources and, therefore, may be able to adapt to changes in customer requirements more quickly, devote greater resources to the marketing and sale of their products or adopt more aggressive pricing policies than we can. We also face a variety of other competitive challenges, including:

- wider penetration in certain geographical areas;
- maintaining favourable brand recognition and effectively marketing our products to consumers in diverse markets;
- developing innovative and high-quality private-label products in sizes, colours and styles that appeal to consumers;
- continue to provide strong and effective marketing support;
- convenience of access to merchandise through e-commerce means; and
- maintaining high levels of footfall in our stores.

Some of our organised competitors may also have advantages over us on account of, inter alia, more prominent locations of their stores, more efficient distribution networks, better trained employees, greater geographic reach, broader product ranges or access to a large pool of financial resources. Since such markets tend to experience quality retail for the first time, the nature of these retail offerings might commoditise fashion for the customers. As a result, in order to establish ourselves in these markets, we will need to create brands and propositions that creates a customer connect to our brand identity along with providing access to high value and therefore we may face challenges in establishing ourselves in these markets.

Additionally, we are also witnessing a growth in the competition from online retailers who have been able to offer similar type of products as ours at competitive prices with a wider geographical reach. Due to various factors, including ease of shopping from home, efficient logistics management, lesser physical presence and strategic tie-ups, online retailers are not only able to offer more discounts, but also a wider range of apparels and accessories. Due to the above reasons, online retailing has been witnessing noticeable growth in the recent years and increased competition from them could reduce footfalls and sales in our stores. If we are unable to adequately address competitive pressures, our business, financial condition, results of operations and cash flows may be adversely affected.

***5. The growth of our business depends on our ability to identify, obtain and retain quality retail spaces.***

One of the factors of our success is our ability to identify and lease key retail spaces at such shopping locations, which have attractive commercial propositions such as high footfall, targeted customer demography and reasonable cost of operations.

As on September 30, 2025, we had 259 stores 23 states. As we expand our store network, we will be exposed to various challenges, including those relating to identification of potential markets and suitable locations for our new stores, obtaining leases for such stores, competition, different cultures and customer preferences, regulatory regimes, approval requirements, business practices and customs. As the location of a new store should satisfy various parameters to make an attractive commercial proposition, finalisation of location for our new stores is a process which may be dependent upon factors as specified above and we may not be able to expand our store network at the same pace as in the past or at the expected pace. The following table sets forth the number of new stores opened in the periods indicated:

| Particulars | Till September 30, 2025 | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|---|
| Number of stores opened (gross) | 71 | 74 | 24 | 10 |

If we are unable to identify and obtain suitable locations for our expansion as per selection benchmarking and enter into leasehold or rental agreements on terms commercially beneficial to us, it may adversely affect our expansion and growth plans. We usually take property through lease or license which typically vary from a period of 8 years to 15 years. If we are unable to renew these agreements on favourable terms, or at all, or our rental escalations are not favourable vis-à-vis the customer demand, we may be required to relocate operations and incur additional costs in such relocation.

We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under the lease/ leave and license agreements and there is no assurance that we will be able to identify suitable locations to relocate our operations. Due to increased competition, we may also face increased lease expenses/or and rental fee from our competitors. It may also lead to termination of our leases or disputes that may arise with store owners which may result in closure of our stores, thus affecting our expansion and growth plans, results of operations, cash flows and financial condition.

***6. If we are unable to anticipate and respond to changes in market demands, fashion trends and customer preferences in a timely and effective manner and maintain an optimal level of inventory, our business, results of operations, cash flows and financial condition may be adversely affected.***

An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products required to sell and service customers. The table below provides details of certain parameters as of the dates indicated:

| Particulars | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| Inventories (₹ lakhs) (A) | 55,823.80 | 41,886.88 | 27,888.16 |
| Total Current Assets (₹ lakhs) (B) | 65,710.19 | 48,644.20 | 32,687.65 |
| Inventory as a percentage of Total Current Assets (%) (A/B) | 84.95% | 86.11% | 85.32% |
| Inventory Turnover Ratio[(1)] (in times) | 3.38 | 2.78 | 3.01 |
| Inventory Days[(2)] | 108 | 131 | 121 |

*Notes:*
*(1) Inventory Turnover Ratio is calculated as Revenue from operations divided by inventories as on the end of respective financial year.*
*(2) Inventory Days is calculated as 365 divided by Inventory Turnover Ratio.*

Although we maintain inventories based on our past experience and strive to prevent both under-stocking and over-stocking, our predictions and forecasts might not always be precise. Inaccurate forecasting of customer demand or misjudging trends could lead to either surplus inventory or insufficient products available for sale. Under-stocking could hinder our ability to meet customer needs, while over-stocking might raise our capital requirements and result in additional financing costs. Unsold or unused inventory might need to be sold at a discount or discarded, potentially causing losses. We cannot assure you that we will be able to sell excess inventory promptly, or at all, which could negatively impact our business, operational results, and financial condition.

***7. Failure to maintain and enhance our brands and our image may have a negative impact on our business and results of operations. Furthermore, we may incur significant costs in connection with our branding and marketing efforts, and some marketing efforts may not be effective in attracting or retaining new customers.***

Based on our experience, brand image of *'V2 Retail'* is a crucial factor influencing customers' purchasing decisions in our industry. Our success largely relies on the popularity of our brands, as well as our reputation for product quality. It is vital to maintain and enhance brand recognition and image to differentiate our products and services and compete effectively. Any instance of product misbranding or tampering could harm our brand value,

even if the concerns are unwarranted or beyond our Company's control. While we have quality control mechanism, however, as we expand, maintaining the quality of our products offerings may become increasingly challenging. If customers perceive or encounter a decline in our product quality our reputation could be adversely affected, significantly impacting our business operations, financial health, and future prospects.

Furthermore, we also invest to promote our stores and brand visibility, recognition and acceptance and engage in various marketing campaigns to promote our product offerings. We utilize different marketing efforts tailored for different target customers to increase brand awareness and boost sales. Our Company markets its brand and products across a wide variety of media, ranging from traditional to new media channels, such as content marketing on print, radio, digital and social media, TV, cinema theatre ads, out-of-home media, and in-store and outdoor events. Our use of digital and social media channels for marketing also exposes us to heightened reputational risk, as any negative feedback from customers or public misinterpretation of our marketing content can be rapidly and widely disseminated online. Such amplification may adversely affect our brand image, regardless of the accuracy or fairness of the underlying complaints. There can be no assurance that such events will not occur in the future, especially as our marketing activities continue to expand. The table below provides details of our advertisement expenses to our total expenses and revenue from operations for Fiscals 2025, 2024 and 2023:

| Particulars | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| Advertisement & Sales promotion expenses (₹ lakhs) | 937.39 | 421.38 | 555.85 |
| Revenue from operations (₹ lakhs) | 1,88,449.52 | 1,16,472.71 | 83,888.30 |
| As a percentage of revenue from operations (%) | 0.50% | 0.36% | 0.66% |
| Total expenses (₹ lakhs) | 1,79,323.64 | 1,14,084.27 | 86,250.39 |
| As a percentage of total expenses (%) | 0.52% | 0.37% | 0.64% |

We cannot guarantee that our marketing efforts will be well-received by customers and result in higher levels of sales. Failure to refine our marketing approaches or to adopt new, more cost-effective marketing techniques would materially affect our business, results of operations, financial condition and prospects.

***8. We do not manufacture apparel products sold in our stores and rely on third party vendors. Furthermore, we do not enter into long-term agreements with our job-workers and suppliers, and these counterparties instead supply products to our Company on a non-exclusive basis, based on individual purchase orders.***

Our growth as a business depends on our ability to attract and retain high quality job workers and cost-efficient suppliers to our network. The job workers undertake specific manufacturing processes basis the specification provided by Company, while suppliers, supplies manufactured products basis purchase order. The suppliers, manufactures as well as procure products from other manufacturers with whom we may have no direct relationship. Consequently, we are dependent on the suppliers' ability to manage these underlying manufacturing arrangements. Because of this, these counterparties are under no long-term obligation to provide us with products, and we have no long-term contractual protection regarding the price for which we pay them.

A portion of our sales is attributable to our private label apparel brands, for which consistent product quality and timely supply are critical to customer perception and brand reputation. Any disruption in the supply of private label products may directly affect our sales volumes, profitability, and ability to establish a trusted brand. In addition, job-workers and suppliers may not fulfil their obligations in a timely manner or at all, which could adversely impact our operations and the inventory available at our stores. We cannot assure that no instance will arise in the future where delay in supply or non-performance of obligations would not have an adverse impact on our results of operations, cash flows, financial condition or business.

As we source products primarily through purchase orders, this creates inherent uncertainties regarding the consistency of supply and product quality. Additionally, in the absence of formal, binding supply agreements, enforcing contractual terms in the event of a breach may be challenging, which could expose us to financial losses and reputational harm. The informal nature of purchase orders may also restrict our ability to negotiate more favourable terms, such as volume discounts or exclusive rights, that could otherwise be secured under formal agreements. If any of our key suppliers or job workers becomes unavailable for any reason or refuses to supply products or services to us, replacing them may be costly and adversely affect our ability to sell a given product. Even if a substitute supplier is available, until they pass our quality control assessments, we could face a temporary reduction in store inventory levels and/or a reduction in the quality of our products.

***9. Some of our products are subject to seasonal customer demands.***

The retail consumer spending is heavily dependent on the economy and, to a large extent, on various occasions such as festivals, seasonal changes, weddings, etc. These seasonal variations in consumer demand subject the industry in which we operate in, to a considerable degree of volatility. As a result, our revenue and profits may vary during different quarters of the Fiscal and certain periods may not be indicative of our financial position for a full Fiscal or future quarters or periods and may be below market expectations. For example, we tend to experience higher revenue from our businesses in certain quarters and in particular, the second and third quarters of a particular Fiscal, which coincide with the festival season for our customers.

Further, any unanticipated decrease in demand for our products during our peak selling season could result into a higher closing inventory position, which may lead to delay in sale and liquidation of inventory as opposed to in the normal course of business, which could adversely affect our financial position and business operations. Fluctuations in the apparel retail market affect the inventory owned by apparel retailers, since merchandise usually must be manufactured in advance of the season and frequently before fashion trends are evidenced by customer purchases. If sales do not meet expectations, excess inventory may lower planned margins. Our brand image may also suffer if customers believe we are no longer able to offer the merchandise pertaining to latest fashion and trends. The occurrence of these events could adversely affect our cash flows, financial condition, and business operations.

***10. We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business, and if we fail to do so in a timely manner or at all, we may be unable to operate our business, and our results of operations may be adversely affected.***

Our operations are subject to government regulations, and we are required to obtain and maintain several statutory and regulatory permits and approvals under central, state and local government legislation for operating our business and stores generally, including tax registrations, labour licenses such as provident fund, employees' state insurance corporation, etc., shops and establishment registration, exemptions under the applicable shops and establishments act, as applicable, and trade licenses under the respective municipal laws. For instance, in relation to our stores we are required to obtain licenses such as shops and establishment registrations and licenses, trade licenses, goods and services tax registrations (as applicable for each state), and professional tax registrations. Certain of our material approvals, registrations, permits and licenses may expire in the ordinary course of business and our Company is in the process of renewing such key approvals, as necessary. In addition, there may be certain licenses and approvals that may be required to be obtained by the owners of the properties leased by us, in respect of such properties. We cannot assure that the owners of these properties apply for, whether fresh or renewal of, all such licenses and approvals in a timely manner or at all.

We are required, and will continue to be required, to obtain and hold relevant licenses, approvals, consents and permits at the local, state and central government levels for undertaking our business. While we have applied for renewal of some of the approvals, there is no assurance that such renewals will be issued or granted to us in a timely manner, or at all. If we are not able to renew the approvals in a timely manner or at all, our existing and prospective business and operations may be adversely affected. The relevant local authorities may also institute any civil or criminal actions for any non-compliance of this requirement at these locations which may in turn interrupt our operations, and consequently our results of operations, financial conditions and cash flows may be impacted. We may also be unable to fulfil the terms and conditions to which such approvals, licenses, registrations, consents, and permits are granted. There is no assurance that these would not be suspended or revoked in the event of accidental non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us, through a failure of our employees or Directors, to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and our operations.

***11. Our business and profitability depend on the levels of customer spending. A decrease in the number of customers or levels of customer spending, as well as changes in customer habits, may adversely impact our business, results of operations and profitability.***

The success of our business, revenue, and profitability largely relies on sales to our customers, which face typical risks associated with the retail industry. Retail sales, such as those in clothing apparel are prone to swift and, at times, unforeseen shifts in customer behaviour. These changes may arise from general economic fluctuations that

are beyond our control, including factors like disposable income levels, taxation rates, consumer spending habits (especially discretionary spending), various occasions such as festivals, weddings, seasonal change and overall economic confidence, and evolving consumer preferences and demographics. Moreover, our business's success hinges on maintaining a diverse and attractive product range while anticipating and quickly adapting to changing consumer demands and tastes. Additionally, an increasing preference for e-commerce and other alternative retail channels could reduce foot traffic in our physical stores, negatively impacting our business operations, financial health, and future prospects.

The pace of change in consumer demands and market trends is accelerating, and the acceptance of new products is influenced by several aspects, such as current economic conditions, disposable income, lifestyle trends, pricing, functionality, technology, aesthetics, and other factors. There is a possibility that some of our products may not achieve broad consumer acceptance and may become obsolete. Fluctuations in the apparel retail market affect the inventory owned by apparel retailers, since merchandise usually must be manufactured in advance of the season and frequently before fashion trends are evidenced by customer purchases. If sales do not meet expectations, excess inventory may lower planned margins. Our brand image may also suffer if customers believe we are no longer able to offer the merchandise pertaining to latest fashion and trends. The occurrence of these events could adversely affect our cash flows, financial condition, and business operations.

***12. Any failure in our quality control processes undertaken with respect to our products may have an adverse effect on our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.***

Our products may contain quality issues or undetected errors or defects, especially when first introduced or when new products are procured, resulting from the design or manufacture of the product or raw materials used in the product. Our Suppliers may fail to adhere to the standards set for them by us which in turn could adversely affect our sales and reputation. We have an in-house quality control team to verify the quality of the merchandise received from the Suppliers. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us are accurate at all times. In the event the quality of our products is not in accordance with our standards or our products are defective, our customers may return our products, we may be required to recall or exchange such products at additional cost to us and our reputation may be impacted, which in turn may adversely affect our business, results of operations and financial condition. Adverse publicity about these concerns, whether or not based on fact, and whether or not involving products sold at our stores, could discourage customers from buying our products and materially and adversely affect our cash flows and results of operations. We have, from time to time, exchanged products sold to our customers due to quality defects, or otherwise, in accordance with our exchange and returns policy, which results in discarding of such defective products and may have an adverse effect on our business and our financial condition. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

***13. Losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.***

Our business and the industry we operate in are vulnerable to the problem of shoplifting by customers, pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. Additionally, our business operations also involve a significant number of cash transactions. While we have had such instance in the past, however they have not been material to our business operations. The retail industry also typically encounters some inventory loss on account of employee theft, shoplifting, supplier fraud, credit card fraud and general administrative error. While we have taken measures to prevent such instances such as introducing policies against shrinkages, pilferages and theft, regular stock audit of our stores conducted by our centralized team, taking disciplinary action against non-compliance, blacklisting of vendors and regular training sessions for our staff and security, any increase in product losses due to such factors at our existing and future stores or our retail channels may require us to, inter alia, install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses.

While we have set up various security measures to handle cash transactions, we have in the past experienced instance of burglary which was recovered by our insurance claim. Although we have cash management procedures and controls in place, there are inherent risks in cash management as part of our operations, which include theft and robbery, under-reporting of collection, employee fraud and the risks involved in transferring cash from our

stores to banks. There have been no material instances of employee dishonesty in the past and we cannot assure you that we will always be able to completely prevent such incidents in the future. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage, or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

***14. Our business plans to incur significant expenditure for its expansion activities and in relation to the growth of our business and any inability to obtain necessary funds may impact such opportunities and our business in the future.***

We incur growth-based capital expenditure in relation to our business for instance, operating and setting up stores, warehouses and enhancement of technology. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in setting up new stores, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. Set forth below are the details of the capital expenditure incurred by our Company.

| Particulars | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| Purchase of property, plant and equipment and right of use assets (₹ lakhs) | 12,645.23 | 4,060.61 | 10,357.78 |

If the funding requirements of a particular business growth plan increase, we will need to look for additional sources of finance, which may not be readily available, or may not be available on high commercial terms, which may have an adverse effect on our profitability. Our ability to finance our capital expenditure plans is also subject to a number of risks, contingencies and other factors, some of which are beyond our control, borrowing or lending restrictions, if any, imposed by applicable government regulations, and general economic and capital market conditions.

Any significant change in the contemplated financial requirements may have an adverse effect on our cash flows, financial condition and results of operations. We cannot assure that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our business operations and future prospects.

***15. We depend on our ability to identify suitable locations for new stores on commercially acceptable terms and open new stores at newly leased locations. If we are unable to identify and obtain suitable locations for new stores, it may adversely affect our expansion and growth plans.***

One of the factors of our success is our ability to identify and acquire key retail spaces at such shopping locations, which have attractive commercial propositions such as high footfall, targeted customer demography and reasonable cost of operations which helps us to deepen our penetration in existing clusters and expanding our footprint into new geographical areas. Our performance depends on the location of our stores. When selecting a location for a new store, we take into consideration various factors, including:

- population density and customer footfall;
- ease of customer access;
- estimated purchasing power within the local demographics;
- projected profitability based on anticipated sales potential; and
- proximity to or lack of thereof and performance of competitors in the vicinity.

Our ability to open new stores in competitive locations is heavily dependent on identifying and leasing premises that are suitable for our requirements on commercially reasonable terms and successfully developing and opening stores. As part of our store onboarding process, we may enter into letters of intent and submit deposits to the relevant owners of the properties where a new store will be located. The letters of intent are typically followed by a definitive lease agreement in the form of a lease deed or leave and license agreement being entered into between parties. In the event definitive agreements are not entered into within a specified period, the letters of intent may

lapse unless extended. We may be delayed or be unable to enter a definitive lease agreement with respect to a specific site for various reasons, some of which are beyond our control. Furthermore, in the event such letters of intent lapse or are terminated, we may have to identify alternate store locations for which we expend significant time and resources. While there have been no such instances during Fiscals 2025, 2024 and 2023, there can be no assurances that we will not face these lapses or termination as we expand our operations.

As the location of a new store should satisfy various parameters to make an attractive commercial proposition, finalisation of location and property acquisition for our new stores is a process which may be dependent upon factors as specified above and we may not be able to expand our store network at the same pace as in the past or at the expected pace. The following table sets forth the number of new stores opened and closed in the periods indicated:

| Particulars | During Fiscal 2025 | During Fiscal 2024 | During Fiscal 2023 |
|---|---|---|---|
| Stores opened | 74 | 24 | 10 |
| Stores closed | 2 | 9 | 8 |

If we are unable to identify and obtain suitable locations for our expansion as per selection benchmarking and enter into leasehold or rental agreements on terms commercially beneficial to us, it may adversely affect our expansion and growth plans. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under the lease/ leave and license agreements and there is no assurance that we will be able to identify suitable locations to relocate our operations. Due to increased competition, we may also face increased lease expenses/or and rental fee from our competitors. It may also lead to termination of our leases or disputes that may arise with store owners which may result in closure of our stores, thus affecting our expansion and growth plans. We cannot assure you that we will be able to execute our growth strategies in a timely manner or within estimated budget. Our inability to properly manage our growth may have an adverse effect on our business, results of operations and financial condition.

***16. Majority of our stores, distribution centres, warehouse, registered and corporate offices from premises that are taken by us on a leasehold basis, we are exposed to the risks associated with leasing real estate and any adverse developments could affect our business, results of operations, financial condition and cash flows.***

We operate our stores, distribution centres, registered and corporate offices from premises that are taken by us on a leasehold basis. We are exposed to the risks associated with leasing real estate, including in particular the inability to renew our lease agreements on favourable terms, or at all, due to a variety of reasons, including ongoing legal proceedings relating to the leased property. If we are unable to renew our lease agreements, we may be required to relocate operations and incur additional costs in such relocation. While we have been unable to renew our lease agreements for some of our stores from time to time in the past due to our landlords not renewing the lease agreements, our business operations have not been materially affected as we have typically been able to identify other suitable store locations within the same town or city to resume our store operations. We may face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under our lease agreements, and there is no assurance that we will be able to identify suitable locations to relocate our operations. If we are required to relocate the operations of our stores, warehouse, distribution centres, registered office or corporate office, this may cause disruptions in our operations and result in increased costs, which may adversely affect our business, results of operations, financial condition and cash flows.

***17. Our success depends upon our ability to formalize and operationalize effective business and growth strategy. Our inability to manage our business and growth strategy could have a material adverse effect on our business, financial condition and results of operations.***

We have experienced significant growth over the past three Fiscals. The following table sets forth details of our EBITDA / EBTIDA Margin and profit after tax for the periods indicated:

*(₹ lakhs, except percentages)*

| Particulars | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| Revenue from Operations | 1,88,449.52 | 1,16,472.71 | 83,888.30 |
| EBITDA [(1)] | 25,781.84 | 14,781.66 | 8,398.63 |
| EBITDA Margin [(2)] | 13.68% | 12.69% | 10.01% |
| Profit After Tax | 7,203.23 | 2,781.07 | (1,281.67) |
| Profit After Tax Margin [(3)] | 3.81% | 2.37% | (1.52)% |

*Notes:*

1. *EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less other income.*
2. *EBITDA margin is calculated as EBITDA divided by revenue from operations.*
3. *Profit After Tax Margin is calculated as profit after tax divided by total income.*

Our future growth and success are heavily dependent on the effective implementation of our business strategy, which includes expanding our customer base across markets, opening new stores, diversifying our product portfolio, and improving operational efficiencies. Our ability to execute this strategy is subject to various factors, including identifying and responding to market trends, maintaining competitiveness, managing product quality, building brand recognition in new geographies, and attracting and retaining skilled personnel. Many of these factors are beyond our control, such as geopolitical developments, inflationary pressures, raw material availability, supply chain disruptions, and changes in regulatory environments. Further, entry into new markets may pose operational, logistical and commercial challenges, which could impact our ability to achieve scale and profitability in a timely manner.

In addition, the successful management of our growth will require continued enhancements to our operational, technological and financial systems, as well as expansion of our workforce and internal controls. There can be no assurance that our existing infrastructure and personnel will be adequate to support our future expansion. Any inability to effectively manage growth could result in increased operational costs, reduced profitability, and disruption of our business activities, all of which could materially and adversely affect our business, financial condition, results of operations and future prospects.

***18. Any disruptions to our logistics and transportation facilities could have a material adverse effect on our business, financial condition, cash flows and results of operations.***

Our daily operations rely heavily on the proper functioning of our logistics infrastructure, such as our warehouse, stores, and transportation facilities, including our owned vehicles. Products sourced from our suppliers are typically transported from our own vehicle distribution fleet which are then transported to our warehouse and shops. Any service disruption in our logistics and transportation facilities as a result of force majeure, disputes, employee delinquencies or strikes, government inspections or regulatory orders could adversely impact our business operations.

The table below provides details of our carriage inward expenses to our total expenses for Fiscals 2025, 2024 and 2023:

| State | Fiscal 2025 | | Fiscal 2024 | | Fiscal 2023 | |
|---|---|---|---|---|---|---|
| | Amount (in ₹ lakhs) | Percentage of Total expenses (%) | Amount (in ₹ lakhs) | Percentage of Total expenses (%) | Amount (in ₹ lakhs) | Percentage of Total expenses (%) |
| Transportation charges | 2,858.52 | 1.59 | 1,841.86 | 1.61 | 1,467.30 | 1.70 |

Our efforts to maintain and expand our network infrastructure or manage such expansion may be unsuccessful. We may also not be able to locate desirable alternative sites for our facilities as our business continues to grow, as we compete with other businesses for premises at certain locations or of desirable scale or quality. We may be pressured to pay higher rent on the desirable sites for our facilities due to competition which may result in lower profitability and cash flows. Moreover, by renting and setting up new logistics facilities, we may incur additional expenses to design the facility to suit our business purpose and purchase the necessary equipment. We cannot assure you that such instances will not impact our operations going forward.

***19. There are outstanding legal proceedings against our Company and our Promoters. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations, cash flows and financial condition.***

Certain legal proceedings involving our Company and our Promoters are pending at different levels of adjudication before various courts, tribunals and authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments, and

which may increase expenses and current or contingent liabilities. For further information, see "*Legal Proceedings*" on page 197.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour, or that no (additional) liability will arise out of these proceedings. We are in the process of litigating these matters. Further, such proceedings could divert management time and attention and consume financial resources in their defence. In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons, before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products, our technology, our branding or our policies or any other acts/omissions. Further, we may be subject to legal action by our employees and/or ex-employees in relation to alleged grievances such as termination of their employment with us. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

***20. Delay/ default in payment of statutory dues may attract penalties and in turn have an adverse impact on our business, results of operations, cash flows and financial condition.***

We are required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax and excise duty. There have been delays in the payment of statutory by the Group for the three month period ended June 30, 2025 and during Fiscal 2025, Fiscal 2024 and Fiscal 2023, as provided in the table below:

Our Company

*(₹ in Lakhs, except as otherwise stated)*

| Nature of Statutory Dues* | Financial Year | | | | | | Period | |
|---|---|---|---|---|---|---|---|---|
| | 2023 | | 2024 | | 2024 | | Three month period ended June 30, 2025 | |
| | Amount for which payment was delayed | Number of Days (in days) | Amount for which payment was delayed | Number of Days (in days) | Amount for which payment was delayed | Number of Days (in days) | Amount for which payment was delayed | Number of Days (in days) |
| Professional Tax | 4.53 | 3 to 155 | 4.50 | 12 to 432 | 10.22 | 3 to 315 | 1.36 | 33 to 46 |
| Tax Deduction at Source – Salary | 0.14 | 4 to 4 | 0.33 | 9 to 9 | 1.20 | 30 to 30 | - | - |
| Tax Deduction at Source- other than Salary | - | - | 8.20 | 10 to 83 | 2.60 | 31 to 31 | 4.63 | 36 to 36 |
| Provident Fund | 2.42 | 24 to 83 | 0.39 | 25 to 59 | 3.65 | 1 to 62 | 19.15 | 5 to 45 |
| Employees State Insurance | 11.01 | 1 to 2 | 23.83 | 1 to 3 | 18.05 | 1 to 2 | - | - |
| Goods and Service Tax (RCM liability) | - | - | 0.08 | 7 to 7 | - | - | - | - |

**Details of only accounted for liabilities*

Our Subsidiary

*(₹ in Lakhs, except as otherwise stated)*

| Nature of Statutory Dues | Financial Year | | | | | | Period | |
|---|---|---|---|---|---|---|---|---|
| | 2023 | | 2024 | | 2025 | | Three month period ended June 30, 2025 | |
| | Amount for which payment was delayed | Number of Days (in days) | Amount for which payment was delayed | Number of Days (in days) | Amount for which payment was delayed | Number of Days (in days) | Amount for which payment was delayed | Number of Days (in days) |
| **Tax Deduction at Source- other than Salary** | 1.50 | 7 to 24 | 3.70 | 17 to 20 | 0.14 | 1 to 1 | - | - |
| **Income Tax (including Advance Tax)** | 39.69 | 198 to 471 | - | - | - | - | - | - |

We cannot assure you to that we will be able to pay our statutory dues timely, or at all, in the future. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations, cash flows and financial condition.

***21. We cannot assure you that our statutory auditors will not include emphasis of matters, reservations, qualifications and other observations in their reports to our financial statements.***

Except as stated in "*Legal Proceedings – Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks*" on page 201, there are no reservations, qualifications, matters of emphasis or adverse remarks in the reports of our statutory auditors in the last five financial years and the three months ended June 30, 2025.

We cannot assure you that any similar reservations, qualifications, matters of emphasis or adverse remarks will not form part of our financial statements for future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

***22. We have in the past entered into related party transactions and may continue to do so in the future.***

We have entered into transactions with related parties in the past and are likely to do so in the future. These also include loans from the directors of our Company as well as loans given to our Subsidiary. For further details, see "*Related Party Transactions*" on page 81. All the related party transactions in Fiscal 2025, Fiscal 2024 or Fiscal 2023 have been carried out on an arm's length basis. It is likely that we will continue to enter into related party transactions in the future and such future transactions could potentially involve conflicts of interest. We cannot assure you that such future related party transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations, cash flows and financial condition. Some of these transactions may require significant capital outlay and there can be no assurance that we will be able to make a return on these investments. Although all related-party transactions that we may enter into will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations, we cannot assure you that such transactions, individually or in the aggregate, will perform as expected/ result in the benefit envisaged therein.

***23. Our Promoters have given personal guarantees in relation to majority of our debt facilities provided to the Company, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Certain of our Promoters have given personal guarantees and/or acted as co-borrowers in relation to certain debt facilities obtained by our Company and Subsidiary. As of March 31, 2025, such personal guarantees were provided for debt facilities amounting to an aggregate of ₹8,249.05 lakhs. In the event that any of the guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees or other credit enhancement or security satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our business, results of operations, cash flows and financial condition

***24. Inability to obtain or protect our intellectual property rights may adversely affect our business.***

Our Company registered "7" trademark under classes 25 and 35 and has also applied from the registration of "7" trademarks under classes 7, 21, 25 and 35. For further details, see "***Our Business – Intellectual property***" on page 135. Any failure to register our trademarks may affect our right to use them in future. Our efforts to protect our intellectual property may not be adequate and any third- party claims on any of our unprotected brands or misuse of the applied logo may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered trademarks. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks. Further, if we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability.

We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business, results of operations and financial condition. Our inability to obtain or maintain our trademarks in our business could adversely affect our reputation, goodwill, business prospectus, and results of operations.

***25. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.***

Our Company has not declared or paid any dividend during the Fiscal 2023, 2024 and 2025 until the date of this Placement Document. The amount of our future dividend payments, if any, will depend on various factors such as our future earnings, cash flows, financial condition, working capital requirements, capital expenditures and in accordance with applicable laws. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the Equity Shares. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or the dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future.

***26. Our Promoters, Promoter Group, Directors, Subsidiary, Key Managerial Personnel, Senior Management of our Company may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, our Promoters and Directors have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits. Any real or potential conflicts of interest that may arise in this regard may materially adversely impact our business, financial condition, results of operations and cash flows.***

Our Promoters and Directors may be deemed to be interested in our Company, in addition to the regular remuneration or benefits arising from their directorship in our Company. Our Promoters, Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details, see "***Board of Directors and Senior Management – Interests of the Directors***" and "***Board of Directors and Senior Management - Interests of Key Managerial Personnel and members of Senior Management***" on pages 140 and 142, respectively.

Our Promoters and Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors, kartas or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. For further details, see "***Capital Structure – Pre-Issue and post- Issue shareholding pattern***" on page 78.

We cannot assure you that there will not be any conflict of interest between our Company, Promoters, members of the Promoter Group, Subsidiary. There can be no assurance that such entities will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

Interests of Promoters, Promoter Group, Subsidiary, Directors, Key Managerial Personnel and Senior Management may conflict with the interests of our Company, and they may, for business considerations or otherwise, cause us to take certain actions, or refrain from taking certain actions, which in turn may materially adversely impact our business, financial condition, results of operations and cash flows.

### *27. Our Promoters have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.*

Currently, our Promoters collectively with the members of the Promoter Group hold 54.22% of the pre-Issue issued, subscribed and paid-up equity share capital of our Company and upon completion of this Issue, our Promoters will collectively hold 51.43% of the Equity share capital of our Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. The interests of our Promoters could conflict with the interests of our other shareholders, and our Promoters could make decisions that materially and adversely affect your investment in Equity Shares.

### *28. Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.*

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our stores, warehouses and distribution centres or in the regions/areas where our offices are located. Although we maintain insurance coverage over our assets such as standard fire and special perils insurance covering stock, plant and machinery, burglary insurance policies covering burglary against stock for all of our stores, warehouses and distribution centres and vehicle there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. The following table sets forth our total insurance coverage and such coverage as a percentage of our total assets as of March 31, 2025:

| ***Particulars*** | **As of March 31, 2025** |
|---|---|
| Insured Assets* (₹ lakhs) | 76,832.85 |
| Total insurance coverage (₹ lakhs) | 93,787.00 |
| Insurance coverage as a percentage of total assets (%) | 122.07% |

**Includes Property, plant and equipment and Inventories.*

We may face losses in the absence of insurance and even in cases in which any such loss may be insured, we may not be able to recover the entire claim from insurance companies. We cannot assure you that such instances will not occur in the future. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on

similar or otherwise acceptable terms, or at all. While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain risks which may not be covered by us, which we have not ascertained or anticipated as at date. Further, we cannot assure that we will be able to accurately ascertain and maintain adequate insurance for losses that may be incurred in the future.

***29. We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.***

As of October 10, 2025, we had total outstanding borrowings of ₹ 17,614.99 lakhs. Our financing agreements may contain restrictive covenants that limit our ability to undertake certain types of transactions without prior written consent from lenders or without prior written intimation to lenders, as set forth below, any of which could adversely affect our business and financial condition. An indicative list of such restrictive covenants is disclosed below:

- making amendments to the constitutional documents of our Company;
- undertaking any new project or any expansion, diversification, modernization; and
- entry into any scheme of amalgamation, de-merge, reorganization, reconstruction, scheme of compromise or arrangement.
- change in shareholding resulting in a change in control of our Company;
- change in promoter, control or management, including creation or pledge of shares by the Promoters;
- entering into or investing in businesses or lines of activity other than our normal and regular business;
- winding up, liquidation or dissolution of our Company.

We may be required to obtain the approval of the lenders under our financing arrangements before undertaking these significant actions. While we have received consents from the relevant lenders in connection with the Issue, we cannot assure you that lenders will grant required approvals in future in a timely manner, or at all. We are also required to maintain certain financial ratios and adhere to certain financial covenants under our financing arrangements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities, which could put us at a competitive disadvantage and could have an adverse effect on our business, financial condition and results of operations. In the event we are unable to remedy defaults or obtain necessary waivers for any non-compliance, in a timely manner or at all, one or more of our lenders may accelerate our obligations under the financing agreements and seek to enforce their security interest in respect of such borrowings.

Any failure to comply with a covenant under our financing agreements may also trigger cross default and cross acceleration provisions under certain of our other financing agreements and may adversely affect our ability to conduct our business. It is possible that we would not have sufficient funds upon such an acceleration of our financial obligations to pay the principal and interest in full. Our future borrowings may also contain similar or more onerous covenants. While there have been no instances of covenant breaches or related defaults in the preceding three years, we cannot assure you that such events will not occur in the future.

***30. A downgrade in our credit rating could adversely affect our ability to raise capital in the future.***

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Set out below are credit ratings obtained by our Company as of the dates indicated:

| Issue Date | Facilities / Instruments | Credit Rating |
|---|---|---|
| June 23, 2025 | Fund Based Working Capital Limits | IND A-/Stable/IND A2 + |
| March 27, 2024 | Fund Based Working Capital Limits | [ICRA] BBB (Stable) |
| March 03, 2023 | Fund Based Working Capital Limits | [ICRA] BBB- (Stable) |

While there has been no downgrade to our Company's credit ratings during the three months period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, any downgrade in our Company's credit ratings in the future could lead to high borrowing costs and limit our access to capital and lending markets and, as a result, could adversely

affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

***31. Any inability to vary the objects of the Issue or utilize the Net Proceeds for purposes other than those stated in this Placement Document without shareholder approval could restrict our financial flexibility and adversely affect our business and operation.***

We propose to utilize the Net Proceeds for the purposes described in "*Objects of the Issue*" on page 65. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, and the applicable rules, and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Company would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms thereof, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting Shareholders may deter the Promoters from agreeing to variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in this Placement Document. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

***32. Our funding requirements and the proposed deployment of the Net Proceeds have not been appraised by any bank, financial institution or any other independent agency, and may be subject to risks related to adequacy, timing and implementation.***

We propose to utilise the Net Proceeds from the Issue towards (i) repayment and/or prepayment, in full or in part, of certain outstanding borrowings of our Company s, (ii) funding working capital requirements of our Company, (iii) general corporate purposes. For further information, see "***Objects of Issue***" on page 65.

The funding requirements, deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change in the future. However, such funding requirements and deployment of funds have not been appraised by any bank, financial institution, independent agency, or the Book Running Lead Managers in connection with the Issue.

Accordingly, there can be no assurance that the Net Proceeds will be deployed in a manner that yields the expected results or benefits. In particular, we intend to utilise a portion of the Net Proceeds for working capital requirements. However, since certain borrowings proposed to be repaid include working capital facilities, the proceeds allocated for working capital may not fully replace the existing lines of credit being extinguished, which may temporarily impact our liquidity or financing flexibility.

Further, subject to compliance with applicable law, our Company retains the right to change the proposed schedule of implementation and deployment of the Net Proceeds, including the manner, method and timing of such deployment, in the event of a change in our business requirements or other commercial considerations. If the Net Proceeds are not completely utilised for the purposes mentioned in the "***Objects of Issue***" section by the end of the stated implementation period, such unutilised amounts will be deployed in subsequent periods, in accordance with applicable law and at the discretion of our management.

***33. Any variation in the actual use of the Net Proceeds as compared to our current estimates, or any delay in their deployment, may adversely affect our business, results of operations, financial condition and prospects.***

We propose to utilise a portion of the Net Proceeds to repay/ prepay certain borrowings and to fund our working capital requirements. There can be no assurance that such utilisation will yield the expected benefits or that the working capital proceeds will be sufficient to replace the credit lines being repaid.

Our Company proposes to utilise a portion of the Net Proceeds from the Issue towards the repayment or prepayment, in full or in part, of certain borrowings availed by our Company, including working capital facilities, and towards meeting our working capital requirements. For further information, see "***Objects of the Issue***" on page 65. As of October 10, 2025, we had total outstanding borrowings of ₹ 17,614.99 lakhs. While such repayment/ prepayment is expected to improve our leverage position and reduce our interest burden, there can be no assurance that these benefits will be realised to the extent anticipated.

We also propose to utilise ₹16,500.00 lakhs from the Net Proceeds towards our working capital requirements. However, since a portion of the borrowings proposed to be repaid comprise working capital facilities, the working capital infusion from the Net Proceeds may not constitute a sufficient or equivalent replacement for the credit lines being extinguished. This may adversely impact our liquidity position unless new borrowing arrangements are entered into on favourable terms or the business generates sufficient internal accruals to bridge any shortfall.

Additionally, any prepayment of existing facilities may be subject to prepayment penalties or charges, increasing the effective cost of repayment. Moreover, utilisation of Net Proceeds towards repayment of debt or working capital requirements may not directly enhance our revenue or profitability and may have limited bearing on our long-term growth trajectory. There can also be no assurance that we will not incur additional indebtedness in the future, which could expose us to similar levels of financial leverage and related risks.

***34. We propose to utilize a portion of our Net Proceeds towards funding working capital requirements of our Company which is based on certain assumptions and estimates.***

We intend to utilize ₹16,500.00 lakhs from the Net Proceeds towards funding the estimated working capital requirements of our Company, which is based on management estimates and certain assumptions in relation to, inter alia, the holding periods of inventories, debtors, payables and net working capital.

We have significant working capital requirements in the ordinary course of business, which are typically funded through internal accruals and financing arrangements with various lenders. Our Company requires additional working capital to execute its outstanding order book, meet the requirements of anticipated future orders, and support overall business growth and strategic objectives. The estimates of the working capital requirements for our Company have been prepared based on management estimates. Such estimated working capital requirements have been prepared using past requirements. Accordingly, such working capital estimates may not be consistent with the actual working capital requirements of our Company and accordingly investors are advised to not place undue reliance on such estimates. For further information, see, "*Objects of the Issue – Funding working capital requirements of our Company*" on page 66.

***35. Our business requires working capital. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, financial condition and cash flows.***

We require significant amount of our working capital for purchasing key raw materials. The table below sets forth details regarding our working capital turnover ratio, trade receivable days and trade payable days for the periods indicated:

| **Particulars** | **Fiscal 2025** | **Fiscal 2024** | **Fiscal 2023** |
|---|---|---|---|
| Net Working capital days(1) | 45.12 | 70.64 | 75.05 |
| Trade receivables days(2) | 0.02 | 0.02 | 0.03 |
| Trade payable days(3) | 63.02 | 60.64 | 46.32 |

*(1) Net Working capital days is calculated as inventories days add trade receivables days less trade payables days.*

*(2) Trade receivables days is calculated as trade receivables divided by revenue from operations multiplied by number of days.*
*(3) Trade payable days is calculated as trade payables divided by revenue from operations multiplied by number of days.*

Our working capital requirements may increase if the payment terms in our arrangements with customers include reduced advance payments or longer payment schedules or increased advance payments or shorter credit period from our suppliers. Additionally, our customers may fail to collect finished goods in accordance with agreed schedules, resulting in increased inventory and storage costs. These factors may result in increases in the amount of, our receivables, short-term borrowings and the cost of availing such working capital funding. Additionally, our inability to obtain adequate amount of working capital at such terms which are favourable to us and in a timely manner or at all may also have an adverse effect on our financial condition. Continued increases in our working capital requirements may have an adverse effect on our business, results of operations, financial condition and cash flows.

***36. Our business is manpower intensive. Our business may be adversely affected by work stoppages, increased wage demands by our employees, or increase in minimum wages across various states, and if we are unable to engage new employees at commercially attractive terms. We have experienced high attrition rates and an increase in our employee benefit expenses.***

Our continued success is significantly dependent on our ability to attract, hire, train, and retain qualified and skilled personnel, as well as maintain stable and constructive relationships with our workforce. While we have not experienced any material disruption to our operations due to labour disputes in the past three Fiscals, there can be no assurance that such disputes, dissatisfaction, or unrest will not arise in the future. Any such incidents may result in work stoppages, slowdowns or other interruptions, adversely impacting operational continuity, capacity utilisation and fulfilment of customer commitments.

Further, a sustained increase in employee attrition could adversely impact our productivity and efficiency, lead to the loss of key institutional knowledge and customer relationships, and increase recruitment and training costs. Any prolonged disruption in workforce availability or labour-related delays may materially and adversely affect our business, financial condition and results of operations.

The table below sets forth details of our employee benefit expenses and as a percentage of our total expenses for the periods indicated:

*(₹ lakhs, except percentages)*

| Particulars | June 30, 2025 | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|---|
| Employee Benefit Expenses | 5,261.89 | 15,919.59 | 10,547.50 | 8,860.99 |
| Total Expenses | 59,984.33 | 1,79,323.64 | 1,14,084.27 | 86,250.39 |
| Employee Benefit Expenses as a percentage of Total Expenses | 8.77% | 8.88% | 9.25% | 10.27% |

Changes in labour laws, including upward revisions in minimum wage requirements or statutory employee benefits in states where we currently operate or plan to expand, may result in higher employee costs. Additionally, in order to attract and retain skilled talent, we may be required to offer enhanced compensation and benefits, which could increase our operating expenses and impact our margins. We cannot assure you that employee-related costs will not increase significantly as our business grows.

India's labour legislation is comprehensive and provides robust protections to employees, including laws related to unionisation, dispute resolution, retrenchment, and severance. Although our employees are not currently unionised, any future attempt by employees to unionise may limit our ability to maintain flexible labour policies and could increase our operational and compliance costs. Further, any disruption in services due to strikes, agitation, or dissatisfaction among our employees or contract workers could adversely affect our manufacturing activities and delivery schedules.

Although we believe our workforce is a critical asset and we have not experienced any material labour unrest to date, we cannot assure that such disruptions will not occur in the future. Any deterioration in workforce relations, increase in compensation costs, or large-scale disruption in manpower availability could materially and adversely affect our business operations, financial performance and future growth.

***37. Some of our corporate records, regulatory filings, including those relating to allotments of our equity shares in the past are not traceable/filed and further, there are certain inaccuracies in some of the regulatory filings done by us. We have also received certain clarifications and/or notices from the Stock Exchanges in the past in relation to the filings made with them. We cannot assure you that there will be no other instances of such inadvertent non-compliances with statutory requirements, or clarifications/notices received from regulatory authorities.***

Certain corporate records and regulatory filings in relation to certain allotments of equity shares of our Company could not be traced as the relevant information was not available in the records maintained by our Company, at the MCA Portal maintained by the Ministry of Corporate Affairs and the RoC, despite conducting searches of our internal records and the records maintained by the jurisdictional RoC for the aforesaid secretarial and other corporate documents and records. We had commissioned a physical and online search of the RoC records through CS Don Banthia, a practicing company secretary, to retrieve missing documents in relation to, inter alia, issuances of Equity Shares by the Company. Pursuant to the foregoing, CS Don Banthia, the practicing company secretary has issued a certificate dated October 29, 2025 ("**PCS Certificate**"). The PCS Certificate confirmed that there were certain corporate records which were not traceable including Form-2 i.e. the return of allotment for the equity shares allotted by our Company on March 30, 2002, March 29, 2003, Marc 31, 2004, August 31, 2004, March 31, 2005, October 5, 2005 and July 6, 2006, respectively, board resolutions for the issuance of Equity Shares allotted on July 23, 2001, March 30, 2002, March 29, 2003, March 31, 2004, August 31, 2004, March 31, 2005, October 5, 2005 and July 3, 2006; shareholders resolution for the issuance of Equity Shares allotted on July 23, 2001, March 30, 2002, March 29, 2003, March 31, 2004, August 31, 2004, March 31, 2005, October 5, 2005 and July 3, 2006.; MGT-14/Form 23 for issuance of Equity Shares allotted on July 3, 2006, offer letters for all share issuances including letters of acceptance/renouncement/rejection, as applicable since incorporation; share transfer forms, since incorporation and valuation reports, as applicable for the issuance of Equity Shares allotted on March 30, 2002, March 29, 2003, March 31, 2004, August 31, 2004, March 31, 2005, October 5, 2005, June 5, 2006, July 3, 2006 and July 21, 2006. Accordingly, we have relied on other corporate records and documents, including, annual returns, board and shareholders' resolutions, audited financial statements, annual reports of the Company, forms filed with the RoC and other secretarial records of the Company as available and, the PCS Certificate for the periods to which such documents relate, for such matters. For details, see "*Capital Structure*" on page 74.

We cannot assure you that the secretarial records or regulatory filings which we have not been able to locate or inaccurately filed will be available in the future, or that the regulatory filings were done in accordance with applicable law or at all or in timely manner. Additionally, while no disputes or penalties have arisen or been imposed in connection with these secretarial records as on the date of this Placement Document, we cannot assure you that no dispute or penalties shall arise or be imposed in the future, including for any delay in statutory filings. Further, being a listed company, in the past we have also received certain clarifications and/or notices from the Stock Exchanges in relations to the filings made with the Stock Exchanges in the regular course of our business. There can be no assurance that there will be no other instances of such inadvertent non compliances with statutory requirements, or clarifications/notices received from regulatory authorities which may subject us to regulatory action, including monetary penalties, which may adversely affect our business, reputation,
operations, prospects or financial results

***38. Any failure in our information technology systems and/ or enterprise resources planning systems could adversely affect our business.***

The efficient operation of our business depends on our IT infrastructure and our enterprise resources planning systems. Our IT infrastructure comprises of third-party solutions and applications maintained internally. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Although there have been certain instance in disruptions to our information technology systems, however due to the recover process system employed by us, we have not experienced any significant disruptions to our operations. However, we cannot assure you that we will not encounter such disruptions in the future that may impact our operations. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations and cash flows.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property or could lead to the public exposure of personal information (including sensitive personal information) of our employees and customers. Any such security breaches could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

***39. Significant disruptions of information technology systems or breaches of data security could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We depend upon information technology systems for our operations. We have implemented automation and integrated technology systems and processes across our operations, thereby improving our operational workflows.

Our information technology systems are potentially vulnerable to system inadequacies, network failures, hardware failures, operating failures, service interruptions or failures, security breaches, malicious intrusions or cyber-attacks from a variety of sources. Cyber-attacks are growing in their frequency, sophistication and intensity, and are becoming increasingly difficult to detect, mitigate or prevent. Cyber-attacks come in many forms, including the deployment of harmful malware, exploitation of vulnerabilities, denial-of-service attacks, the use of social engineering and other means to compromise the confidentiality, integrity and availability of our information technology systems, confidential information and other data. Cyber-attacks targeted at our information technology systems may affect our business operations by interfering with, among others, our (i) ERP and reporting systems used to raise purchase orders, carry out goods receipt, transfer goods and analyse business performance, (ii) loyalty program, which we utilize to drive recommendations and promotions, and enhance the overall shopping experience for our consumers, (iii) allocation system, which we utilize to facilitate automatic unit-based replenishment of stock at our stores directly from our distribution centres in order to meet consumer demand, optimize inventory and reduce wastage, and (iv) e-commerce systems that enables our customers to order products from the convenience of their homes.

Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations, financial condition and cash flows.

Our systems are also potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data, including personal data of consumers, credit or debit card data, or any data related to any other electronic mode of payment, to unauthorized persons. Such data security breaches could lead to unauthorized access to our systems, misappropriation of data and unforeseen disclosure or transfer of data. As part of our operations, we are required to comply with the Information Technology Act, 2000 and the rules thereof, which provides for civil and criminal liability and the Digital Personal Data Protection Act, 2023, provisions whereof, which as and when made effective ("**DPDP Act**") stipulate a monetary penalty in case of breach of the provisions of the DPDP Act. Thus, it is possible that our interpretations of the law and regulations or our practices and platform could be inconsistent with or fail to meet all requirements of such laws, which could expose us to litigation and monetary penalties, which in turn may adversely affect our business, results of operations, financial condition and cash flows.

***40. This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Wazir Advisors Private Limited ("Wazir"), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue.***

The industry and market information contained in this Placement Document includes information derived from an industry report prepared by Wazir titled "*Industry Report on Value Retail Market*" dated October, 2025 (the "**Industry Report**"). The Industry Report has been commissioned and paid for by us for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. We officially engaged Wazir in connection with the preparation of the Industry Report pursuant to an engagement letter dated July 10, 2025. The Industry Report uses certain methodologies for market sizing and forecasting and may include numbers relating to our Company that differ from those we record internally. Our Company, Subsidiary, Promoters, Directors, Key Managerial Personnel, Senior Management Personnel and the Book Running Lead Manager are not related to Wazir.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts

may differ significantly from those included in this Placement Document. For further details see "***Industry and Market Data***" on page 18.

***41. In this Placement Document, we have not included our management's discussion and analysis of financial condition and results of operations for the three months ended June 2025 and 2024 or our audited consolidated financial statements for Fiscals 2025, 2024 and 2023.***

As required by the SEBI ICDR Regulations, in this Placement Document we have included our Unaudited Consolidated Financial Results for the three months ended June 30, 2025 and 2024 and our Audited Consolidated Financial Statements for Fiscals 2025, 2024 and 2023. See "*Financial Information*" beginning on page 227. We have not included our management's discussion and analysis of financial condition and results of operations based on such financial information, including any analysis of our financial condition and results of operations as of and for the three months ended June 30, 2025 and 2024 and in Fiscals 2025, 2024 and 2023. Accordingly, investors must rely on their own analysis of our financial condition and results of operations.

***External Risks***

***Risks Relating to India***

*42.* ***A slowdown in economic growth in India could have a negative impact on our business, results of operations, cash flows and financial condition****.*

Our performance and the growth of our business are dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, or a decline in India's foreign exchange reserves could negatively affect liquidity, which could adversely affect the Indian economy and our business. In particular, the COVID-19 pandemic caused an economic downturn in India and globally. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, cash flows and financial condition.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the Government of India towards the retail industries in which we operate, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

***43. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, cash flows and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

*44.* ***Our business is affected by global economic conditions, which may have an adverse effect on our business, results of operations, cash flows and financial condition****.*

The Indian economy and its securities markets are influenced by global economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market

countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

***45. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The GoI has passed new laws relating to social security, occupational safety, industrial relations and wages namely, the Codeon Social Security, 2020 ("Social Security Code"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, respectively which were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

***46. Natural calamities, climate change and health epidemics and pandemics in India could adversely affect our business, results of operations, cash flows and financial condition. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, results of operations, cash flows and financial condition.***

India has experienced natural calamities, such as earthquakes and floods in recent years. Natural calamities could have an adverse impact on the Indian economy which, in turn, could adversely affect our business, and they may also damage or destroy our manufacturing facilities, warehouses or other assets. Further, such events also may lead to the disruption of, or damage, to manufacturing equipment and machines, logistics operations, information systems, electrical systems and telecommunication services for sustained periods. Natural calamities also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our operations or assets could adversely affect our reputation, our relationships with our customers, distributors or channel partners, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged assets. equipment or machines. Though some of the losses are covered under appropriate insurance, the above factors may still adversely affect our business, results of operations, cash flows and financial condition.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by

disrupting communications and making travel and logistics more difficult. Such political tensions also could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia and Europe, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

***47. Any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business, results of operations and cash flows.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which is outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

***48. The extent and reliability of Indian infrastructure, to the extent insufficient, could adversely impact our business, results of operations, cash flows and financial condition.***

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption with its road and rail networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies including our pigment products and specialty chemicals, and add costs to doing business in India. These problems could interrupt our business operations, which could have adverse effect on our business, results of operations, cash flows and financial condition.

***49. Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document.***

Our Audited Consolidated Financial Statements have been prepared and presented in accordance with Ind AS and Unaudited Interim Condensed Consolidated Financial Statements have been prepared and presented in accordance with Ind-AS 34 "Interim Financial Reporting". Ind-AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind-AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document. Accordingly, the degree to which the financial information included in this Placement Document will provide meaningful information is dependent on the prospective investor's familiarity with Ind-AS and the Companies Act. Any reliance by persons not familiar with Ind-AS on the financial disclosures presented in this Placement Document should accordingly be limited. In addition, some of our competitors may not present their financial statements in accordance with Ind-AS and their financial statements may not be directly comparable to ours, and therefore reliance should accordingly be limited.

***50. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act may in turn adversely affect our business.***

The Competition Act, 2002, of India, as amended ("Competition Act"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("AAEC"). Under the Competition Act, any formal or informal arrangement, understanding, or action in concert, which causes or is likely to cause an AAEC, is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment, or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On April 11, 2023, the Competition (Amendment) Bill 2023 received the assent of the President of India to become the Competition (Amendment) Act, 2023 ("Competition Amendment Act"), amending the Competition Act and giving the CCI additional powers to prevent practices that harm competition and the interests of consumers. It has

been enacted to increase the ease of doing business in India and enhance transparency. The Competition Amendment Act, inter alia, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered by us cannot be predicted with certainty at this stage. We may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and financial condition.

***51. Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a company incorporated under the laws of India. Our Board of Directors comprises members all of whom are Indian citizens. All of our Key Managerial Personnel and Senior Management are residents of India and majority of the assets of our Company, and such persons are located in India. As a result, it may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce against them judgments obtained in courts outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes, among others, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908. Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us or our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment in the same manner as any other suit filed to enforce a civil liability in India. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment.

**Risks Relating to the Equity Shares**

***52. Applicants to this Issue are not allowed to withdraw their Bids or revise their Bids downwards after the Bid/Issue Closing Date.***

Under the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw or revise their Bids downwards after the Bid/Issue Closing Date. The Allotment of Equity Shares in the Issue and the credit of Equity Shares to the applicant's demat account with its depository participant could take approximately seven days to 10 Days from the Bid/Issue Closing Date. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events or material adverse changes in our business, results of operations, cash flows and financial condition the Bid/Issue Closing Date and the date of Allotment of Equity Shares in the Issue. The occurrence of any such event after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their bids in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

***53. We may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges to enhance market integrity and safeguard the interest of investors.***

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

We may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation. In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

***54. Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding. Further any such further issuance of equity shares and sales of the Equity Shares by our Promoter, members of our Promoter Group or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.***

We cannot assure you that we will not issue additional Equity Shares. Any future issuance of the Equity Shares, or securities linked to Equity Shares, including through exercise of employee stock options may lead to the dilution of your shareholding in our Company. Furthermore, any future equity issuances by us or sale of our Equity Shares by the Promoters or members of our Promoter Group or any of our other major shareholders or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoter, or other major shareholders of our Company may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares or securities linked to Equity Shares or that our Promoter, members of the Promoter Group or Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***55. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. Furthermore, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company and such dividends were generally exempt from tax in the hands of the shareholders. However, the government of India has amended the Income Tax Act, 1961 to abolish the DDT regime. Under the extant provisions, any dividend distributed by a domestic company is subject to tax in the hands of the concerned shareholder at the applicable rates. Additionally, the company distributing dividends is required to withhold tax

on such payments at the applicable rate. However, non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions.

Furthermore, if non-resident shareholders of entities holding the Equity Shares exit by way of sale or redemption of the shares held by them abroad in such entities, such non-resident shareholders could be taxed on capital gains in India if the offshore shares derive substantial value from Indian assets, subject to certain exemptions. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India only in limited situations and generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, results of operations, financial condition and cash flows. Investors should consult their own tax advisors about the consequences of investing in or trading in Equity Shares.

***56. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, 2013, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. Our decision to file an offering document or registration statement will depend on the costs and potential liabilities associated with any such registration as well as the perceived benefits of enabling holders in such jurisdiction to exercise their pre-emptive rights and any other factors we consider appropriate at such time. We may elect not to file an offering document or registration statement in relation to pre-emptive rights otherwise available to you by Indian law. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in our Company may be reduced.

***57. The trading price of the Equity Shares may be subject to volatility, and you may not be able to sell the Equity Shares at or above the Issue Price.***

The Issue Price shall be determined by us in consultation with the Book Running Lead Manager, based on the Bids received, in compliance with Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with rules made thereunder. It may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to the Issue.

The trading price of the Equity Shares may fluctuate due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors and the perception in the market about investments in the construction equipment sector, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments.

For example, conditions in the Indian securities markets may cause the trading price of the Equity Shares to fluctuate. The Indian securities markets are generally smaller and more volatile than securities markets in developed economies. In the past, the Indian stock exchanges have experienced high volatility and other problems that have affected the market price and liquidity of the listed securities, including temporary exchange closures, broker defaults, settlement delays and strikes by brokers. Excessive volatility may, in turn, trigger the imposition

of circuit breakers. A closure of, or trading stoppage on, either of BSE or NSE could adversely affect the trading price of the Equity Shares.

In addition, if the stock markets in general experience a loss of investor confidence, the trading price of the Equity Shares could decline for reasons unrelated to our business, results of operations, cash flows and financial condition. The trading price of the Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Additionally, in recent years, there have been changes in laws and regulations regulating the taxation of dividend income, which have impacted the Indian equity capital markets. See "***Dividends***" on page 80. Any of these factors could adversely affect the market price and liquidity of the Equity Shares. See "***Purchaser Representations and Transfer Restrictions***" on page 181.

***58. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

A company based in India may issue equity instruments to a person resident outside India subject to entry routes, sectoral caps and attendant conditions prescribed in the FEMA Rules. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required.

Further, in accordance with the Consolidated FDI Policy dated October 15, 2020, Government of India, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

***59. An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of the allotment of the Equity Shares.***

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the allotment of the Equity Shares in this Issue, eligible QIBs subscribing for each of the Equity Shares may only sell their Equity Shares on NSE or BSE and may not enter any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

## MARKET PRICE INFORMATION

As on the date of this Placement Document, 3,45,89,341 Equity Shares of face value of ₹ 10 each are issued, subscribed and fully paid up.

The Equity Shares have been listed on BSE and on NSE. The Equity Shares are listed and traded on NSE under the symbol V2RETAIL and BSE under the scrip code 532867. On October 31, 2025, the closing price of the Equity Shares on NSE and BSE were ₹ 2,442.00 and ₹ 2,449.55, respectively, per Equity Share. Since, the Equity Shares are available for trading on the Stock Exchanges, the market price and other information for each of BSE and NSE has been given separately.

The following tables set forth the reported high, low and average of the closing prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading turnover for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023:

| BSE | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Period** | **High Price (₹)** | **Date of High Price** | **Number of shares traded on that date** | **Total Turnover of Equity Shares traded on date of high** | **Low Price (₹)** | **Date of Low Price** | **Number of shares traded on that date** | **Total Turnover of Equity Shares traded on date of low** | **Average Price (₹)** | **Total Volume Traded in the period (No. of shares)** | **Total Turnover of Equity Shares in the period** |
| Fiscal 2025 | 501.60 | December 11, 2024 | 1,35,383.00 | 669.07 | 251.75 | April 01, 2024 | 57,705.00 | 146.76 | 370.85 | 2,05,24,849.00 | 74,410.92 |
| Fiscal 2024 | 434.00 | March 27, 2024 | 51,173.00 | 221.96 | 76.91 | May 19, 2023 | 5,198.00 | 4.01 | 205.38 | 25,01,232.00 | 5,947.68 |
| Fiscal 2023 | 166.40 | April 13, 2022 | 5,622.00 | 9.39 | 68.60 | March 31, 2023 | 2,900.00 | 2.01 | 109.04 | 9,79,312.00 | 1,091.58 |

*(Source: www.bseindia.com)*

***Notes**:*

*1. High, low and average prices are based on the daily closing prices.*

*2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*

*3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.*

| **Period** | **High Price (₹)** | **Date of High Price** | **Number of shares traded on that date** | **Total Turnover of Equity Shares traded on date of high** | **Low Price (₹)** | **Date of Low Price** | **Number of shares traded on that date** | **Total Turnover of Equity Shares traded on date of low** | **Average Price (₹)** | **Total Volume Traded in the period (No. of shares)** | **Total Turnover of Equity Shares in the period** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal 2025 | 2,031.65 | February 04, 2025 | 90,748.00 | 1,854.14 | 434.40 | May 13, 2024 | 19,538.00 | 83.93 | 1,150.47 | 1,53,44,132.00 | 1,82,973.35 |
| Fiscal 2024 | 430.05 | March 27, 2024 | 68,542.00 | 292.96 | 76.90 | May 26, 2023 | 44,513.00 | 34.66 | 218.05 | 1,24,38,231.00 | 29,877.84 |
| Fiscal 2023 | 166.20 | April 06, 2022 | 22,160.00 | 36.67 | 69.70 | March 31, 2023 | 72,212.00 | 51.84 | 108.95 | 1,01,10,118.00 | 11,262.69 |

*(Source: www.nseindia.com)*

***Notes:***
*1. High, low and average prices are based on the daily closing prices.*
*2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
*3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.*

B. The following tables set forth the reported high and low and average of the closing prices and the trading volumes of our Equity Shares recorded on the NSE and the BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months:

**BSE**

| Period | High Price (₹) | Date of High Price | Number of shares traded on that date | Total Turnover of Equity Shares traded on date of high | Low Price (₹) | Date of Low Price | Number of shares traded on that date | Total Turnover of Equity Shares traded on date of low | Average Price (₹) | Total Volume Traded in the period (No. of shares) | Total Turnover of Equity Shares in the period |
|---|---|---|---|---|---|---|---|---|---|---|---|
| September 2025 | 2,075.65 | Sep 29, 2025 | 72,407 | 1,483.85 | 1,596.70 | September 10, 2025 | 14,840 | 236.87 | 1,778.53 | 3,31,570 | 6,284.43 |
| August 2025 | 1,821.70 | Aug 18, 2025 | 9,243 | 167.54 | 1,680.80 | August 04, 2025 | 66,429 | 1,126.18 | 1,733.32 | 1,94,671 | 3,356.00 |
| July 2025 | 1,992.95 | Jul 07, 2025 | 19,179 | 380.35 | 1,825.55 | July 02, 2025 | 15,039 | 281.40 | 1,905.27 | 1,47,782 | 2,817.17 |
| June 2025 | 1,884.70 | Jun 17, 2025 | 5,452 | 101.89 | 1,780.90 | June 27, 2025 | 3,989 | 71.26 | 1,836.31 | 73,662 | 1,358.20 |
| May-2025 | 1,995.85 | May 26, 2025 | 21,150 | 421.20 | 1,652.95 | May 09, 2025 | 6,000 | 97.15 | 1,794.52 | 1,39,990 | 2,598.77 |
| April 2025 | 1,913.55 | Apr 22, 2025 | 9,554 | 178.56 | 1,653.75 | April 29, 2025 | 8,301 | 138.11 | 1,771.17 | 1,25,570 | 2,180.17 |

*(Source: www.bseindia.com)*

**Notes:**

*1. High, low and average prices are based on the daily closing prices.*
*2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.*
*3. In case of two days with the same high or low price, the date with the higher volume has been chosen.*

**NSE**

| Period | High Price (₹) | Date of High Price | Number of shares traded on that date | Total Turnover of Equity Shares traded on date of high | Low Price (₹) | Date of Low Price | Number of shares traded on that date | Total Turnover of Equity Shares traded on date of low | Average Price (₹) | Total Volume Traded in the period (No. of shares) | Total Turnover of Equity Shares in the period |
|---|---|---|---|---|---|---|---|---|---|---|---|
| September 2025 | 2,081.40 | September 30, 2025 | 4,48,803 | 9,563.10 | 1,596.80 | September 10, 2025 | 1,11,515 | 1,787.30 | 1,777.75 | 27,62,616 | 51,607.04 |
| August 2025 | 1,820.60 | August 18, 2025 | 97,235 | 1,753.97 | 1,679.20 | August 04, 2025 | 4,75,035 | 8,044.97 | 1,732.30 | 16,23,114 | 27,929.69 |
| July 2025 | 1,992.60 | July 07, 2025 | 1,34,941 | 2,684.42 | 1,823.60 | July 02, 2025 | 99,154 | 1,849.70 | 1,906.07 | 14,94,625 | 28,409.60 |
| June 2025 | 1,885.70 | June 17, 2025 | 61,328 | 1,149.51 | 1,781.50 | June 27, 2025 | 45,524 | 813.67 | 1,837.55 | 7,81,000 | 14,394.79 |
| May 2025 | 1,987.60 | May 26, 2025 | 87,286 | 1,718.86 | 1,659.50 | May 09, 2025 | 19,292 | 315.54 | 1,793.07 | 10,67,867 | 19,498.26 |
| April 2025 | 1,911.10 | April 22, 2025 | 44,695 | 838.75 | 1,659.20 | April 29, 2025 | 1,10,349 | 1,844.70 | 1,774.51 | 15,24,658 | 26,935.80 |

*(Source: www.nseindia.com)*

*1. High, low and average prices are based on the daily closing prices.*
*2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.*
*3. In case of two days with the same high or low price, the date with the higher volume has been chosen.*

C. The following table sets forth the market price on the Stock Exchanges on July 31, 2025, the first working day following the approval of our Board for the Issue:

| BSE | | | | | | NSE | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Open (₹) | High (₹) | Low (₹) | Close (₹) | Number of Equity Shares traded | Volume (₹) | Open (₹) | High (₹) | Low (₹) | Close (₹) | Number of Equity Shares traded | Volume (₹) |
| 2,034.95 | 2,034.95 | 1,861.60 | 1,861.60 | 17,015 | 3,24,96,111 | 1,976.00 | 2,005.00 | 1,858.00 | 1,858.00 | 3,14,301 | 59,09,12,638.00 |

(Source: www.bseindia.com and www.nseindia.com )

## OBJECTS OF THE ISSUE

The gross proceeds from this Issue shall be approximately ₹39,999.99 lakhs*. Subject to compliance with applicable laws, the net proceeds from this Issue, after deducting fees, commissions and expenses relating to this Issue of approximately ₹919.99 lakhs, are ₹39,080.00 lakhs* ("**Net Proceeds**")

**Subject to allotment of Equity Shares pursuant to the Issue*

**Objects of the Issue**

Subject to compliance with applicable laws and regulations, we propose to utilise the Net Proceeds for the following objects:

1. Funding working capital requirements of the Company

2. Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company; and

3. General corporate purposes

(collectively, referred to hereinafter as the "**Objects**").

Our main objects and objects incidental or ancillary to the attainment of the main objects of Memorandum of Association of our Company enable us to undertake (i) existing activities and (ii) the activities proposed to be funded from the Net Proceeds.

**Requirement of funds**

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

*(₹ in lakhs, unless otherwise stated)*

| Sr. No. | Particulars | Amount to be funded from Net Proceeds |
|---|---|---|
| 1. | Funding working capital requirements of the Company | 16,500.00 |
| 2. | Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company | 13,500.00 |
| 3. | General corporate purposes*^ | 9,080.00 |
| | **Total Net Proceeds^** | **39,080.00** |

** The amount to be utilised for general corporate purposes does not exceed 25% of the Gross Proceeds.*
*^Subject to allotment of Equity Shares pursuant to the Issue.*

**Proposed schedule of implementation and deployment of Net Proceeds**

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below

*(₹ in lakhs)*

| Sr. No. | Particulars | Amount which will be financed from Net Proceeds | Proposed schedule for deployment of the Net Proceeds Fiscal 2026 |
|---|---|---|---|
| 1. | Funding working capital requirements of the Company | 16,500.00 | 16,500.00 |
| 2. | Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company | 13,500.00 | 13,500.00 |
| 3. | General corporate purposes [(1)] | 9,080.00 | 9,080.00 |
| | **Total Net Proceeds** | **39,080.00** | **39,080.00** |

*(1) The amount to be utilised for general corporate purposes does not exceed 25% of the Gross Proceeds.*

The funding requirements, deployment of funds and the intended use of Net Proceeds indicated above is based on management estimates, current circumstances of our business, our existing business plans, the prevailing market conditions and other commercial and technical factors. Given the nature of our business, we may have to revise

our funding requirements and intended deployment schedule on account of a variety of factors such as our financial condition, business strategy, delay in procuring and operationalizing assets or necessary licenses and approvals, and external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. Depending upon such factors, we may have to reduce or extend the deployment period for the stated objects. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds.

In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws. For details, see "***Risk Factors – Our funding requirements and the proposed deployment of the Net Proceeds have not been appraised by any bank, financial institution or any other independent agency, and may be subject to risks related to adequacy, timing and implementation***" beginning on page 49.

Our Company proposes to deploy the entire Net Proceeds towards the Objects stated above. If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by our Company, in accordance with applicable laws. Further, our Company may also utilise any portion of or the entire Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above.

**Details of the Objects**

**1. Funding working capital requirements of the Company**

We have significant working capital requirements and in the ordinary course of business we fund our working capital needs through internal accruals and availing financing facilities from various banks and financial institutions. As of October 10, 2025, we had total outstanding borrowings of ₹ 17,614.99 lakhs. We require additional working capital in order to support its incremental business requirements, funding future growth opportunities and for other strategic and corporate purposes.

Considering future growth in business activities, based on historic growth rate of our Company and the estimated cash flow that will be generated from the business, we estimate the working capital requirement of our Company to be ₹ 21,000.00 lakhs for which, we propose to utilize ₹16,500.00 lakhs from the Net Proceeds. The balance portion of our working capital requirement will be arranged from existing equity, internal accruals and borrowings from banks and financial institutions.

**Basis of estimation of working capital requirement**

**Existing working capital of our Company**

The details of Company's working capital and the source of funding, on the basis of the Audited Standalone Financial Statements for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 of our Company are provided in the table below:

*(₹ in lakhs)*

| Working Capital | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Inventory | 55,823.80 | 41,886.88 | 27,888.16 |
| Trade Receivables | 9.65 | 5.54 | 6.70 |
| Current Investments, Loans and Other Financial Assets | 1,014.80 | 606.41 | 109.28 |

| Working Capital | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Other current assets | 7,921.57 | 5,156.44 | 4,069.95 |
| Total Current Assets excluding Cash and Cash Equivalent and Bank Balances other than Cash and Cash Equivalent (A) | **64,769.83** | **47,655.27** | **32,074.09** |
| Trade Payables | 32,539.02 | 19,350.29 | 10,646.25 |
| Other financial liabilities, Other current liabilities, Provisions and Current tax liabilities (Net) | 22,594.11 | 14,752.15 | 9,797.86 |
| Total Current Liabilities (B) | **55,133.14** | **34,102.44** | **20,444.11** |
| Net working capital C= (A- B) | 9,636.69 | 13,552.83 | 11,629.98 |
| **Funding Pattern** | | | |
| Current borrowings (Including current maturity of non current borrowings) (D) | 9,666.20 | 7,448.31 | 4,647.62 |
| Internal Accruals / Networth E= (C-D) | (29.51) | 6,104.52 | 6,982.36 |
| Total means of finances | **9,636.69** | **13,552.83** | **11,629.98** |

*As certified by the statutory auditors of our Company, Singhi & Co, Chartered Accountants, through their certificate dated October 30, 2025.*

**Assumptions for our estimated working capital requirements**

Provided below are details of the holding levels (days) for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, which have been computed from the audited standalone financial statements of our Company:

| Working Capital | As on March 31, 2025 (₹ in lakhs) | Holding Level (Days) | As on March 31, 2024 (₹ in lakhs) | Holding Level (Days) | As on March 31, 2023 (₹ in lakhs) | Holding Level (Days) |
|---|---|---|---|---|---|---|
| Inventories | 55,823.81 | 108.12 | 41,886.88 | 131.26 | 27,888.16 | 121.34 |
| Trade Receivables | 9.65 | 0.02 | 5.54 | 0.02 | 6.70 | 0.03 |
| Current investments, loans and other financial assets | 1,014.81 | 1.97 | 606.41 | 1.90 | 109.28 | 0.48 |
| Other current assets | 7,921.57 | 15.34 | 5,156.44 | 16.16 | 4,069.95 | 17.71 |
| Total Current Assets excluding Cash and Cash Equivalent and Bank Balances other than Cash and Cash Equivalent (A) | **64,769.85** | 125.45 | **47,655.27** | 149.34 | **32,074.09** | 139.56 |
| Trade Payables | 32,539.02 | 63.02 | 19,350.29 | 60.56 | 10,646.25 | 46.32 |
| Other financial liabilities, Other current liabilities, Provisions and | 22,594.11 | 43.76 | 14,752.15 | 46.31 | 9,797.86 | 42.63 |

| Working Capital | As on March 31, 2025 (₹ in lakhs) | Holding Level (Days) | As on March 31, 2024 (₹ in lakhs) | Holding Level (Days) | As on March 31, 2023 (₹ in lakhs) | Holding Level (Days) |
|---|---|---|---|---|---|---|
| Current tax liabilities (Net) | | | | | | |
| Total Current Liabilities (B) | **55,133.14** | 106.79 | **34,102.44** | 106.87 | **20,444.11** | 88.95 |
| **Net working capital I = (A- B)** | **9,636.69** | **18.66** | **13,552.83** | **42.47** | **11,629.98** | **50.60** |
| Funding Pattern | | | | | | |
| Current borrowings (Including current maturity of non current borrowings) (i) | 9,666.20 | 18.72 | 7,448.31 | 23.34 | 4,647.62 | 20.22 |
| Internal Accruals / Networth (ii) = (I) - (i) | (29.51) | (0.06) | 6,104.52 | 19.13 | 6,982.36 | 30.38 |
| Total Means of Finance (i) + (ii) | **9,636.69** | **18.66** | **13,552.83** | **42.47** | **11,629.98** | **50.60** |

*Note: Pursuant to the certificate dated October 30, 2025, issued by Singhi & Co, Chartered Accountants*

On the basis of existing working capital requirement and holding levels for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the growth plans envisaged, the Board of Directors of our Company, pursuant to its resolution dated October 30, 2025, has approved the projected working capital requirements for Fiscal 2026 as ₹21,000.00 lakhs. Accordingly, our Company proposes to utilize ₹16,500.00 lakhs of the Net Proceeds in Fiscal 2026, towards estimated working capital requirements. The balance portion of our working capital requirement shall be met inter alia from internal accruals and extending existing or additional working capital facilities from various banks, financial institutions and non-banking financial companies.

**2. Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company**

We avail fund-based and non-fund-based facilities in the ordinary course of our business from various banks and financial institutions. The borrowing arrangements entered into by us include inter alia term loans and working capital facilities. As of October 10, 2025, we had total outstanding borrowings of ₹ 17,614.99 lakhs. We propose to utilise a portion of the Net Proceeds aggregating to ₹13,500.00 lakhs for repayment or pre-payment, in full or in part, of such outstanding borrowings (including interest thereon) availed by our Company, as listed in the table below, as well as any fresh or existing borrowings taken by our Company. The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, (iii) ,terms and conditions of consents or waivers, (iv) levy of prepayment penalties and quantum thereof and (v) other commercial considerations including, among others, the amount of the loans outstanding and the remaining tenor of the loan.

Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits and accordingly may be different to the amounts indicated herein at the time of utilisation of the Net Proceeds. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or prepayment of borrowings in part or full, would not exceed ₹13,500.00 lakhs. Accordingly, in case the aforementioned debt is pre-paid or further drawn down prior to the completion of the Offer, we may utilise the Net Proceeds towards re-payment or pre-payment of such additional indebtedness, along with suitable updates to the aforementioned disclosure. In case we are unable to utilise the Net Proceeds until the due date for re-payment of the aforementioned debt, the funds earmarked for such repayment may be utilised for payment of future instalments of the aforementioned debt or other loan for an amount not more than the amount mentioned above.

Pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds. We have and will account for such provisions while deciding on the repayment and/or pre-payment of loans from the Net Proceeds. In the event the Net Proceeds are insufficient for payment of prepayment charges, such payment shall be made from the internal accruals of our Company.

The repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, we believe that it will reduce our outstanding indebtedness debt-servicing costs and improve our debt equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve, it will enable us to raise further capital at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

**Details of utilisation**

**The details of certain borrowings availed by our Company, proposed for repayment and pre-payment, in full or in part, from the Net Proceeds are set forth below:**

| S. no. | Name of the lender | Sanctioned amount as of October 10, 2025 (₹ in lakhs) | Nature of borrowing | Date of sanction letter / loan agreement | Principal amount outstanding as of October 10, 2025 (₹ in lakhs) | Purpose for which loan was utilised | Interest rate (in %) | Tenure of the loan | Prepayment penalty, if any |
|---|---|---|---|---|---|---|---|---|---|
| 1 | PNB Bank | 9,000.00 | Cash Credit | January 22, 2025 | 8,687.81 | Working Capital | 9.25 | Yearly Renewal | Subject to prepayment charges |
| 2 | Bank of Maharashtra | 5,000.00 | Cash Credit | April 29, 2025 | 4,868.25 | Working Capital | 10.70 | Yearly Renewal | Subject to prepayment charges |
| 3 | HDFC Bank | 548.75 | Commercial Loan | July 30, 2024 | 441.34 | General Corporate Purpose | 9.00 | 5 years | Subject to prepayment charges |
| **Total** | | **14,548.75** | | | **13,997.40** | | | | |

**As certified by Singhi & Co, Chartered Accountants, pursuant to their certificate dated October 30, 2025 certifying that these loans have been used for the purposes for which they were sanctioned.*

### 3. General Corporate Purposes

Our Company intends to deploy ₹9,080.00 lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, funding growth opportunities, business development initiatives, meeting expenses incurred in the ordinary course of business and towards any exigencies or any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

**Monitoring of utilisation of funds**

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed India Ratings and Research Private Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**") by way of an agreement dated October 30, 2025, as the size of our Issue exceeds ₹ 10,000 lakhs. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Issue have been utilised. The board of directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI.

Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects, as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects, as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

**Interim use of Net Proceeds**

Our Company will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Pending utilisation of the Net Proceeds towards the purposes described in this section, shall be invested in money market instruments including money market/debt mutual funds, deposits in scheduled commercial banks or in short term debt or long-term debt or such other permitted modes as per applicable laws and other instruments as approved by the Board of Directors from time to time.

**Other confirmations**

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our

Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Neither of our Promoters, members of the Promoter Group, our directors and the group companies are making any contribution either as part of the Issue or separately in furtherance of the Objects. None of our Promoters, members of the Promoter Group, our Directors and the group companies shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management (including 'key managerial personnel' under the Companies Act) are not eligible to subscribe in the Issue.

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation and total borrowings as at March 31, 2025, and our Company's capitalisation as adjusted to give effect to the receipt of the Gross Proceeds of this Issue.

This capitalisation table should be read together with "***Risk Factors***", "***Financial Information***" on pages 34 and 227, respectively and the related notes included elsewhere in this Placement Document.

(*₹ in lakhs, unless otherwise stated)*

| **Particulars** | **Pre-Issue[(1)]** | **Post-Issue [(2)]** |
|---|---|---|
| | **As at March 31, 2025** | **Amount after considering the Issue** |
| **Borrowings:** | | |
| Current Borrowings | 9,666.20 | 9,666.20 |
| Non-current Borrowings | 1,891.99 | 1891.99 |
| **Total borrowings (A)** | 11,558.19 | 11,558.19 |
| | | |
| **Equity** | | |
| Equity share capital | 3,458.93 | 3,646.38 |
| Other equity | 31,170.76 | 70,983.32 |
| Non-controlling interest | - | - |
| **Total equity (B)** | 34,629.69 | 74,629.70 |
| | | |
| **Total Capitalisation: (C = A+B)** | 46,187.88 | 86,187.89 |
| **Ratio: Non-current Borrowings /Total equity (in times)** | 0.05 | 0.03 |
| **Ratio: Total Borrowings / Total equity (A)/(B) (in times)** | 0.33 | 0.15 |

*(1) Amount derived from the Audited Consolidated Financial Statements*

*(2) As adjusted to reflect the number of Equity Shares issued pursuant to the Issue and proceeds from the Issue. Adjustments do not include Issue related expenses*

## CAPITAL STRUCTURE

Our Company's capital structure as at the date of this Placement Document is set forth below:

*(in ₹ lakhs, except share data)*

| No. | Particulars | Aggregate value at face value (except for securities premium account) |
|---|---|---|
| | | |
| **A.** | **Authorised Share Capital** | |
| | 4,00,00,000 Equity Shares of face value of ₹ 10 each | 4,000.00 |
| | 4,00,000 Preference Shares of face value of ₹146 each | 584.00 |
| | **Total** | 4,584.00 |
| | | |
| **B.** | **Issued, Subscribed and Paid-Up Share Capital before the Issue** | |
| | 3,45,89,341 Equity Shares of ₹ 10 each | 3,458.93 |
| | | |
| **C.** | **Present Issue in terms of this Placement Document** | |
| | 18,74,414 Equity Shares of face value of ₹ 10 each | 187.44 |
| | | |
| **E**. | **Issued, Subscribed and Paid-Up Share Capital after the Issue** | |
| | 3,64,63,755 Equity Shares of face value of ₹ 10 each[(2)(3)] | 3,646.38 |
| | | |
| **F.** | **Securities Premium Account** | |
| | Before the Issue | 30,233.70 |
| | After the Issue[(2)] | 70,046.25 |

***Notes:***

*(1) The Issue has been authorized by the Board of Director's vide a resolution passed at its meeting held on July 30, 2025. The shareholders of our Company authorized the issue vide a special resolution passed in the Annual General Meeting held on September 5, 2025.*

*(2) The securities premium account after the Issue is calculated on the basis of the gross proceeds.*

*(3) Pursuant to the Issue and subject to finalization of Allotment*

**Equity share capital history of our Company**

***History of Equity Share Capital of our Company:***

| Date of allotment/ Year of Allotment | No. of Equity Shares allotted | Face value (₹) | Issue price per equity share (₹) | Reason/Nature of allotment/ Source | Form of consideration | Cumulative number of Equity Shares | Cumulative paid-up equity share capital (₹) |
|---|---|---|---|---|---|---|---|
| July 23, 2001^ | 10,000 | 10 | 10 | Initial Allotment to the Memorandum of Association | Cash | 10,000 | 1,00,000 |
| March 30, 2002^ | 21,70,000 | 10 | 10 | Further Issue | Cash | 21,80,000 | 2,18,00,000 |
| March 29, 2003^ | 25,00,000 | 10 | 10 | Further Issue | Cash | 46,80,000 | 4,68,00,000 |
| March 31, 2004^ | 73,20,000 | 10 | 10 | Further Issue | Cash | 1,20,00,000 | 12,00,00,000 |
| August 31, 2004^ | 21,00,000 | 10 | 50 | Further Issue | Cash | 1,41,00,000 | 14,10,00,000 |
| March 31, 2005^ | 7,20,000 | 10 | 50 | Further Issue | Cash | 1,48,20,000 | 14,82,00,000 |
| October 5, 2005^ | 16,70,605 | 10 | 146 | Further Issue | Cash | 1,64,90,605 | 16,49,06,050 |
| June 5, 2006^ | 12,50,000 | 10 | 200 | Preferential Allotment | Cash | 1,77,40,605 | 17,74,06,050 |
| July 3, 2006^ | 3,84,190 | 10 | 146 | Conversion of preference shares into Equity Shares | NA | 1,81,24,795 | 18,12,47,950 |
| July 21, 2006^ | 2,00,000 | 10 | 200 | Preferential Allotment | Cash | 1,83,24,795 | 18,32,47,950 |
| June 26, 2007 | 40,74,074 | 10 | 270 | Public Issue | Cash | 2,23,98,869 | 22,39,88,690 |
| January 20, 2015 | 11,78,880 | 10 | 10 | Conversion of warrants | Cash | 2,35,77,749 | 23,57,77,490 |
| May 25, 2015 | 13,09,870 | 10 | 10 | Conversion of warrants | Cash | 2,48,87,619 | 24,88,76,190 |
| November 22, 2016 | 40,00,000 | 10 | 75 | Preferential Allotment | Cash | 2,88,87,619 | 28,88,76,190 |

| Date of allotment/ Year of Allotment | No. of Equity Shares allotted | Face value (₹) | Issue price per equity share (₹) | Reason/Nature of allotment/ Source | Form of consideration | Cumulative number of Equity Shares | Cumulative paid-up equity share capital (₹) |
|---|---|---|---|---|---|---|---|
| January 7, 2017 | 20,35,065 | 10 | 79.85 | Conversion of share warrants | NA | 3,09,22,684 | 30,92,26,840 |
| October 16, 2017 | 20,00,000 | 10 | 380 | Preferential Allotment | Cash | 3,29,22,684 | 32,92,26,840 |
| October 16, 2017 | 10,00,000 | 10 | 75 | Conversion of warrants | NA | 3,39,22,684 | 33,92,26,840 |
| May 2, 2018 | 1,51,334 | 10 | 10 | Allotment of equity shares pursuant to the exercise of the ESOP Scheme | Cash | 3,40,74,018 | 34,07,40,180 |
| March 2, 2020 | 31,008 | 10 | 10 | Allotment of equity shares pursuant to the exercise of the ESOP Scheme | Cash | 3,41,05,026 | 34,10,40,260 |
| July 5, 2021 | 2,84,315 | 10 | 10 | Allotment of equity shares pursuant to the exercise of the ESOP Scheme | Cash | 3,43,89,341 | 34,38,93,410 |
| May 4, 2023 | 2,00,000 | 10 | 10 | Allotment of equity shares pursuant to the exercise of the ESOP Scheme | Cash | 3,45,89,341 | 34,58,93,410 |

*^Our Company is unable to trace certain form filings and copies of board and shareholders resolutions and has relied on the certificated dated October 29, 2025 obtained from CS Don Banthia, an independent practicing company secretary. For further details, see "Risk Factor – 37.Some of our corporate records, regulatory filings, including those relating to allotments of our equity shares in the past are not traceable/filed and further, there are certain inaccuracies in some of the regulatory filings done by us. We have also received certain clarifications and/or notices from the Stock Exchanges in the past in relation to the filings made with them. We cannot assure you that there will be no other instances of such inadvertent non-compliances with statutory requirements, or clarifications/notices received from regulatory authorities." Beginning on page 49.*

**Fresh issue of Equity Shares to Mr. Mohit Burman, Mr. VC Burman, Ms. Monica Burman, VIC Enterprises Pvt Ltd, Gyan Enterprises Pvt Ltd, Mr. Avaneesh Kumar Bhatnagar & Ms. Saroj Bhatnagar, Ms. Saroj Bhatnagar & Mr. Avaneesh Kumar, Ecstasy Real Estates Pvt Ltd, Mr. Mitesh R. Gowani, Ms. Akshita R. Lad, Ms. Priti R. Lad, Mr. Shantanu Prakash, Tijarat Impex Pvt Ltd., Mr. Vinod Nayar, Mr. Naveen Gaba, Mr. Ranjit Shah & Ms. Mona Shah, Mr. Anil Vipin Dalal, Mr. Ramesh Venkat, Mr. Vishwavir D Ahuja, Mr. Jesal Shah, Mr. Vikas Arya, Ms. Rajrani Agarwal, Mr. Bhavtosh Vajpayee, Mr. Himanshu Shah, Mr. Rajendra P. Chitale & Ms. Shobhana R. Chitale, Aquamarine Trading & Investments Pvt. Ltd., Bhuvantray Investments & Trading*

*Co. Pvt. Ltd., Ms. Anupama Kohli, Ms. Shonu Chandra, Kanakdhara Traders Pvt. Ltd., Mr. KCM Kumar, Mr. Akt Janak, JJ Imports Pvt Ltd, Mr. K. Srinivas, Mr. Sunit Kumar Phooli, Ms. Neena Goel, Mr. Samrat Banerjee, Mr. Kunal Kaul, Mr. Arvind Khanna & Ritu Khanna, Mr. Manoj K Lall, Ms. Reshma Kalyan, M.G. Industries Pvt. Ltd., Mr. Madan Mohal Lal, Mr. Brij Mohan Lal Munjal & Mr. Santosh Munjal, Mr. Pawan Kant Munjal & Ms. Aniesha Munjal, Mr. Sunil Kant Munjal & Ms. Mukta Munjal, Ms. Renu Munjal and Mr. Suman Kant Munjal.*
***384,190 convertible Preference Shares were originally issued on October 5, 2005 and were converted at the option of BCCL into Equity Shares at the price of Rs. 146 per equity share.*

**Preference Shares**

As on the date of this Placement Document, there are no preference shares outstanding.

**Warrants**

As on the date of this Placement Document, there are no outstanding warrants issued by our Company

**Employees' Stock Option Scheme**

Pursuant to the shareholders resolution dated September 30, 2016, our Company adopted the employee stock option scheme "V2R Employee Stock Option Scheme 2016" ("**V2R ESOP 2016**") to provide for the grant of 12,44,380 options to employees of our Company who meet the eligibility criteria under the V2R ESOP 2016. The V2R ESOP 2016 envisaged grant of employee stock options convertible into not more than 12,44,380 fully paid-up Equity Shares. Further, the V2R ESOP 2016 also contemplates a statutory minimum vesting period of one year to maximum of three years from the date of grant of options. As on the date of this Placement Document, our Company has granted 12,44,380 employee stock options under the V2R ESOP 2016 and no options are outstanding as on date of this Placement Document.

The V2R ESOP 2016 is in compliance with the SEBI SBEB Regulations.

**Pre-Issue and post-Issue shareholding pattern**

The pre-Issue shareholding pattern as on October 24 2025, and post-Issue shareholding pattern of our Company, is set forth below.

| **Sr. No.** | **Category** | **Pre-Issue (as on October 24, 2025)*** | | **Post-Issue[(1)(2)]** | |
|---|---|---|---|---|---|
| | | **No. of Equity Shares held of** | **% of share holding** | **No. of Equity Shares held of face** | **% of share holding** |
| **A. Promoter's holding** | | | | | |
| | Indian | | | | |
| | *- Individuals/Hindu undivided Family* | 38,26,422 | 11.06 | 38,26,422 | 10.49 |
| | *- Body Corporate* | 1,49,28,468 | 43.16 | 1,49,28,468 | 40.94 |
| | *- Others* | 0.00 | 0.00 | 0.00 | 0.00 |
| | ***Sub-total*** | 1,87,54,890 | 54.22 | 1,87,54,890 | 51.43 |
| | Foreign Promoters | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Sub-total (A)** | **1,87,54,890** | **54.22** | **1,87,54,890** | **51.43** |
| **B. Non-Promoter holding** | | | | | |
| | Institutional investors | 31,55,929 | 9.12 | 50,30,343 | 13.80 |
| | Non-Institutional investors | | | | |
| | Private Corporate bodies | 15,13,447 | 4.37 | 15,13,447 | 4.15 |
| | Directors and relatives | 0 | 0 | 0 | - |
| | Indian Public | 98,13,861 | 28.38 | 98,13,861 | 26.91 |
| | Others including Non-resident Indians (NRIs) | 13,51,214 | 3.91 | 13,51,214 | 3.71 |
| | **Sub-total (B)** | 1,58,34,451 | 45.78 | 1,77,08,865 | 48.57 |
| | **Grand Total (A+B)** | **3,45,89,341** | **100** | **3,64,63,755** | **100.00** |

**Note – Based on the beneficiary position data of our Company as of October 24, 2025*

*1) The post-Issue shareholding pattern of our Company reflects the shareholding of the institutional investors category on the basis of the Allocation made in the Issue and reflects the shareholding of all other categories as of November 3, 2025.*

**Other confirmations**

Except as set forth in "*Capital Structure-Preference Shares*" and "*Capital Structure-Employee Stock Option Scheme*" disclosed above, there are no outstanding options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.

No change in control in our Company will occur consequent to the Issue. Our Promoter, members of the Promoter Group, the Directors, Key Managerial Personnel and the Senior Management of our Company do not intend to participate in the Issue.

Our equity shares of the same class as the Equity Shares proposed to be allotted through the Issue have been listed for a period of at least one year prior to the date of issuance of the notice to the Shareholders dated September 5, 2025, for the approval of this Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on the Stock Exchanges.

Except as stated in "***Capital structure - Equity share capital history of our Company***" on page 75, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

**Proposed allottees in the Issue**

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in "***Proposed Allottees in the Issue***" on page 392.

## DIVIDENDS

The declaration and payment of final dividends by our Company, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act. Our Board may also, from time to time, declare interim dividends. Our Board has approved and adopted a formal dividend distribution policy on August 1, 2018 in terms of Regulation 43A of the SEBI Listing Regulations. ("**Dividend Distribution Policy**") In accordance with the Dividend Distribution Policy, the dividend pay-out shall be determined by the Board after taking into account a number of factors, including but not limited to internal factors such as financial parameters e.g. cash flows required to meet contingences, accumulated losses; external factors such as prevailing legal requirements and regulatory conditions et , other factors that may be considered relevant from time to time.

Our Company has not declared or paid any dividend during the Fiscal 2023, 2024 and 2025 until the date of this Placement Document.

Our past practices with respect to the declaration of dividend are not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future. The form, frequency and amount of future dividends will depend on a number of internal and external factors, including, but not limited to, distributable surplus available with our Company as per Companies Act, 2013, our Company's stability of earnings, operating cash flows, outstanding borrowings and obligations to creditors, liquidity position, profit before tax and profit after tax, state of economy, capital markets, statutory restrictions, and shall be at the discretion of our Board and subject to the approval of our Shareholders. Investors are cautioned not to rely on past dividends as an indication of our future performance or for an investment in the Equity Shares. For a summary of some of the restrictions that may materially affect our ability to declare or pay dividends, see "***Risk Factors – Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements***" beginning on page 46.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted. For further information, see "***Description of the Equity Shares***" on page 188.

## RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2025; (ii) Fiscal 2024; and (iii) Fiscal 2023, as per the requirements under Ind AS 24 'Related party disclosures' notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, please see the section entitled *"**Financial Information**"* on page 227.

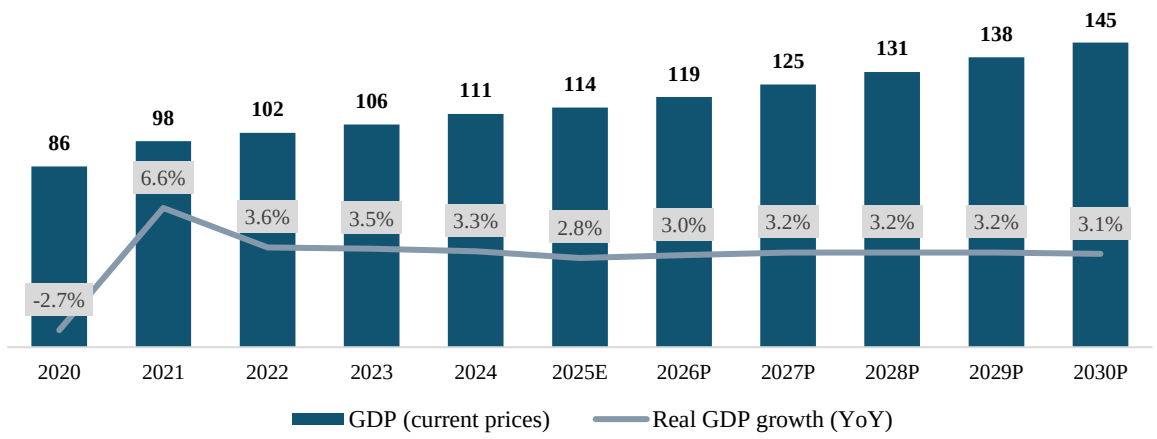
## SUMMARY OF INDUSTRY

*Unless otherwise indicated, industry and market data used in this section has been derived from the report entitled "Industry Report on Value Retail Market", dated October, 2025, prepared by Wazir Advisors Private Limited, commissioned and paid for by our Company in connection with the Issue. Wazir Advisors Private Limited is not related in any manner to our Company, its Promoters, Subsidiary, Directors, Key Management Personnel, members of Senior Management, or the Book Running Lead Manager. Unless otherwise indicated, industry and market data used in this section has been derived from the report entitled "Industry Report on Value Retail Market", dated October, 2025 ("**Industry Report**"), prepared by Wazir Advisors Private Limited, commissioned and paid for by our Company in connection with the Issue. Wazir Advisors Private Limited is not related in any manner to our Company, its Promoters, Subsidiary, Directors, Key Management Personnel, members of Senior Management, or the Book Running Lead Manager. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Industry Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors –This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Wazir Advisors Private Limited ("Wazir"), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue." on page 53. Also see, "Industry and Market Data" on page 18.*

### 1. Global and Indian macro-economic overview

#### 1.1 Outlook of global GDP and GDP growth

*Figure 1: Global GDP at current prices (USD trillion) and Real GDP growth (%), In CY*




Source: IMF
Note: E: Estimated; P: Projected data; Data represents calendar year; Data as of April 2025

As per the International Monetary Fund (IMF), the global economy (GDP at current prices) was USD 111 trillion in CY 2024. Global GDP growth was 3.3% in CY 2024 and is projected to fall to 2.8% in CY 2025 and then expected to show recovery to reach 3.1% in CY 2030. Emerging and developing economies are expected to witness stable growth during this period, subject to regional variances. Key macroeconomic factors including rising per capita income, population growth, and increasing levels of urbanization are anticipated to drive sustained economic expansion. Consequently, the global GDP is projected to reach approximately USD 145 trillion by the CY 2030.

#### 1.2 GDP analysis for key advanced and emerging economies

*Table 1: GDP at current prices (USD trillion) comparison of advanced and emerging economies, In CY*

| Country | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026P | 2027P | 2028P | 2029P | 2030P |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advanced Economies** | | | | | | | | | | | |
| USA | 21.4 | 23.7 | 26.0 | 27.7 | 29.2 | 30.5 | 31.7 | 32.9 | 34.3 | 35.7 | 37.2 |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Germany | 3.9 | 4.4 | 4.2 | 4.5 | 4.7 | 4.7 | 4.9 | 5.1 | 5.3 | 5.4 | 5.6 |
| UK | 2.7 | 3.1 | 3.1 | 3.4 | 3.6 | 3.8 | 4.0 | 4.2 | 4.5 | 4.7 | 5.0 |
| Japan | 5.1 | 5.0 | 4.3 | 4.2 | 4.0 | 4.2 | 4.4 | 4.5 | 4.7 | 4.8 | 5.0 |
| France | 2.6 | 3.0 | 2.8 | 3.1 | 3.2 | 3.2 | 3.3 | 3.4 | 3.5 | 3.6 | 3.8 |
| **Emerging Economies** | | | | | | | | | | | |
| China | 15.1 | 18.2 | 18.3 | 18.3 | 18.7 | 19.2 | 20.4 | 21.7 | 23.1 | 24.5 | 25.8 |
| India | 2.7 | 3.2 | 3.3 | 3.6 | 3.9 | 4.2 | 4.6 | 5.1 | 5.6 | 6.1 | 6.8 |
| Brazil | 1.5 | 1.7 | 2.0 | 2.2 | 2.2 | 2.1 | 2.2 | 2.3 | 2.4 | 2.5 | 2.7 |
| Russia | 1.5 | 1.8 | 2.3 | 2.1 | 2.2 | 2.1 | 2.1 | 2.2 | 2.2 | 2.3 | 2.4 |
| Indonesia | 1.1 | 1.2 | 1.3 | 1.4 | 1.4 | 1.4 | 1.5 | 1.6 | 1.8 | 1.9 | 2.1 |

*Source: IMF*
*Note: E: Estimated; P: Projected data; Data represents calendar year; Data as of April 2025*

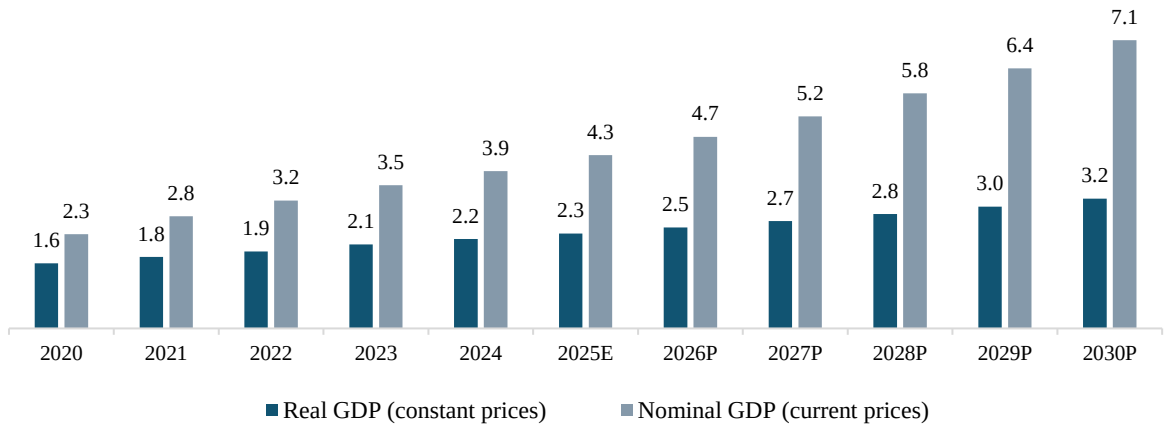
Global GDP maintains a steady growth trajectory between CY 2025 and CY 2030, with no visible signs of deceleration across major economies. Advanced markets continue to expand at a stable pace, reflecting sustained economic activity and resilience. The United States leads this group with consistent growth over the period, while Germany, the United Kingdom, France, and Japan maintain their respective paths without any notable shift in trend. This stability in advanced economies points to a continuation of mature, demand-driven growth supported by strong institutional frameworks.

Emerging economies, meanwhile, continue to display robust momentum during this period. China is expected to add USD 6.60 trillion between CY 2025 and CY 2030, maintaining its strong position in the global economic order and reflecting ongoing expansion in key sectors. India grows by USD 2.58 trillion, reinforcing its role as one of the fastest-growing large economies, underpinned by structural reforms, domestic consumption, and government support. Other emerging markets such as Brazil, Russia, and Indonesia also record consistent increases, contributing meaningfully to global output. These patterns underscore the growing weight of emerging economies particularly within Asia in shaping the next phase of global economic expansion through the latter half of the decade.

### 1.3 India GDP outlook

#### 1.3.1 Indian nominal and real GDP growth

*Figure 2: India Nominal and Real GDP (USD trillion), In FY*



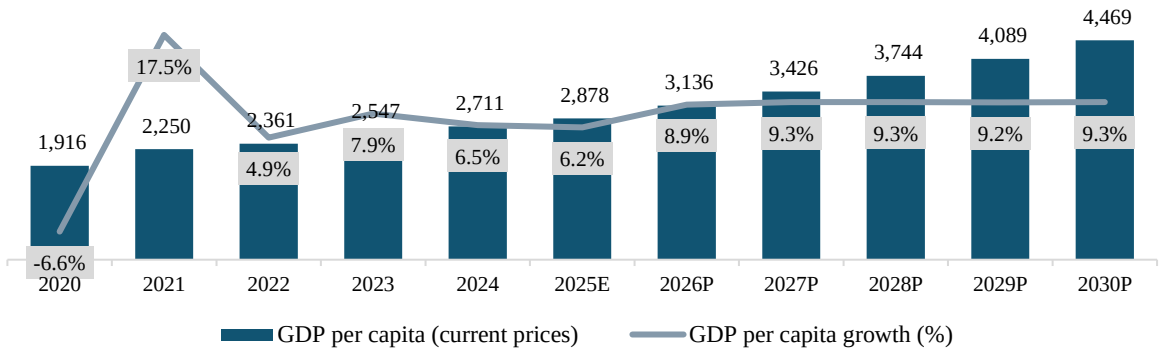

Source: IMF
Note: E: Estimated; P: Projected data; Data represents financial year; Data as of April 2025

India's GDP has shown a steady upward trend from FY 2020 onwards, with both real and nominal figures reflecting sustained growth momentum. Real GDP (at constant prices) is projected to rise from USD 1.6 trillion in CY 2020 to USD 3.2 trillion by FY 2030, indicating consistent expansion in actual economic output. Nominal GDP (at current prices) is expected to grow at a faster pace, increasing from USD 2.3 trillion to USD 7.1 trillion

over the same period, driven by both volume growth and inflationary effects. This outlook underscores India's strengthening economic position and highlights the role of domestic consumption, investment, and policy reforms in supporting long-term growth.

### 1.3.2 GDP per capita trend

*Figure 3: India's GDP per capita at current prices (USD trillion) and GDP per capita growth (%), In FY*




*Source: IMF*
*Note: E: Estimated; P: Projected data; Data represents financial year; Data as of April 2025*

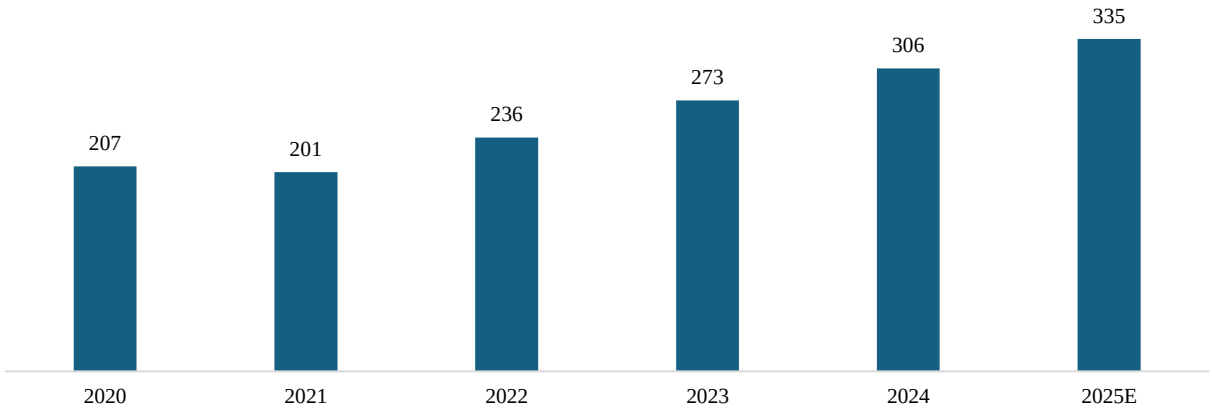
India's GDP per capita at current prices has shown a consistent upward trajectory since FY 2021, rising from USD 2,250 to a projected USD 4,469 by FY 2030. Following a contraction of 6.6% in FY 2020, GDP per capita rebounded sharply by 17.5% in FY 2021 and has since maintained stable annual growth in the range of ~6%. From FY 2026 onward, the growth rate is projected to stabilise at around 9.3% annually, indicating sustained improvements in income levels. This trend reflects the combined effect of robust economic expansion and a relatively stable population base, reinforcing India's progress toward higher income status over the medium term.

## 1.4 Consumption trends

### 1.4.1 Income trends

#### 1.4.1.1 Gross National Disposable Income trends

*Figure 4: Trends in Gross National Disposable Income at current prices (INR trillion), In FY*



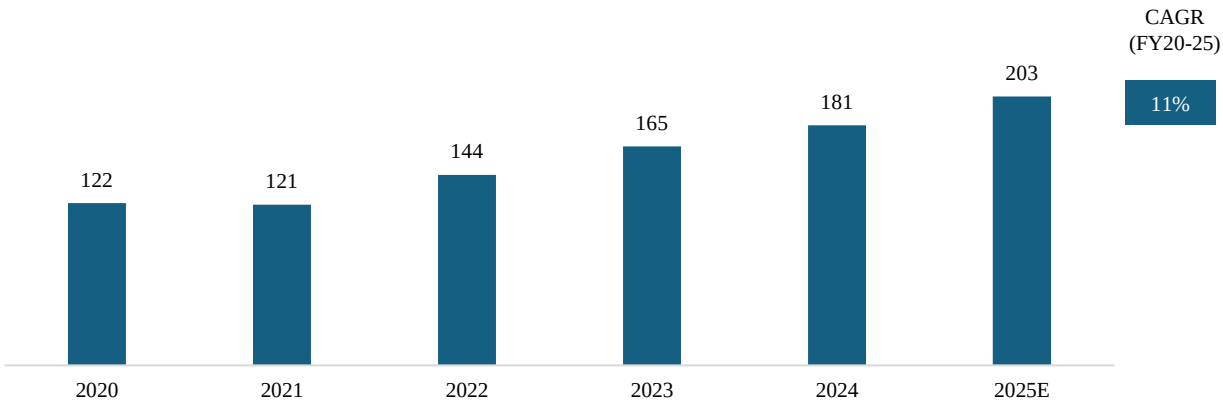

*Source: MoSPI*
*Note: E: Estimated data; Data represents financial year*

Gross National Disposable Income (GNDI) in India has demonstrated a steady and broad-based upward trend over the period FY 2020 to FY 2025. After a minor dip in FY 2021, GNDI rebounded strongly from INR 201 trillion to an estimated INR 335 trillion by FY 2025. This rise reflects sustained income growth across sectors,

supported by a recovery in economic activity, positive remittance flows, and improved domestic consumption capacity. The consistent increase in disposable income signals the economy's growing ability to support higher levels of consumption and investment, reinforcing macroeconomic stability and resilience.

### 1.4.2 Private Final Consumption Expenditure (PFCE)

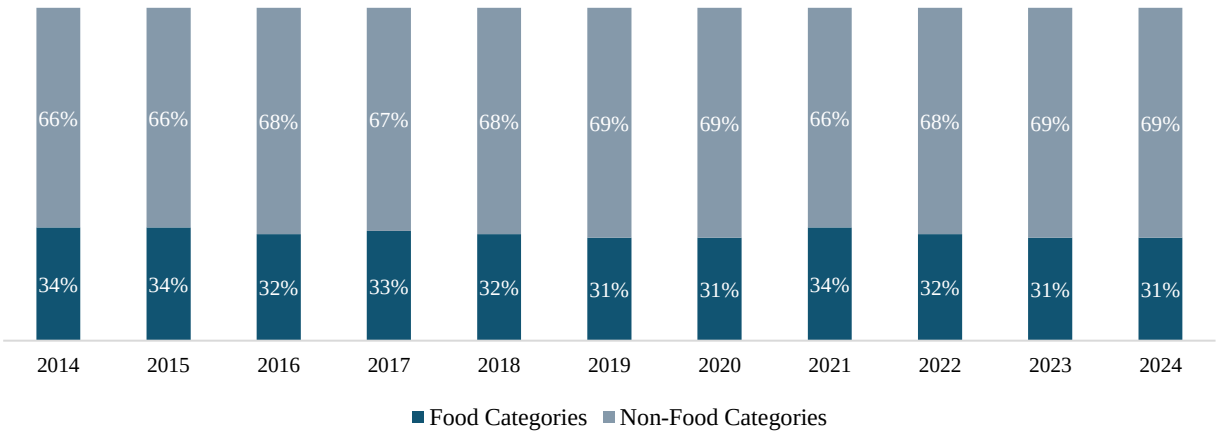
*Figure 5: PFCE trend at current prices (INR trillion), In FY*




Source: MoSPI
Note: E: Estimated data; Data represents financial year

Private Final Consumption Expenditure (PFCE) has demonstrated a steady recovery and growth trajectory since FY 2021. The marginal dip witnessed in FY 2021 was primarily due to the COVID-19 pandemic, which led consumers to tighten their spending amidst economic uncertainty. However, as the pandemic subsided, consumer sentiment began to improve and income levels revived, setting the stage for a strong rebound. From 2022 onwards, PFCE picked up pace, reflecting a shift in consumption trends and growing confidence in the economy. By FY 2025, it is estimated to reach INR 203 trillion, up from INR 121 trillion in FY 2021. This rising trend highlights the continued strength of domestic demand and the pivotal role of private consumption in sustaining India's economic momentum.

*Figure 6: PFCE trend at current prices (INR trillion), In FY*

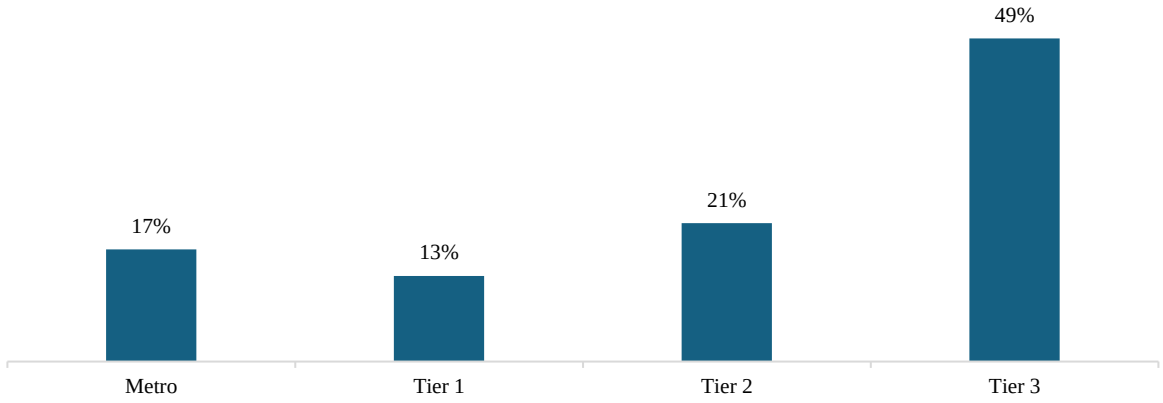



Source: MOSPI
Note: Data represents financial year

The composition of PFCE has remained broadly stable between food and non-food categories over the recent years. Food accounted for around 30-34% of total PFCE during FY 2020 to FY 2024, while non-food categories consistently comprised the dominant share of 66-70%. This distribution highlights the maturity of India's consumption structure, with a substantial portion of household expenditure directed toward non-food items such as transportation, housing, health, clothing, education, communication, etc. The steady share of non-food spending

reflects rising discretionary consumption and a gradual shift in household priorities in line with income growth and urbanisation.

*Figure 7: PFCE spending analysis across retail categories by city tiers, In FY 2025*




Source: Wazir Analysis

Note: The city wise distribution is calculated based on the urban population in the city tiers, Metro: Population >1 crore; Tier 1: Population 0.5 crore - 1 crore; Tier 2: Population 0.1 crore – 0.5 crore Mn.; Tier 3: <0.1crore; Data represents financial year

### 1.4.3 Share of various categories in PFCE

*Table 2: PFCE by categories at current prices (INR trillion), In FY*

| Sectors | 2020 | 2024 | CAGR (2020-2024) |
|---|---|---|---|
| Food and non-alcoholic beverages | 35 | 52 | 10% |
| Housing, utilities and other fuels | 17 | 23 | 6% |
| Clothing and footwear | 7 | 9 | 9% |
| Furnishings, household equipment and routine household maintenance | 4 | 5 | 10% |

Source: MoSPI

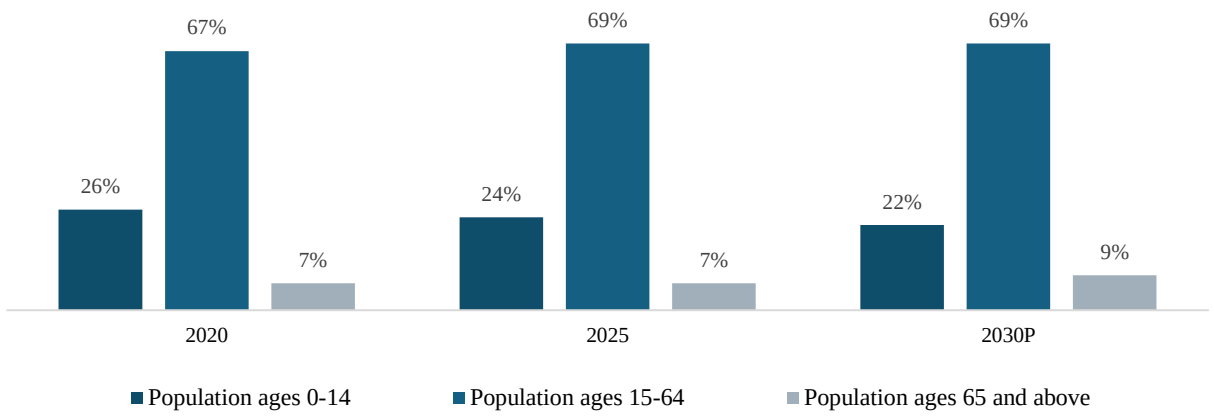
Note: Data represents financial year

The PFCE trend over the years highlights a consistent upward trajectory in private consumption across key expenditure categories between FY 2020 and FY 2024. Food and non-alcoholic beverages, the largest segment, grew at CAGR of 10%, reflecting stable demand. Housing, utilities, and fuels grew at a moderate pace of 6%, clothing and footwear posted a healthy 9% CAGR, while furnishings and household equipment matched food with a 10% growth rate. Overall, the data reinforces the steady revival in consumption post-pandemic.

### 1.5 Demographic trends

#### 1.5.1 Young population

*Figure 8: India demographic trend (% of total population), In CY*

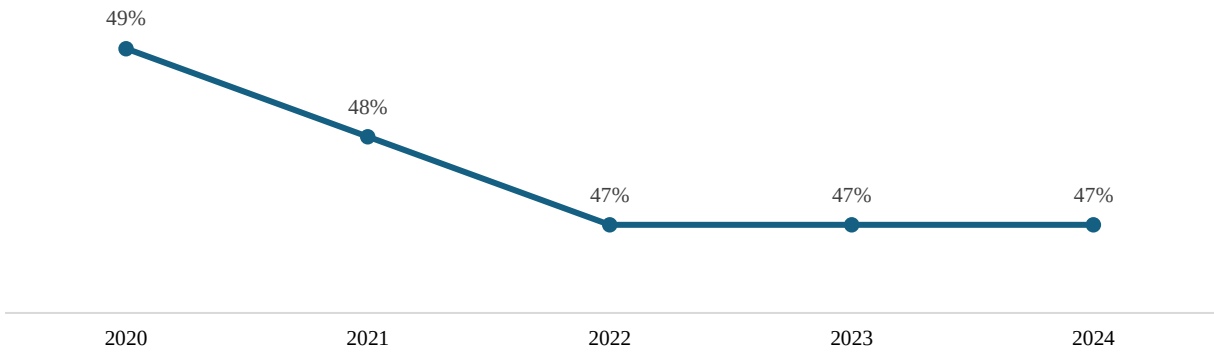



Source: ESCAP, World population prospects, UN
Note: P: Projected Data; Data represents calendar year

India's demographic profile continues to reflect a strong working-age majority, with the 15-64 age group increasing from 67% in CY 2020 to 69% by CY 2025, a level projected to sustain through CY 2030. The share of the young population (ages 0-14) is gradually declining, from 26% in CY 2020 to 22% by CY 2030, indicating a maturing population structure. Meanwhile, the proportion of elderly individuals (65 and above) is rising slowly, reaching 9% by CY 2030. With median age of 28.4 India has one of the youngest populations globally. With vast resources of young citizens entering the workforce every year, it is expected to create a 'demographic dividend'. India is home to a fifth of the world's youth demographic and this population advantage is expected to play a critical role in economic growth.

#### 1.5.2 Age dependency ratio

*Figure 9: Age dependency ratio trend (% of working age population), In CY*

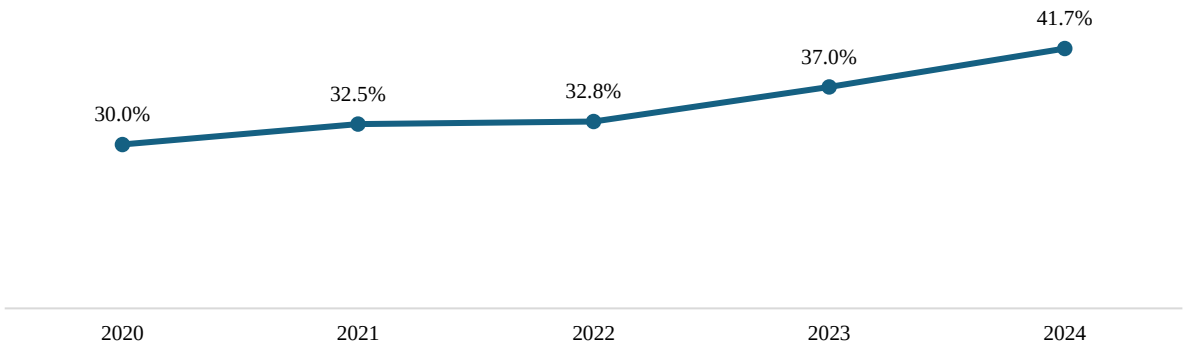



Source: World Bank
Note: Data represents calendar year

India's age dependency ratio has shown a gradual decline, moving from 49% in CY 2020 to a stable 47% from CY 2022 onward. This indicates a relatively lower proportion of dependents children and the elderly relying on the working-age population. The sustained low dependency ratio reflects a favourable demographic window, where a large share of the population is in the productive age group. This phase offers India the opportunity to harness its human capital advantage for higher economic output, provided adequate investments are made in education, skilling, healthcare, and job creation.

### 1.5.3 Women workforce

*Figure 10: Female workforce participation rate (15 years and above), In FY*

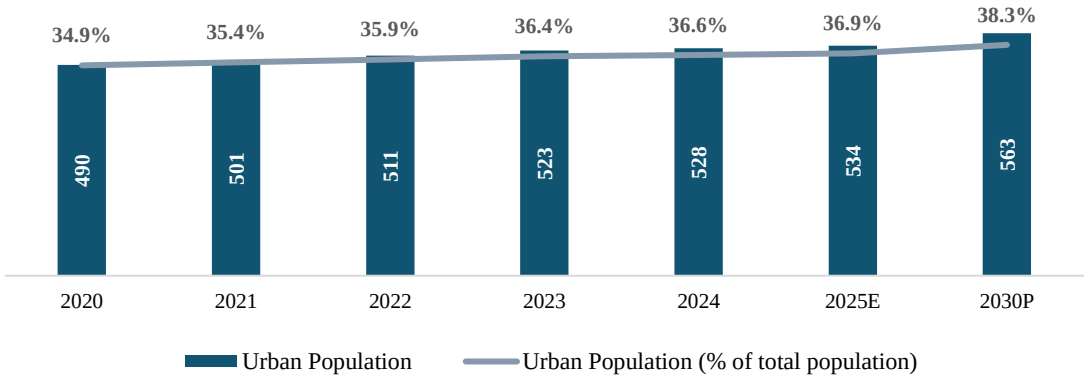



Source: Periodic labour force survey 2023-24, GOI
Note: Data represents financial year

India has witnessed a steady improvement in female workforce participation over the last few years. The participation rate for women aged 15 years and above increased from 30.0% in FY 2020 to 41.7% in FY 2024, reflecting a gradual but significant improvement in women's engagement in the labour market. This rise is attributed to a combination of increased rural employment, growing opportunities in services and self-employment, and targeted policy efforts aimed at improving gender inclusion.

### 1.5.4 Urbanization

*Figure 11: India's urban population (millions) and its share of the total population (%), In CY*

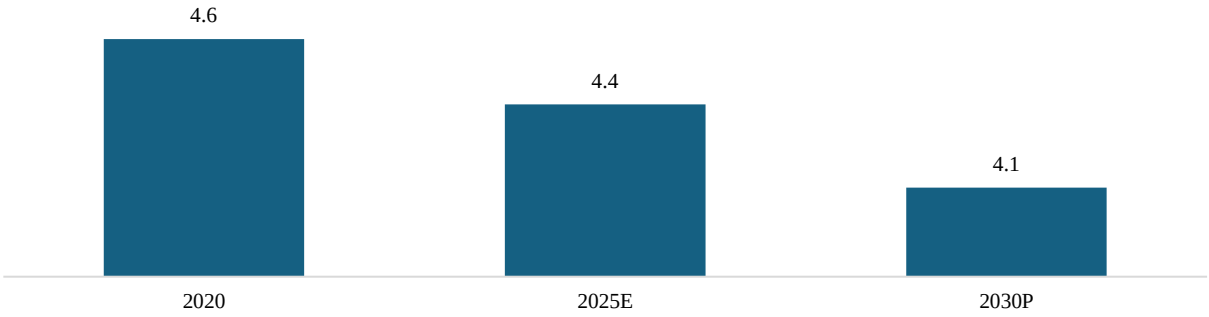



Source: World bank
Note: E: Estimated; P: Projected Data; Data represents calendar year

India's urbanization is reshaping its workforce, driving a shift from low-productivity sectors like agriculture to higher-productivity sectors such as services and industry. The urban population is projected to increase from 490 million in CY 2020 to 563 million by CY 2030, with its share of total population rising from 34.9% to 38.3%. While the pace of urban growth remains moderate, the consistent upward trend highlights the expanding economic role of cities in employment generation and consumption. This transition underscores the need for resilient urban infrastructure, inclusive planning, and job-rich growth to fully leverage the productivity gains of urbanisation.

### 1.5.5 Nuclearization

**Figure 12: Average households' size in India, In CY**




Source: Wazir analysis, Census
Note: E: Estimated; P: Projected data; Data represents calendar year

India is witnessing a steady trend toward nuclear family structures, driven by urbanization, migration, and evolving socio-economic preferences. The average household size, which stood at 4.6 persons in CY 2020, has declined to 4.4 by CY 2025 and is projected to decline further to 4.1 by CY 2030. This shift towards smaller households is expected to have significant implications on housing demand, consumer behaviour, and urban planning.

### 1.5.6 Growing high income population

*Table 3: Income-wise breakup of households in India, In FY*

| Income class in lakhs | Number of Households (million) | | | Growth | |
|---|---|---|---|---|---|
| | 2020 | 2025E | 2030P | 2020-2025 | 2025-2030 |
| >200 | 1.6 | 3.6 | 8.2 | 11.3% | 17.5% |
| 100-200 | 2.2 | 4.3 | 8.4 | 10.2% | 14.3% |
| 50-100 | 2.9 | 5.0 | 8.5 | 9.4% | 11.4% |
| 30-50 | 3.0 | 4.6 | 7.0 | 7.4% | 8.7% |
| 15-30 | 13.0 | 18.9 | 27.6 | 6.4% | 7.9% |
| 5-15 | 73.8 | 97.8 | 129.7 | 4.8% | 5.8% |
| 1.25-5 | 159.8 | 147.0 | 135.3 | 0.6% | -1.6% |
| <1.25 | 45.4 | 30.1 | 20.0 | -0.6% | -7.9% |
| **Total** | **302.5** | **325.6** | **350.4** | **1.9%** | **1.5%** |

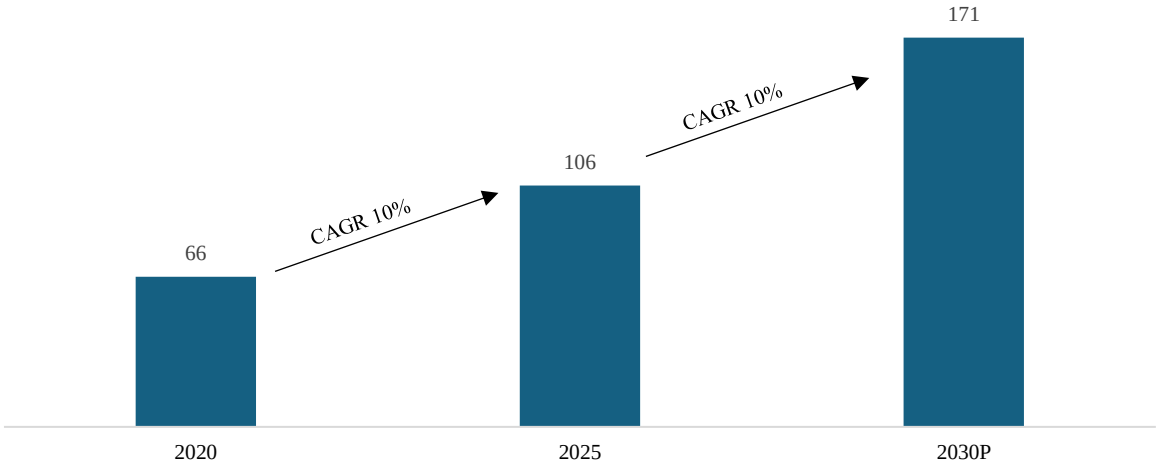
Source: ICE 360 Surveys (2016 and 2021), PRICE
Note: E: Estimated; P: Projected data; Data represents financial year

India's household income distribution is undergoing a structural shift, with a steady rise in the number of middle- and high-income households. The total number of households is projected to grow from 302.5 million in FY 2020 to 350.4 million by FY 2030. Households earning above INR 15 lakh annually are expected to expand significantly, while those earning below INR 1.25 lakh are projected to decline sharply from 45.4 million to 20 million, indicating improving economic mobility and a shrinking low-income base. This evolving profile reflects rising affluence and a broadening consumer base, with far-reaching implications for consumption, savings, housing, and financial inclusion.

## 2. India's overall retail market

### 2.1 Size and growth of the market

*Figure 13: Indian retail market size (INR trillion), In FY*

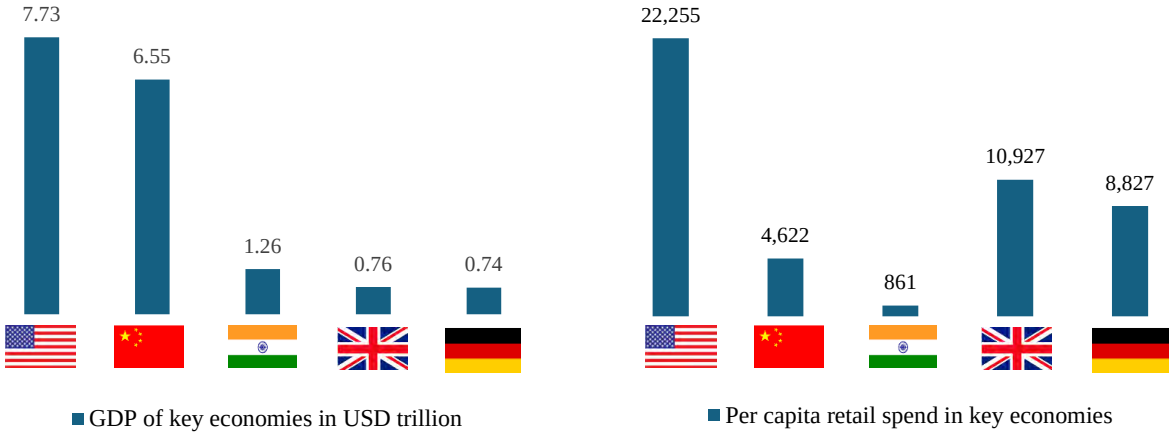



Source: MOSPI, Wazir analysis
Note: P: Projected data; Data represents financial year

The Indian retail market was valued at INR 106 trillion in FY 2025 and has grown at a CAGR of 10% from INR 66 trillion in FY 2020. It is further projected to expand at a CAGR of 10% to reach INR 171 trillion in FY 2030. This growth is being driven by rising disposable incomes, an expanding middle class, and increasing urbanization across the country. Consumers are increasingly aspirational, digitally engaged, and conscious of brands and quality. The rapid rise of e-commerce, the spread of modern retail formats, and deeper brand penetration into tier 2 and tier 3 cities are also driving momentum. Furthermore, improvements in infrastructure, greater access to financing, and supportive government initiatives aimed at boosting retail and entrepreneurship are creating a more conducive environment for sustained growth across the sector.

### 2.2 Global retail market and per capita retail expenditure of key economies

**Figure 14: Comparison of Indian retail market with other economies (USD), In CY 2025E**




Source: Secondary research, Wazir analysis
Note: E: Estimated; Data represents calendar year; Average exchange rate in CY 2025: INR 86.5 = 1 USD

India's retail market is expected to reach USD 1.26 trillion in CY 2025, positioning it as the third largest among key global economies, behind only the United States (USD 7.73 trillion) and China (USD 6.55 trillion), and ahead of established markets like the United Kingdom (USD 0.76 trillion) and Germany (USD 0.74 trillion). This reflects the sheer scale and growing influence of India's consumer base in the global retail landscape.

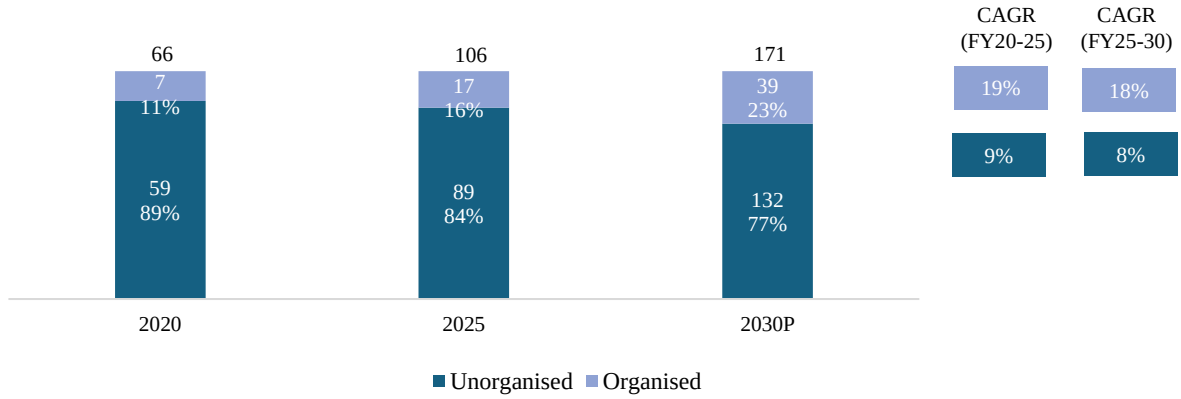
However, when viewed through the lens of per capita retail spend, India stands at USD 861, which is significantly lower than the US (USD 22,255), UK (USD 10,927), Germany (USD 8,827), and China (USD 4,622). This wide disparity denotes the untapped consumption potential in the Indian market.

While India's overall market size reflects its demographic advantage, the lower per capita spend signals considerable room for expansion as economic growth, urbanisation, and lifestyle shifts continue to influence spending behaviour. This dynamic presents long-term opportunities for retailers and brands to deepen penetration and tap into the evolving aspirations of Indian consumers.

## 2.3 Segmentation of Indian retail market

### 2.3.1. Organised Vs. Unorganised retail market

*Figure 15: Share of organised and unorganised segments in the Indian retail market (INR trillion), In FY*

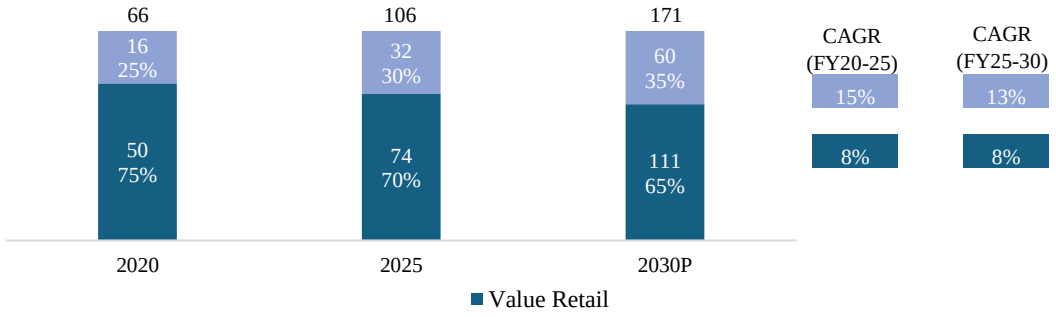



Source: Wazir analysis
Note: P: Projected data; Data represents financial year

India's retail sector is undergoing a shift, marked by a transition from unorganised to organised and digital retail formats. In FY 2020, unorganised segment largely which was made up of traditional kirana stores and informal trade accounted for 89% of the market, while organised segment, including e-commerce, comprised just 11%. However, this landscape is rapidly evolving. By FY 2025, the share of the unorganised segment declined to 84%, while organised formats grew to 16%, registering a CAGR of 19% from FY 2020. Organised retail is projected to grow at a CAGR of 18% through FY 2030, more than double the growth rate of the unorganised segment, which is expected to grow at 8%. Overall, this transition reflects a long-term, structural trend toward formalisation and modernisation of India's retail sector, as the country embraces a more digitally connected and quality-conscious consumption environment.

### 2.3.2. Value Vs. Premium retail market

*Figure 16: Split of Indian retail market into value and premium (INR trillion), In FY*



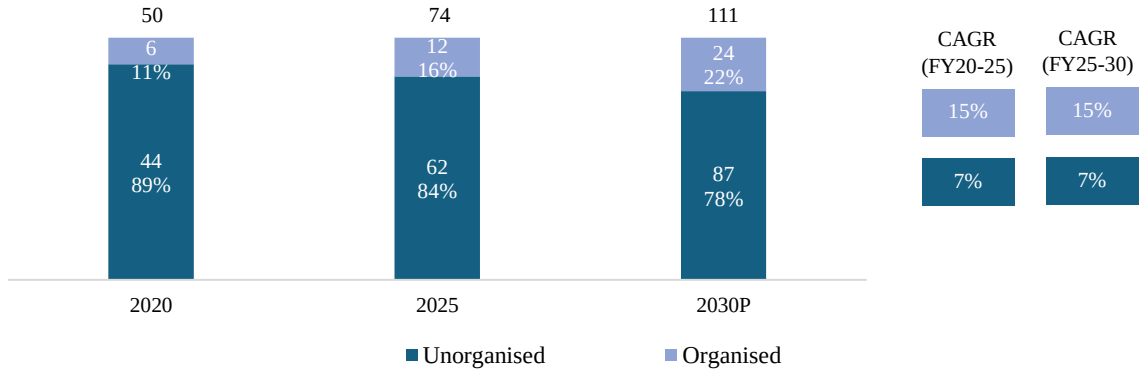

Source: Wazir analysis
Note: P: Projected data; Data represents financial year

The Indian retail market continues to be predominantly driven by value retail, which accounted for 75% of the total retail market in FY 2020. Although its share declined gradually to 70% in FY 2025 and 65% by FY 2030; value retail remains the dominant segment, supported by a large price-conscious consumer base, especially in non-metro regions. Despite the rising momentum of premium retail, which is projected to grow at a CAGR of 14% between FY 2025 and FY 2030, value retail is also set to expand steadily at a CAGR of 8% over the same period. This indicates continued strength in mass-market consumption and highlights the importance of affordability and accessibility in shaping consumer demand. The evolving mix reflects a growing aspiration among consumers while reaffirming the enduring relevance of value-driven formats in India's retail growth story.

## 2.4. India’s value retail market

### 2.4.1. Organised Vs. Unorganised value retail market

*Figure 17: Share of organised and unorganised segments in value retail market (INR trillion), In FY*

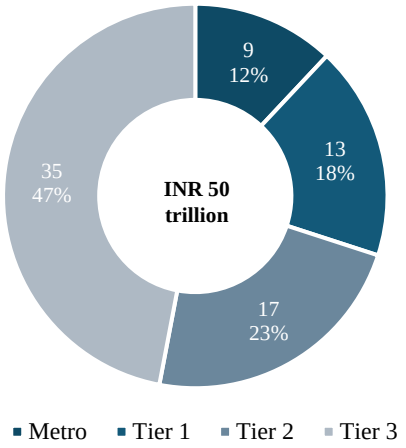



Source: Wazir analysis
Note: P: Projected data; Data represents financial year

The Indian value retail market is steadily shifting from unorganised to organised formats. In FY 2020, organised retail segment made up just 11% of the market. This share increased to 16% by FY 2025 and is projected to reach 22% by FY 2030. Unorganised retail continues to hold the majority share but is gradually declining as the growth rate of the organised segment outpaces the unorganised segment. Organised value retail is projected to grow at a CAGR of 16% between FY 2025 and FY 2030, indicating growing formalisation and adoption of structured retail models. This growth is driven by continuous expansion by incumbents as well as entry of new players in the sector.

### 2.4.2. Value retail market by city type

**Figure 18: Split of Indian value retail market by distribution in city type (INR trillion), In FY 2025**




Source: Wazir analysis
Note: The city wise distribution is calculated based on the urban population in the city tiers, Metro: Population >1 crore; Tier 1: Population 0.5 crore - 1 crore; Tier 2: Population 0.1 crore – 0.5 crore Mn.; Tier 3: <0.1crore; Data represents financial year

In FY 2025, Tier 3 cities held the largest share of India's value retail market at 47%, reflecting their strong value-driven consumption behaviour. These cities are typically more price-sensitive due to lower disposable incomes and limited access to premium retail formats. Consumers in these regions prioritise affordability and functionality, making value retail the preferred choice. Tier 2 and Tier 1 cities contribute 23% and 18% respectively, while metro cities account for 12%. The consumption trend highlights the growing significance of smaller towns in driving India's value retail growth.

### 2.4.3. Share of value retail market by category

*Table 4: Share of value retail market in different categories, In FY*

| Items | 2020 | | 2025 | | 2030P | | CAGR (2020-25) | CAGR (2025-30) |
|---|---|---|---|---|---|---|---|---|
| | Value Retail Market Size (INR Trillion) | Value[1] Retail Share of Category (%) | Value Retail Market Size (INR Trillion) | Value[1] Retail Share of Category (%) | Value Retail Market Size (INR Trillion) | Value[1] Retail Share of Category (%) | | |
| Food and non-alcoholic beverages | 26.7 | 76% | 41.0 | 72% | 61.2 | 66% | 9% | 8% |
| Alcoholic beverages, tobacco and narcotics | 2.7 | 92% | 4.0 | 90% | 5.1 | 83% | 7% | 6% |
| Clothing and footwear | 3.3 | 45% | 5.0 | 49% | 7.7 | 49% | 9% | 9% |
| Furnishings, household equipment and | 3.1 | 88% | 5.0 | 85% | 7.5 | 80% | 10% | 9% |

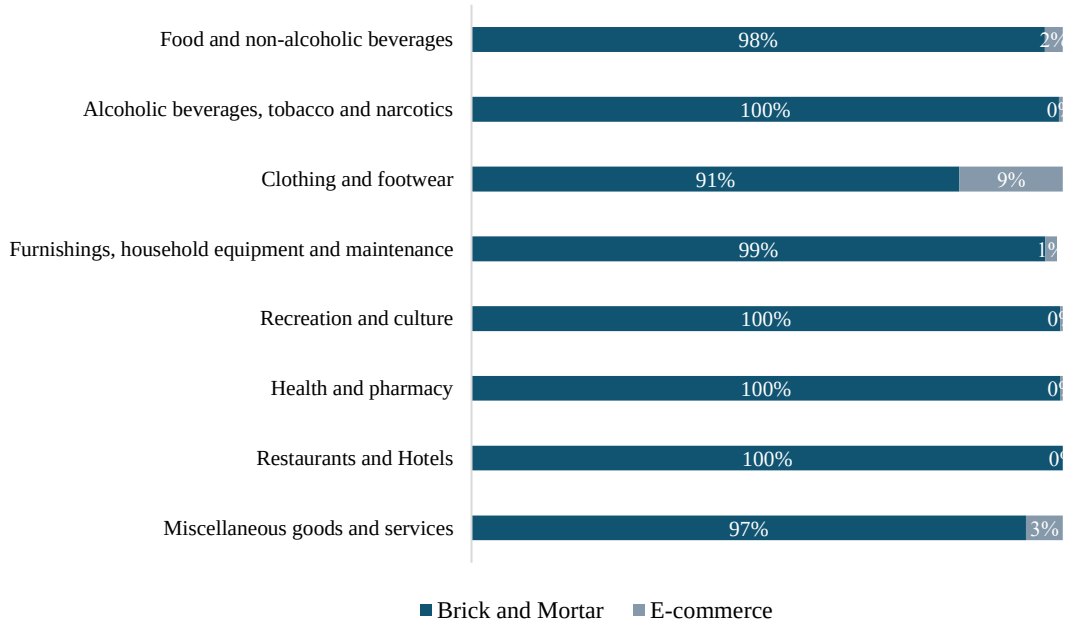
| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| maintenance | | | | | | | | |
| Recreation and culture | 0.6 | 60% | 1.0 | 60% | 1.4 | 60% | 9% | 9% |
| Health and pharmacy | 1.6 | 79% | 3.0 | 80% | 5.0 | 70% | 14% | 10% |
| Restaurants and Hotels | 2.2 | 85% | 3.0 | 75% | 5.6 | 70% | 10% | 10% |
| Miscellaneous goods and services | 9.6 | 86% | 13 | 70% | 18.9 | 64% | 6% | 8% |

Source: Wazir analysis
Note: P: Projected data; Data represents financial year; Value (INR Trillion) represents the size of the value retail segment within each category. [1]- Share (%) indicates the share of value retail in the total retail sales of that category (i.e., value retail as a % of total retail market in that category)

Value retail continues to hold a dominant position across key retail categories in India. In FY 2020, value retail accounted for a significant share in categories such as alcoholic beverages, tobacco and narcotics (92%), furnishings and household equipment (88%), restaurants and hotels (85%), and miscellaneous goods and services (86%). This strong presence is expected to continue through 2030, with value retail maintaining substantial shares 83% in alcoholic beverages, 80% in furnishings, 70% in restaurants and health & pharmacy, and 64% in miscellaneous goods. Even in categories like food and non-alcoholic beverages, value retail is projected to retain a 66% share by 2030. Clothing and footwear, as well as recreation and culture, are expected to maintain consistent shares at ~50% throughout the decade. These trends reflect the continued importance of value-led consumption in the Indian market across both essential and lifestyle categories.

### 2.4.4. Share of Brick and Mortar (B&M) and E-commerce in overall value retail

*Figure 19: Split of overall value retail market categories by B&M and E-commerce retail (INR trillion), In FY 2025*




Source: Wazir analysis
Note: Data represents financial year

Brick and mortar retail continues to be the dominant channel for value retail in India across all major categories in FY 2025. Categories such as alcoholic beverages, recreation and culture, health and pharmacy, and restaurants

and hotels are majorly driven by offline formats, with ~100% share. Even in essential segments like food and non-alcoholic beverages and furnishings, brick and mortar holds a 98% share, reflecting the preference for physical touchpoints in daily and household purchases. Clothing and footwear, while showing some traction in e-commerce, are still primarily led by offline retail with a 91% share. Miscellaneous goods and services also remain heavily offline at 97%. These figures indicate that while e-commerce is growing, value retail in India continues to rely strongly on traditional formats, driven by factors such as in-person product evaluation, instant availability, and the widespread presence of local retail networks.

**2.5. Key growth drivers for organised value retail**

The organised value retail sector in India is experiencing significant growth driven by a combination of evolving consumer behaviours, increasing digital adoption, and strategic initiatives by retailers. Key growth drivers include:

- **Increasing Consumption in Smaller Towns (Tier 2 and 3):** India's retail spending is increasingly driven by markets beyond the top cities. Tier 2 and 3 cities are emerging as key growth engines, driven by rising consumerism and demand for organised retail, lifestyle products, and consumer appliances. These regions offer access to a vast, previously underserved consumer base with evolving preferences and aspirational lifestyles. Consumers in these towns are more willing to explore new brands and spend on lifestyle enhancement.

- **Rising Disposable Incomes:** The expansion of smaller cities beyond Tier 1, along with rising disposable incomes, is a key growth driver for value retailers. The middle-class population in these regions is growing rapidly, increasing demand for discretionary products. This upward income shift is expected to accelerate discretionary spending, particularly in categories such as apparel, accessories, luxury goods, and consumer durables.

- **Rising Digital Penetration and E-commerce Adoption:** The surge in digitalization, driven by pandemic-induced behavioural shifts, the rollout of platforms like UPI, and affordable internet access, has transformed consumer payment habits. Digital payments are now widely adopted, especially in conjunction with the rapid expansion of e-commerce. The pandemic accelerated online adoption in non-metro and Tier 1 towns, fostering lasting consumer trust. Value e-commerce is gaining traction in Tier 2+ regions due to limited product availability, low penetration of organised retail, and narrow assortments in local stores. E-commerce players are capitalizing on this by offering deep discounts to expand market share.

- **Emergence of New Retail Models and Multichannel Adoption:** Social commerce platforms leveraging reseller networks, group buying, and video commerce are accelerating the shift of value retail to online channels in Tier 2+ cities. They offer differentiated propositions such as vernacular support, trust-based selling, assisted buying, and bulk discounts. In response, large marketplaces are developing or acquiring dedicated social commerce platforms. Simultaneously, traditional brick-and-mortar value retailers are adopting omnichannel models to expand reach, enhance product visibility, drive store traffic, and remain competitive.

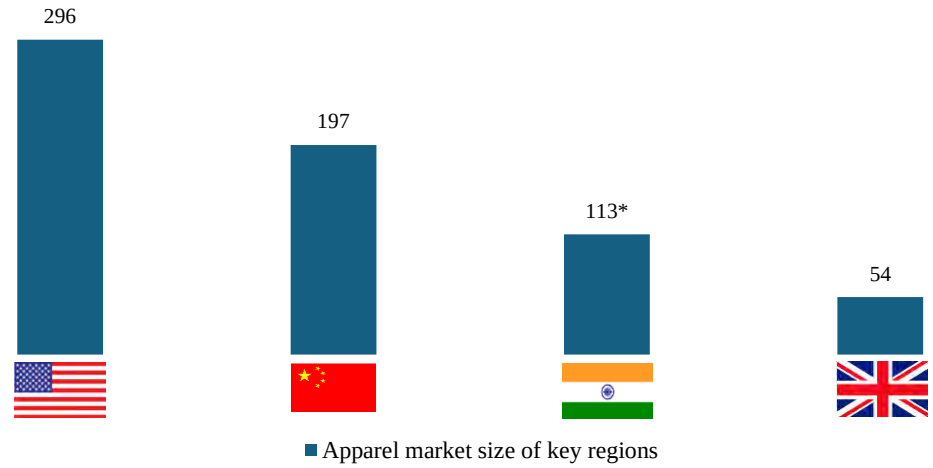
- **Increased Brand Consciousness and Awareness of Fashion Trends in Tier 2+ Cities:** Tier 2+ cities are experiencing a rise in aspirational, brand-aware consumers influenced by mass media and growing fashion consciousness. Increased purchasing power now allows these consumers to actively pursue current fashion trends. Value retailers are well-positioned to meet this demand by offering quality, variety, and trend-aligned products at competitive prices emerging as preferred alternatives to local boutiques. Purchase decisions are increasingly driven by quality, variety, and durability, rather than price alone.

- **Merchandise and Shopping Experience Enhancements:** Retailers are adopting structured merchandising practices to enhance product presentation and store aesthetics, incorporating elements such as size sets, colour blocking, and detailed categorization. There is a growing emphasis on expanding private label portfolios to improve margins and build customer loyalty. Upgrading store infrastructure remains a priority to elevate the shopping experience. In the non-food and grocery value segment, maintaining a broad assortment tailored to local preferences is critical, as variety increasingly influences purchase decisions.

## 3. India's apparel retail market

### 3.1. Apparel market size of key economies

*Figure 20: Apparel market size of key economies (USD billion), In CY 2025E*

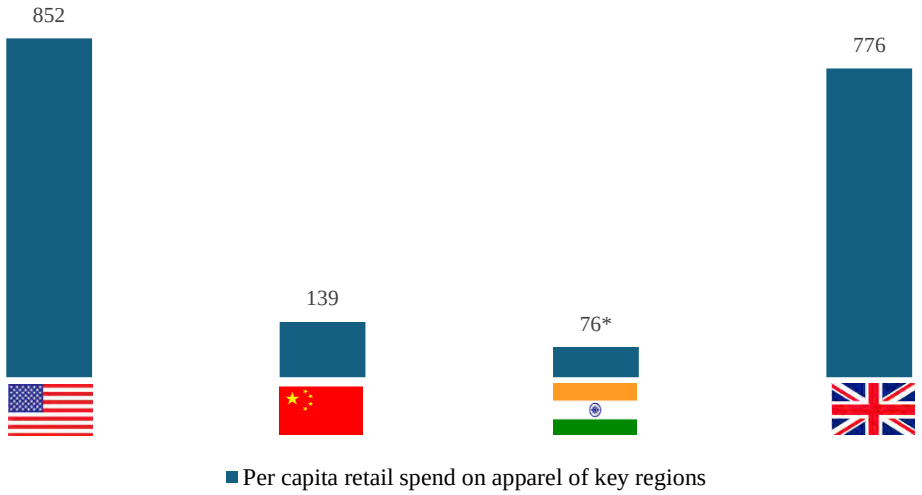



Source: Wazir analysis
Note: E: Estimated; Data represents calendar year; *Data for India is in financial year; Average exchange rate in CY 2025: INR 86.5 = 1 USD

The apparel market in IN CY25 in The United States is expected to be the largest market at USD 296 billion, followed by China at USD 197 billion. India's apparel market is estimated to reach USD 113 billion, making it the third largest among the featured countries. The United Kingdom follows with an estimated market size of USD 54 billion. These estimates reflect the scale and importance of these economies in the global apparel landscape.

### 3.2. Per capita retail spend on apparel compared to key economies

*Figure 21: Per capita retail spend (USD) on apparel of key economies, In CY 2025E*




Source: Wazir analysis
Note: E: Estimated; Data represents calendar year; *Data for India is in financial year

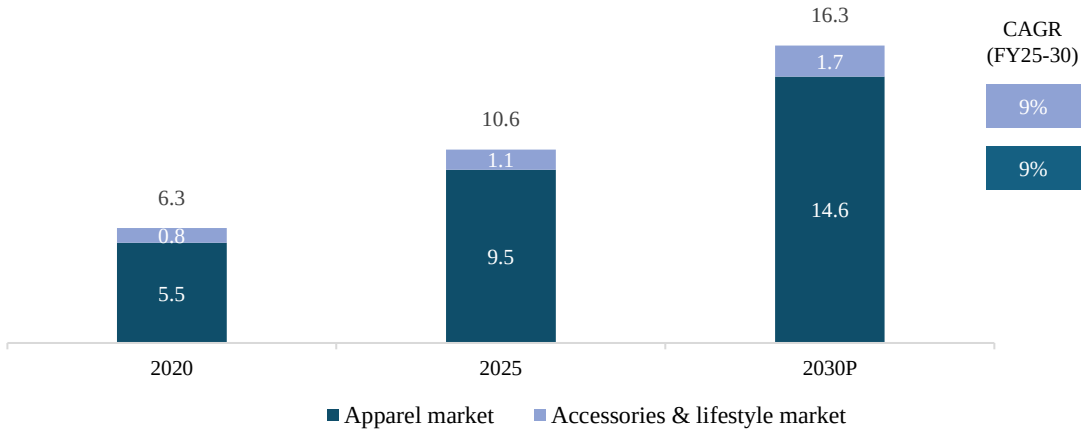
In CY 2025, per capita retail spend on apparel are estimated to be highest in the United States at USD 852, followed by the United Kingdom at USD 776. China's per capita spend is projected at USD 139, while India is expected to record the lowest per capita apparel spend among the key economies at USD 76. The data highlights

a clear disparity in apparel consumption levels between developed economies such as the US, UK, and Japan, and emerging markets like China and India.

### 3.3. Indian apparel market size

#### 3.3.1 Overall Indian apparel and accessories market size

*Figure 22: Indian apparel and accessories & lifestyle market size (INR trillion), In FY*




Source: Wazir analysis
Note: P: Projected; Data represents financial year

The overall Indian apparel and accessories market stood at INR 10.6 trillion in FY 2025 and is projected to reach INR 16.3 trillion by FY 2030, reflecting a CAGR of 9% between FY 2025 and FY 2030. Within this, the apparel market stood at INR 9.5 trillion in FY 2025, up from INR 5.5 trillion in FY 2020, growing at an 11% CAGR from FY20-25. It is expected to reach INR 14.6 trillion by FY 2030, at a CAGR of 9%. The accessories segment is also projected to expand steadily from INR 1.1 trillion in FY 2025 to INR 1.7 trillion by FY 2030.

This strong growth trajectory reflects evolving consumer lifestyles, increasing fashion consciousness, and the rising influence of global trends. As young, urban consumers seek greater self-expression through clothing, demand for diverse styles and premium offerings continues to rise. The market is also benefiting from the rapid spread of organised retail, greater digital penetration, and the growing popularity of direct-to-consumer brands. Additionally, the increased focus on sustainability and homegrown labels is reshaping the preferences of value-conscious yet aspirational Indian shoppers.

**Growth drivers in Indian apparel market**

- **Growing middle class and increasing disposable income:** India's expanding middle class, with rising disposable incomes, is a key driver of the market. As incomes increase, consumers are more willing to spend on premium and fashionable clothing that reflects their social status and aspirations. Branded apparel, seen as stylish and premium, appeals to this growing segment, offering them a sense of sophistication and international appeal.

- **Shift from need-based to lifestyle based shopping behaviour:** Indian consumers are transitioning from purely need-based shopping to lifestyle-driven purchases. Branded apparel, often associated with aspirational living, is benefiting from this change. Consumers are increasingly choosing clothing that reflects their personality, aligns with fashion trends, and offers versatility for multiple occasions. This mindset is increasing growth for the segment.

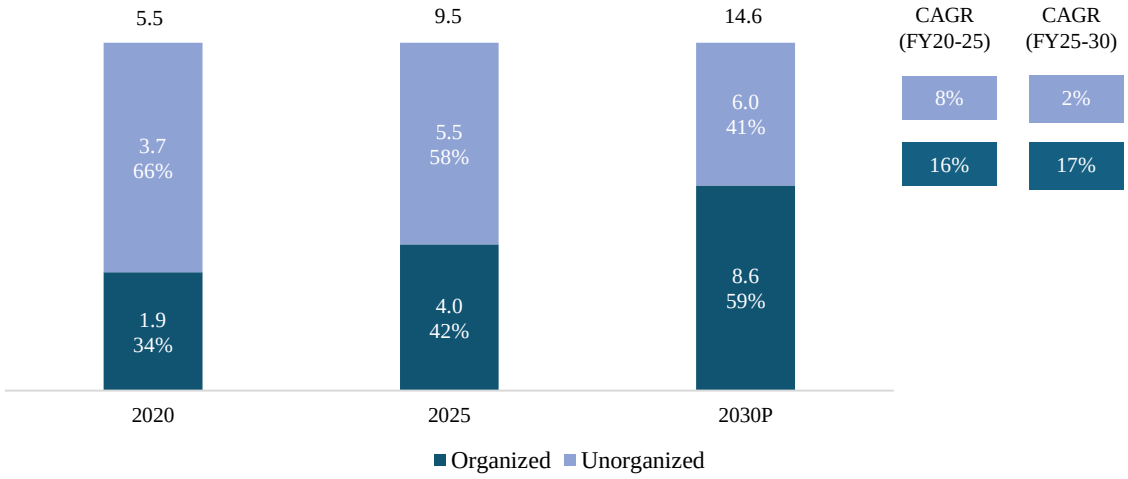
- **Demographic advantage:** India's young population, with a significant portion under the age of 35, is a key driver for growth of the branded apparel market. Younger consumers tend to be more experimental, open to global fashion trends, and are more likely to adopt branded fashion. This consumer is not only

fashion-conscious but also seeks out brands and clothing that offer them individuality and premium appeal, further propelling the market.

- **Increased exposure to global fashion through media and digital platforms:** With the rise of social media, digital fashion platforms, and streaming services, Indian consumers are exposed to global fashion trends. Platforms like Instagram, Pinterest, and fashion influencers are making western styles more accessible and desirable. As consumers increasingly follow international celebrities and influencers, they are more inclined to emulate branded fashion choices, driving demand in this market segment.

### 3.3.2. Market segmentation by organised & unorganised

**Figure 23: Overall apparel market segmentation by organised & unorganised, In FY**

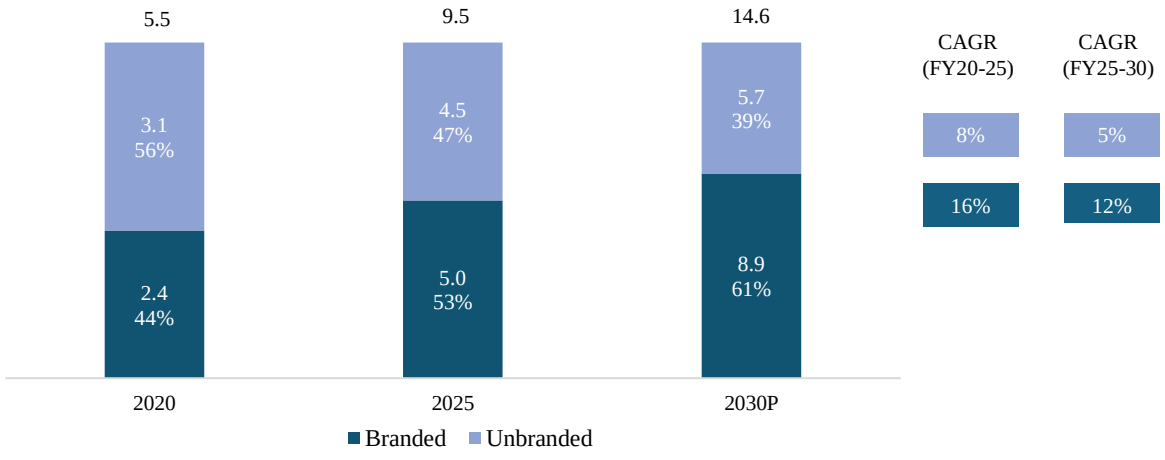



Source: Wazir analysis
Note: P: Projected; Data represents financial year

The organised apparel market stood at INR 4.0 trillion in FY 2025 and contributes to 42% of the overall apparel market. This marks a rise from INR 1.9 trillion in FY 2020, when it comprised only 34% of the market. The market is expected to grow at a CAGR of 17% to reach a value of INR 8.6 trillion by FY 2030. The increase in organised apparel market is driven by the steady decline of unorganised channels, which are expected to shrink from 58% in 2025 to 41% by FY 2030. This shift is driven by rising demand for quality, wider assortment, better pricing, and growing urban consumption. Organised retail continues to benefit from expanding modern trade and digital penetration across regions.

### 3.3.3 Market segmentation by branded & unbranded

*Figure 24: Overall apparel market segmentation by branded & unbranded, In FY*



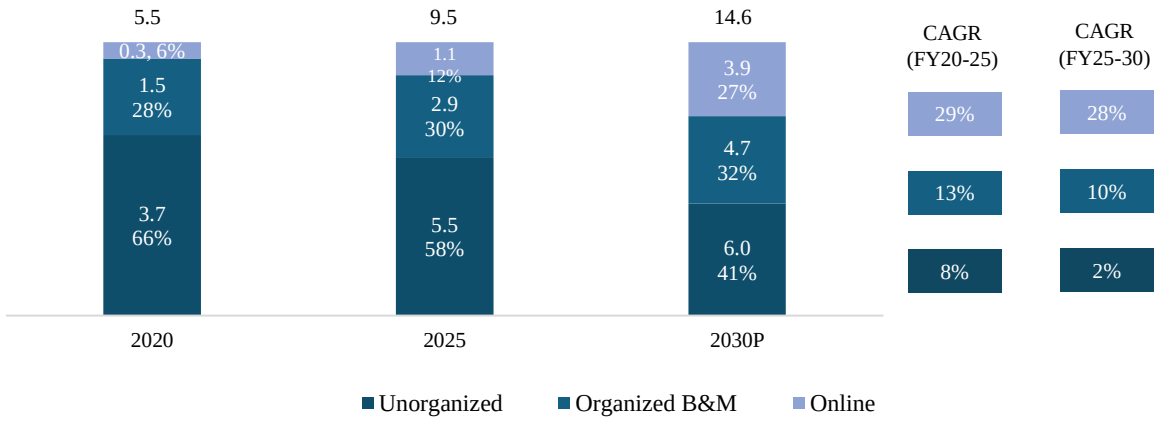

Source: Wazir analysis

Note: P: Projected; Data represents financial year

The branded market stood at INR 5.0 trillion in FY 2025 and contributes to 53% of the overall apparel market, up from INR 2.4 trillion in FY 2020 when it accounted for 44% of the market. The market is expected to grow at a CAGR of 12% to reach a value of INR 8.9 trillion by FY 2030. The increase in branded apparel market is due to the foray of international brands in India as well as rising penetration of organised retail in Tier II+ cities and growth of ecommerce.

### 3.3.4 Market segmentation by channel

*Figure 25: Channel mix in overall apparel market, In FY*




Source: Wazir analysis
Note: P: Projected; Data represents financial year

The decade from 2000 to 2010 saw a significant evolution in India's fashion landscape, characterized by the segmentation of fashion into categories, including formal, casual, ethnic, and footwear. This period also witnessed the rise of fashion brands, retailers, and private labels, along with the development of various retail formats such as Exclusive Brand Outlets (EBOs), category-specialist Large Format Stores (LFS), and multi-brand formats.

This transformation was due to factors,

- The entry of large conglomerates into fashion retail with multi-category, multi-format offerings,
- Heightened focus by fashion brands on supply chains and category diversification,
- Foray of leading international brands into India

These forces combined to shape the following decade (2011–2020), where organised retail became the key enabler of growth in the branded fashion segment.

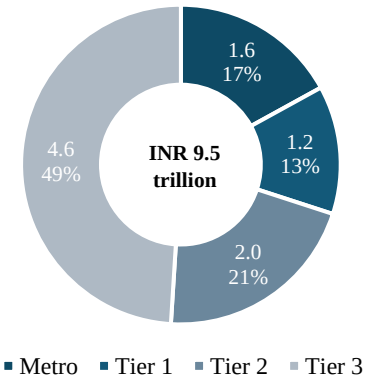
At present, organised apparel retail in India reflects more than two decades of progress, during which it has developed core capabilities in product design, sourcing, merchandising, and retail. Leading retailers have invested heavily in key functional areas such as design institutionalization, assortment planning, city penetration, skill development, and retail expansion. The entry of foreign brands into the Indian market has accelerated in recent years, and this trend will continue, bolstered by 100% FDI in single-brand retail.

The unorganised apparel market, comprising general trade stores and mom-and-pop stores, has been witnessing decline with increasing penetration of organised retail in Tier-II+ cities and growth of ecommerce. The organised channel, comprising Brick & Mortar (B&M) and online platforms, is expected to surpass the unorganised retail segment by FY 2030. The unorganised retail market stood at INR 5.5 trillion in FY 2025 and contributes 58% of the overall apparel market. The market is expected to grow at the slowest CAGR of 2% to reach value of INR 6.0 trillion by FY 2030.

A notable shift in recent years has been the exponential growth of the online market, leading to the rise of strong vertical e-commerce players, marketplaces and D2C brands. Online retail stood at INR 1.1 trillion in FY 2025 and contributes 12% of the overall apparel market. The market is expected to grow at the fastest CAGR of 28% to reach value of INR 3.9 trillion by FY 2030 aided by growth of existing players, emergence of large digital first brands and new channels like quick commerce.

### 3.3.5. Market segmentation by city tier

*Figure 26: Overall apparel market segmentation by city tier, In FY 2025*

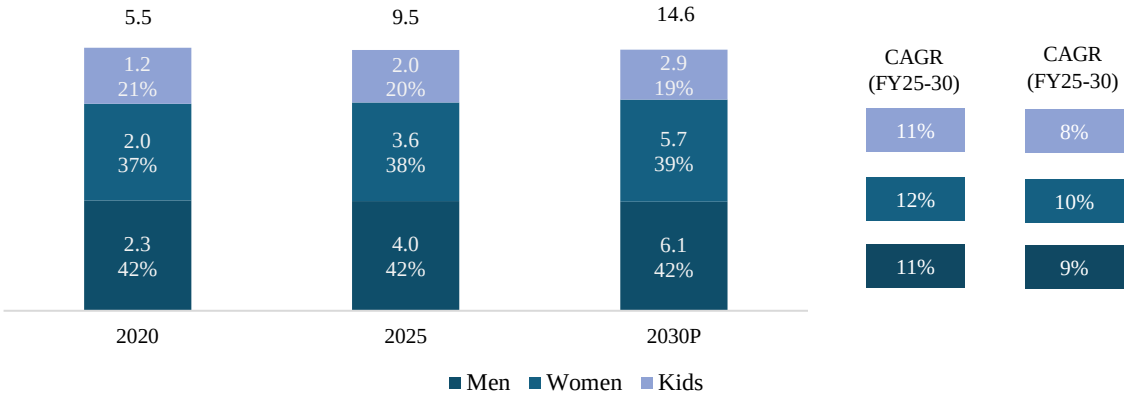



Source: Wazir analysis
Note: The city wise distribution is calculated based on the urban population in the city tiers, Metro: Population >1 crore; Tier 1: Population 0.5 crore - 1 crore; Tier 2: Population 0.1 crore – 0.5 crore Mn.; Tier 3: <0.1crore; Data represents financial year

The total apparel market stood at INR 9.5 trillion in FY 2025, with the urban segment accounting for 61.5% (INR 5.8 trillion). Within the urban market, Tier 3 and beyond cities held the largest share at 49%, followed by Tier 2 cities at 21%, Tier 1 cities at 13%, and metro cities at 17%. The dominance of Tier 3 and beyond cities is attributed to improving retail access and rising consumer aspirations.

### 3.3.6. Market segmentation by gender

*Figure 27: Overall apparel market segmentation by gender, In FY*



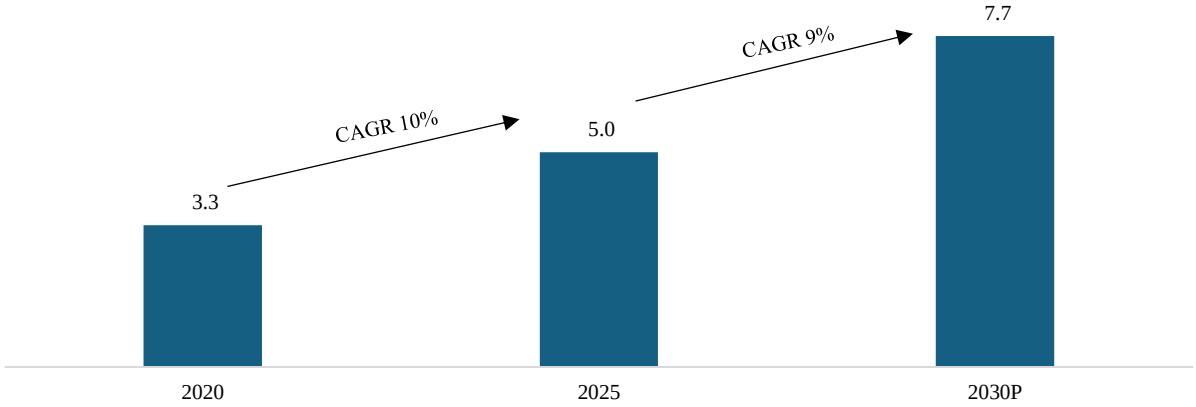

Source: Wazir analysis
Note: P: Projected; Data represents financial year

The menswear market stood at INR 4.0 trillion in FY 2025 and contributes to 42% of the overall apparel market, up from INR 2.3 trillion in FY 2020. The segment is expected to grow at a CAGR of 9% to reach a value of INR 6.1 trillion by FY 2030. In the global apparel market, women's apparel has a more commanding share than men's. However, in India, menswear enjoys a higher share driven by robust demand for professional attire and the increasing mainstream acceptance of grooming and styling among men. The women's wear market is expanding at a faster pace due to increasing workforce participation of women, rising disposable incomes, and evolving fashion preferences.

## 4. India's value apparel retail market

### 4.1 Market size and growth

**Figure 28: India's value apparel retail market (INR trillion), In FY**

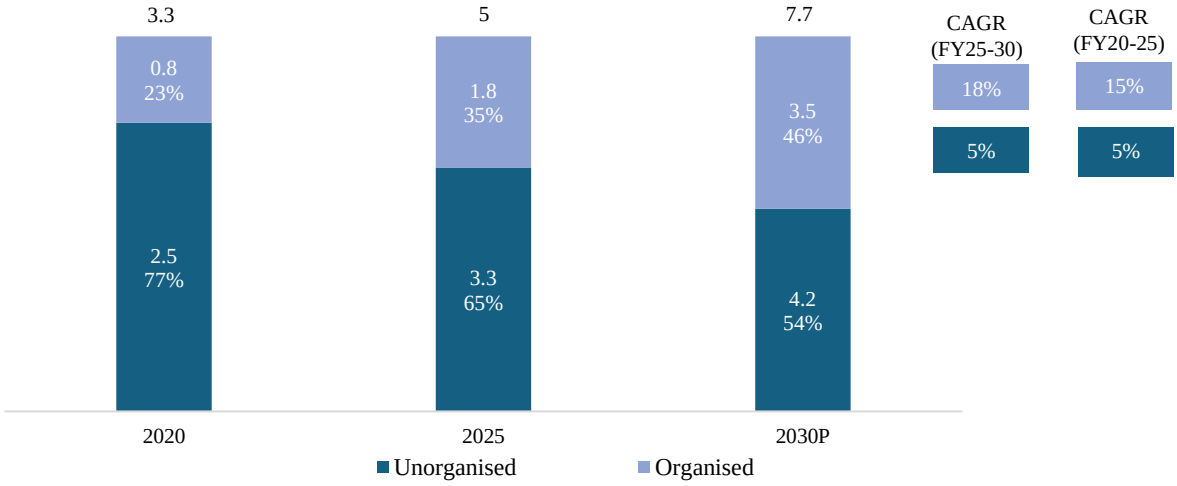



Source: Wazir Analysis
Note: P: Projected data; Data represents financial year

The value apparel retail market in India was valued at INR 3.3 trillion in FY 2020 which grew at a CAGR of 10% and was valued at INR 5.0 trillion by the end of FY 2025. This is projected to grow to INR 7.7 trillion by FY 2030, at a CAGR of 9% in the coming years. The stable growth of this market growth is attributed to significant opportunities beyond metro and Tier-I cities, favourable demographics, rising incomes, and increased customer demand for affordable yet aspirational products, combining quality, design, and value for money.

### 4.2 Market segmentation by organised & unorganised

*Figure 29: Value apparel retail market segmentation by organised and unorganised (INR trillion), In FY*




Source: Wazir Analysis
Note: P: Projected data; Data represents financial year

The organised segment in the value apparel market, accounted for 23% share (INR 0.8 trillion) in FY 2020 grew to 35% share (INR 1.8 trillion), at a CAGR of 18%. By FY 2030, the organised segment of the value apparel retail market is projected to contribute 46% share (INR 7.7 trillion) growing at a CAGR of 15%. The organised segment will continue to gain market share backed by increased penetration of organised retailers in tier 2 and tier 3 markets combined with growth of e-commerce.

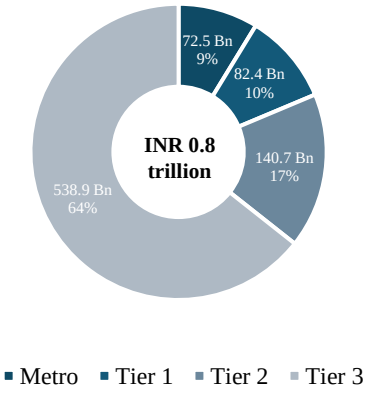
*Figure 30: Evolution of the retail market in India by brand penetration*




Source: Wazir analysis
Note: Company logos are used for illustrative purposes only

### 4.3. Market segmentation by city type

*Figure 31: India's value apparel retail market split in city types (INR trillion), In FY 2025*

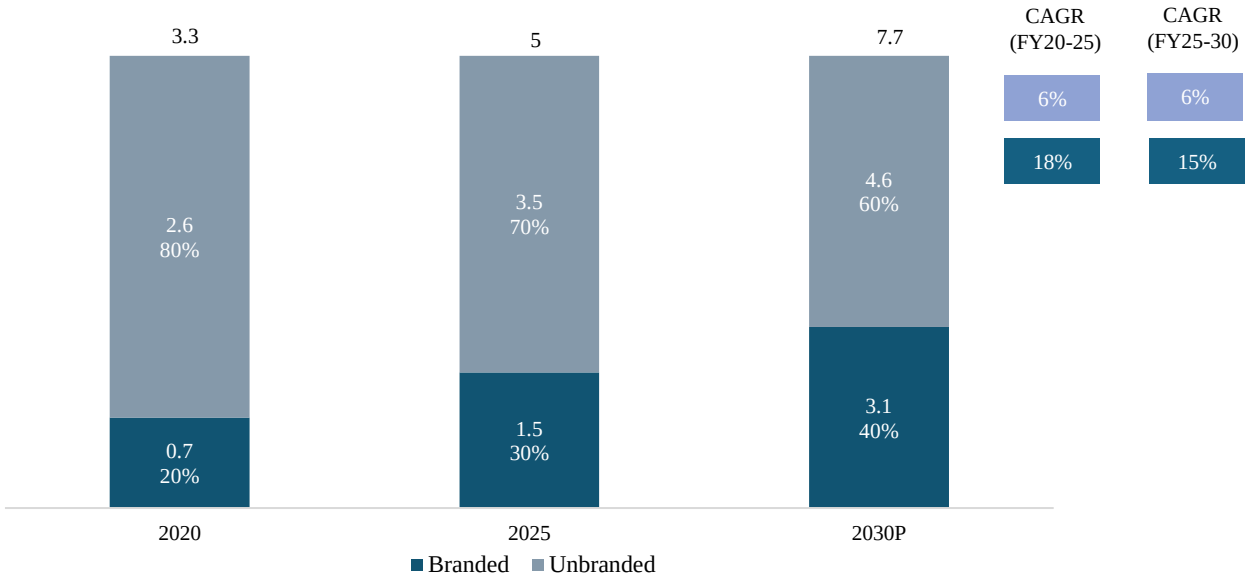



Source: Wazir Analysis
Note: The city wise distribution is calculated based on the urban population in the city tiers, Metro: Population >1 crore; Tier 1: Population 0.5 crore - 1 crore; Tier 2: Population 0.1 crore – 0.5 crore Mn.; Tier 3: <0.1crore; Data represents financial year

In FY 2025, India's value apparel retail market was worth INR 5 trillion. Of this, about INR 0.8 trillion came from urban consumers in tier 2 and tier 3 cities, which together made up nearly 80% (around INR 0.6 trillion) of the total value apparel market. Value retail remains popular because it offers good-quality products at affordable prices, especially for consumers shifting from unbranded to branded options. Tier 2 and 3 cities also attract rural shoppers looking for affordable branded apparel.

### 4.4. Market segmentation by branded and unbranded

*Figure 32: India's value apparel retail market segmentation by branded and unbranded (INR trillion), In FY*

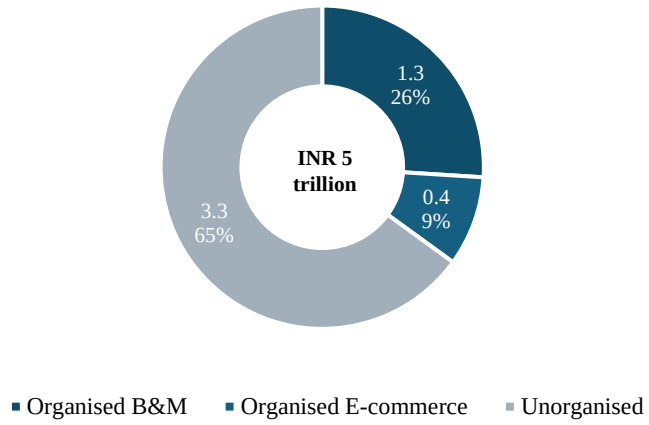



Source: Wazir Analysis, Secondary research
Note: P: Projected data; Data represents financial year

The value apparel retail market in India reflects a shift towards branded offerings over the years and is projected to continue do so till 2030. The branded segment grew from INR 0.7 trillion (20% share) in FY 2020 to INR 1.5 trillion (30% share) by FY 2024, growing CAGR of 18%. This is projected to reach 3.1 trillion (40% share) till FY 2030, hence growing at a projected CAGR of 15% In contrast, the unbranded segment, while expanding in absolute terms from INR 2.6 trillion in FY 2020 to INR 3.5 trillion by FY 2030, is expected to witness a decline in market share from 80% in FY 2020 to 70% in FY 2025, which is projected to drop to 60% in FY 2030. The movement from unbranded to branded segment is driven by expansion of value retailers.

### 4.5. Channel wise segmentation

*Figure 33: India's value apparel retail channel wise segmentation (INR trillion), In FY 2025*




Source: Wazir Analysis, Secondary research
Note: Data represents financial year

Organised brick and mortar (B&M) retail is accounts for approximately 26% (INR 1.3 trillion) of the value apparel market in FY 2025, while for the rest of the organised segment, e-commerce channels contribute 9% (INR 0.4 trillion). The unorganised retail segment retains the majority share at 65% (INR 3.3 trillion) as MBOs continue to operate in smaller cities. This evolving channel mix reflects the ongoing formalisation of the value apparel market, while also highlighting the continued relevance of traditional retail formats in India's value apparel landscape.

### 4.6. Growth drivers of value apparel retail market

- **Increased brand consciousness and awareness of fashion trends in Tier-II+ cities: b** are aspirational buyers, brand-conscious, and aware of the latest fashion trends. Simultaneously, the increase in purchasing power now allows consumers in these areas to fulfil their requirement for the latest fashion trends. The ability of value retailers to offer quality and variety at competitive prices while staying updated with the latest fashion trends makes them a favourable alternative to local boutiques and retail shops.

- **Merchandise and shopping experience:** Value retailers are improving their product offerings and the look and feel of their stores. These enhancements have strengthened perceived quality and shopper experience. As a result, consumer comfort and confidence in shopping at value retail formats have steadily increased, encouraging repeat visits and broader adoption. This evolution reflects the sector's ongoing efforts to blend affordability with quality presentation and selection.

- **Retailers extending to Tier-III+ markets:** Organised value retailers have steadily expanded into Tier 2 and Tier 3 cities, driven by rising consumer density and demand in these regions. By offering affordable yet relevant product assortments, they have built a strong consumer base in cities such as Panipat, Ambala, Cuttack, Panaji, Rourkela, Sonipat etc.

### 4.7. Key trends in India's value apparel retail market

- **Formalization of the Value Segment:** The market is shifting from fragmented, unorganised players to structured, pan-India retailers. Expansion of branded value formats is bringing consistency in pricing, quality, and assortment while elevating consumer expectations across markets.

- **Dominance of Private Labels:** Private labels are becoming central to value retail strategies as they offer better control over pricing and inventory. Retailers are using in-house brands to differentiate their offerings and drive both margins and customer loyalty.

- **High Velocity Retail Model:** The segment is adopting fast fashion principles with frequent merchandise refreshes, trend-responsive assortments, and tightly managed inventory cycles. This helps align with evolving consumer preferences and reduces the risk of excess inventory.

- **Localized Assortment Planning:** Retailers are increasingly customizing product assortments based on regional demand. Local climate, cultural preferences, and fashion tastes are being factored into planning to improve relevance and sell-through in diverse markets.

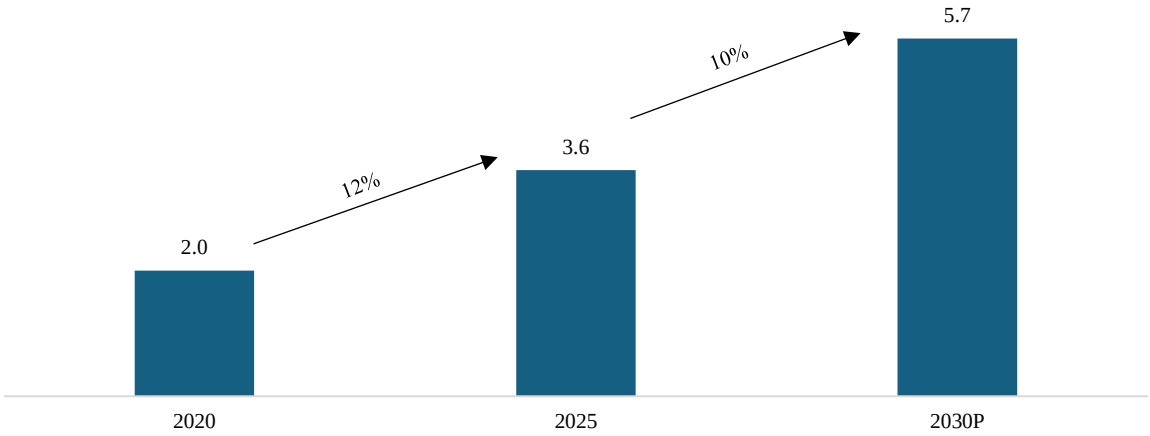
- **Offline-First with Selective Digital Integration:** Value apparel retail remains predominantly offline due to the importance of touch-and-feel and pricing sensitivity. However, digital tools are being selectively adopted for store discovery, loyalty engagement, and backend efficiency.

## 5. Product wise market segmentation

### 5.1. Women's apparel market in India

#### 5.1.1. Market size

*Figure 34: Women's apparel market size in India (INR trillion), In FY*




Source: Wazir analysis
Note: P: Projected; Data represents financial year

India's women's apparel market has witnessed strong growth over the past few years, expanding from INR 2.0 trillion in FY 2020 to INR 3.6 trillion in FY 2025, at a CAGR of 12%. This is expected to continue, with the market projected to reach INR 5.7 trillion by FY 2030, growing at a CAGR of 10% over the next five years. This growth is being shaped by several structural shifts with macro factors like rising disposable incomes, greater participation of women in the workforce, increasing exposure to global fashion trends, and a marked shift from unorganised to organised retail.

**Growth drivers in Indian women's apparel market**

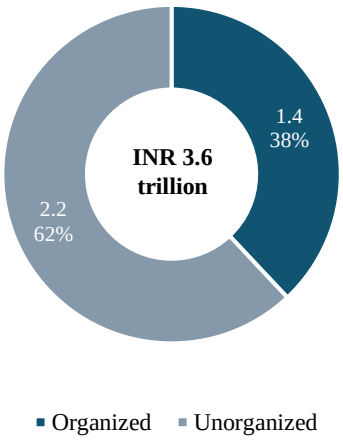
1. **Affordable ethnic wear dominance in Tier 2 and Tier 3:** Demand for ethnic wear is growing rapidly in Tier 2 and Tier 3 cities, as consumers look for stylish and comfortable everyday options. Value retailers are capturing this opportunity by offering trend-led kurta sets and fusion wear that align with local preferences. Their strong presence in regional markets and ability to cater to evolving tastes have made them key drivers of growth.

2. **Fast fashion adoption:** Fast fashion western wear is seeing strong growth across Tier 1& 2 cities, especially in categories like tops, jeans, and dresses. Brands are driving this growth by offering trend-led styles at accessible price points. This segment is becoming a key volume driver as young consumers increasingly seek affordable, everyday fashion

3. **Influence led fashion choices**: Influencer-led fashion discovery on platforms like Instagram and YouTube is shaping style preferences, especially among younger consumers. This has accelerated trend adoption and created strong demand for D2C brands that offer curated, limited-edition collections.

### 5.1.2. Market segmentation by organised & unorganised

*Figure 35: Women's apparel market segmentation by organised and unorganised (INR trillion), In FY 2025*

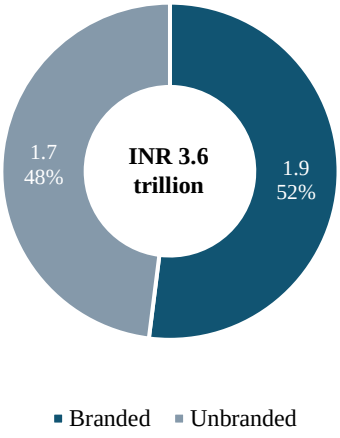



Source: Wazir analysis
Note: Data represents financial year

The unorganised segment contributed INR 2.2 trillion (62%) and the organised segment accounted for INR 1.4 trillion (38%) in FY 2025. Growth is driven by growing consumer preference for branded and quality-assured products, the expansion of modern retail formats, and the rising influence of digital channels across urban and semi-urban markets.

### 5.1.3. Market segmentation by branded & unbranded

*Figure 36: Women's apparel market segmentation by branded and unbranded (INR trillion), In FY 2025*

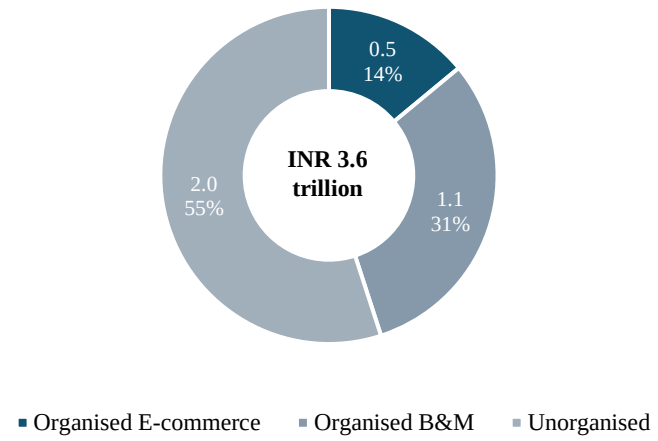



Source: Wazir analysis
Note: Data represents financial year

The branded products in women's apparel retail in India contributed INR 1.9 trillion (52%) and unbranded accounted for INR 1.7 trillion (48%) in FY 2025.

### 5.1.4. Market segmentation by channel type

*Figure 37: Women's apparel market segmentation by channel type (INR trillion), In FY 2025*

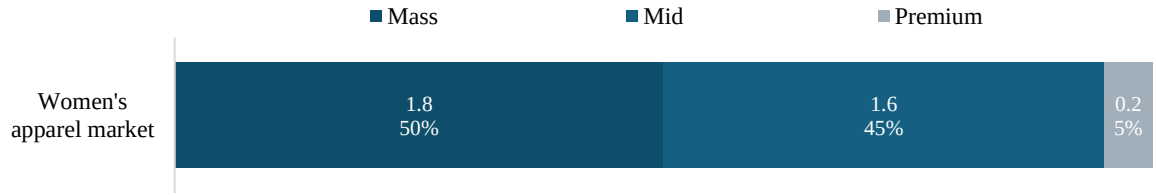



Source: Wazir analysis
Note: Data represents financial year

In FY 2025, the women's apparel market in India in e-commerce contributed 14%, amounting to approximately INR 0.5 trillion, while organised brick and mortar (B&M) accounted for 31%, or around INR 1.1 trillion. The remaining 55%, which is approximately INR 2 trillion of the market is served by unorganised retail channels, indicating their continued presence across the sector.

### 5.1.5. Market segmentation by price point

*Figure 38: Women's apparel market segmentation by price point, In FY 2025*




Source: Wazir analysis
Note: Data represents financial year; Mass (INR<500), Mid to premium (INR 500 to 3,000), Premium & above (INR >3,000)

In FY 2025 the women's apparel market was primarily concentrated in the mass and mid segments, accounting for 50% (INR 1.8 trillion) and 45% (INR 1.6 trillion) respectively, while the premium segment contributed a smaller 5% (INR 0.2 trillion).

### 5.1.6. Key trends in Indian women's apparel market

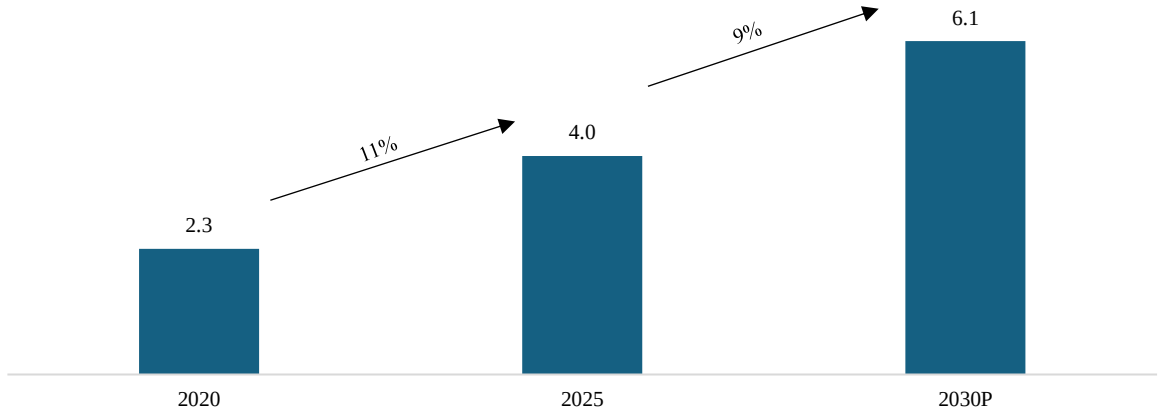
1. **Shift Toward Ready to Wear Ethnic wear:** Consumers, particularly working women and younger shoppers, are moving away from stitched-to-measure apparel toward ready-to-wear options that offer both convenience and variety in design

2. **Shift Towards Occasion Based Shopping:** Consumers are increasingly building wardrobes around specific use cases such as workwear, festive, holiday, and lounge, enabling targeted product development by brands.

### 5.2. Men's apparel market in India

#### 5.2.1. Market size

*Figure 39: Men's apparel market size in India (INR trillion), In FY*




Source: Wazir analysis
Note: P: Projected; Data represents financial year

The men's apparel market in India was valued at INR 2.3 trillion in FY 2020 and grew to INR 4.0 trillion in FY 2025, recording a CAGR of 11%. It is projected to reach INR 6.1 trillion by FY 2030, growing at a CAGR of 9% between FY 2025 and FY 2030. This growth is supported by rising fashion adoption among men, expansion of product categories, higher discretionary spending, and increased penetration of branded and value retail across urban and semi-urban markets.

**Growth drivers in Indian men's apparel market**

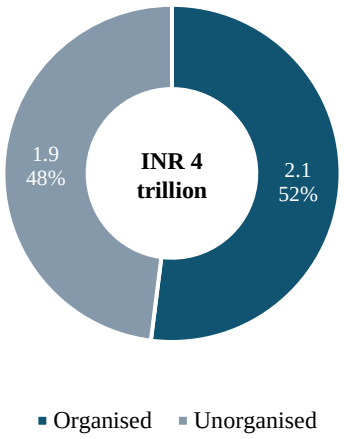
1. **Shift from Unbranded to Branded:** There is a shift towards branded clothing as men consumers become more aware of product quality, improved fits, and the aspirational appeal associated with labels particularly in core categories like shirts, trousers, and denim.

2. **Casualization of fashion in men's apparel:** Men's fashion in India is becoming increasingly casual, influenced by changing workplace norms like Friday dressing. Categories like denim, casual shirts, athleisure, and loungewear are seeing growing popularity. Urbanization, digital exposure, and social media have made relaxed styles more desirable. Easy maintenance and all-day comfort make casual wear a preferred lifestyle choice for modern men.

3. **Expansion of Organised Retail and Digital Channels:** The growth of large-format stores, exclusive brand outlets (EBOs), and e-commerce platforms has made branded men's wear more accessible, particularly in Tier 2/3 cities.

### 5.2.2. Market segmentation by organised & unorganised

*Figure 40: Men's apparel market segmentation by organised and unorganised (INR trillion), In FY 2025*

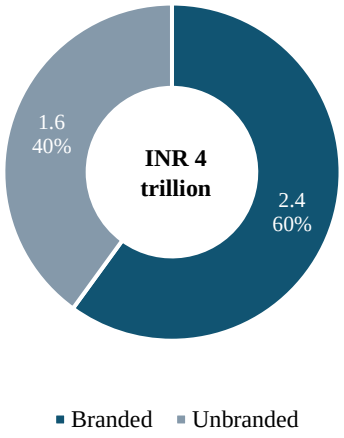



Source: Wazir analysis
Note: Data represents financial year

In FY 2025, the men's apparel market has 52% organised share valued at INR 2.1 trillion and 48% unorganised share at INR 1.9 trillion. The organised segment holds a slightly larger share, supported by factors such as brand awareness, modern retail presence, and formal retail offerings.

### 5.2.3. Market segmentation by branded & unbranded

*Figure 41: Men's apparel market segmentation by branded and unbranded (INR trillion), In FY 2025*

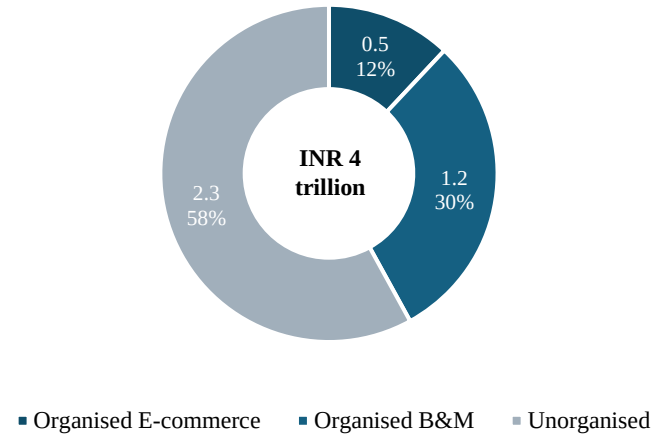



Source: Wazir analysis
Note: Data represents financial year

In FY 2025, branded apparel for men's clothing retail market accounted for INR 2.4 trillion, representing 60% of the total market, while unbranded apparel contributed INR 1.6 trillion, or 40%. The larger share of branded products shows a more mature market compared to other apparel categories in terms of brand penetration and consumer adoption.

### 5.2.4. Market segmentation by channel type

*Figure 42: Men's apparel market segmentation by channel type (INR trillion), In FY 2025*




Source: Wazir analysis
Note: Data represents financial year

Unorganised retail channel forms the largest portion of the men's apparel market in FY 2025, contributing INR 2.3 trillion or 58% of the total. Organised brick-and-mortar (B&M) channels comprised INR 1.2 trillion (30%), while e-commerce contributed INR 0.5 trillion (12%). Organised and e-commerce together represent a significant share, highlighting their strong presence within the men's apparel segment.

### 5.2.5. Market segmentation by price point

*Figure 43: Men's apparel market segmentation by price point, In FY 2025*




In FY 2025 the men's apparel market was primarily concentrated in the mass and mid segments, accounting for 45% in both mass and mid segments (INR 1.8 trillion) and (INR 1.9 trillion) respectively, while the premium segment contributed a smaller 10% (INR 0.3 trillion).

Source: Wazir analysis
Note: Data represents financial year; Mass (INR<500), Mid to premium (INR 500 to 3,000), Premium & above (INR >3,000)

### 5.2.6. Key trends in Indian men's apparel market

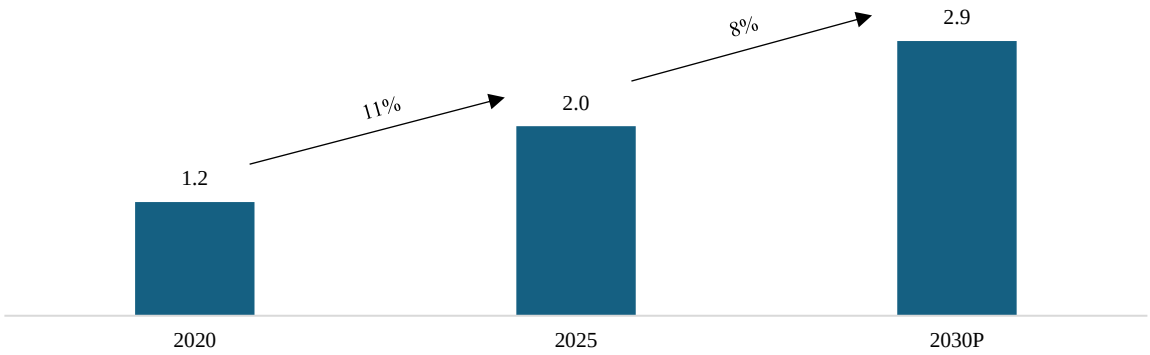
1. **Growing Shift Towards Occasion-Led Wardrobes:** Men are increasingly dressing based on specific occasions, boosting demand for smart-casual and semi-formal wear suitable for office, events, and social outings.

2. **Rise of Branded Casualwear:** Growing preference for stylish yet comfortable clothing is driving demand for branded t-shirts, polos, chinos, and denim in both metro and non-metro markets.

### 5.3. Kid's apparel market in India

#### 5.3.1. Market size

*Figure 44: Kid's apparel market size in India (INR trillion), In FY*




Source: Wazir analysis
Note: P: Projected; Data represents financial year

The kid's apparel market in India was valued at INR 1.2 trillion in FY 2020 and grew to INR 2.0 trillion in FY 2025, registering a CAGR of 11%. It is projected to reach INR 2.9 trillion by FY 2030, growing at a CAGR of 8% between FY 2025 and FY 2030. Growth is supported by increasing focus on branded kids wear, and parents' willingness to spend more on quality and fashionable clothing for kids.

**Growth drivers in Indian kid's apparel market**

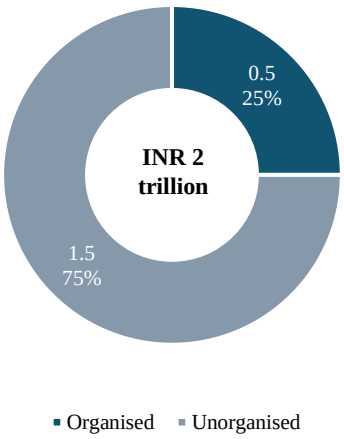
1. **Increase in the demand:** India's large and growing population of kids, continues to expand the base of demand for kids' apparel. Higher birth rates and growing income levels, creating strong volume-led growth opportunities.

2. **Increased Willingness to Spend on Children's Clothing:** Parents today are more willing to invest in quality, trend-led clothing for their children both for everyday wear and special occasions. Factors such as nuclear families, and fewer children per household are boosting per-child spend.

3. **Impact of shorter product lifecycles:** The rapidly evolving needs of infants and kids (aged 0–12 years) have shortened product replacement cycles, increasing purchase frequency and overall market demand. Frequent growth spurts and changing fashion trends further drive apparel purchases in this segment.

### 5.3.2. Market segmentation by organised & unorganised

*Figure 45: Kid's apparel market segmentation by organised and unorganised (INR trillion), In FY 2025*

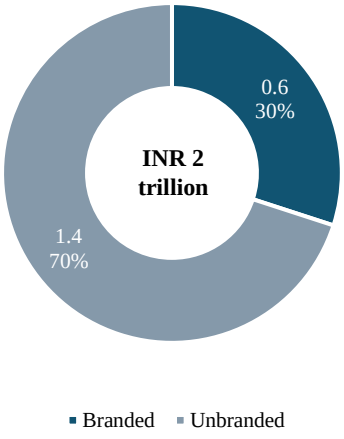



Source: Wazir analysis
Note: Data represents financial year

In FY 2025, the total kids' apparel market stood at INR 2 trillion. Of this, the unorganised segment accounted for approximately 75% (INR 1.5 trillion), reflecting its dominant position in the market. The organised segment comprised the remaining 25%, amounting to INR 0.5 trillion.

### 5.3.3. Market segmentation by branded & unbranded

*Figure 46: Kid's apparel market segmentation by branded and unbranded (INR trillion), In FY 2025*

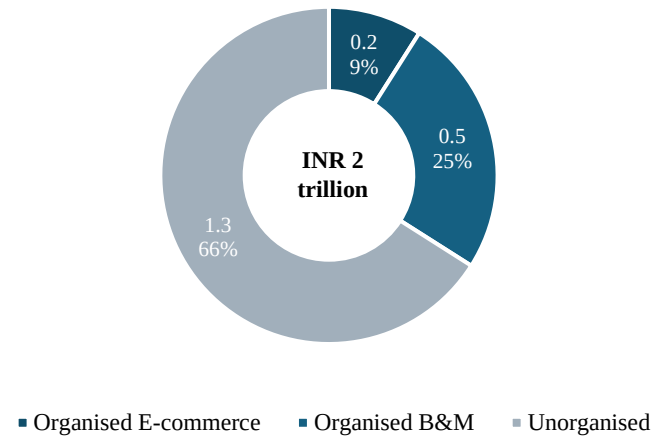



Source: Wazir analysis
Note: Data represents financial year

In FY 2025, unbranded apparel accounted for 70% of the kid's wear market, valued at INR 1.4 trillion, while branded apparel made up the remaining 30%, amounting to INR 0.6 trillion. While unbranded clothing continues to dominate, branded wear has established a notable presence, driven by consumer preference for better quality and trusted offerings.

### 5.3.4. Market segmentation by channel type

*Figure 47: Kid's apparel market segmentation by channel type (INR trillion), In FY 2025*




Source: Wazir analysis
Note: Data represents financial year

In FY 2025, unorganised retail contributed INR 1.3 trillion, which is 66% of the kid's apparel market. Organised brick-and-mortar (B&M) contributed 25% of the market with INR 0.5 trillion, while e-commerce accounted for 9% or INR 0.2 trillion. Despite the dominance of unorganised channels, organised brick-and-mortar and e-commerce together account for 34% of the market, indicating a significant presence of formal retail formats in the kid's apparel segment.

### 5.3.5. Market segmentation by price point

*Figure 48: Kid's apparel market segmentation by price point, In FY 2025*




Source: Wazir analysis
Note: Data represents financial year; Mass (INR<500), Mid to premium (INR 500 to 3,000), Premium & above (INR >3,000)

In FY 2025 the kid's apparel market was primarily concentrated in the mass and mid segments, accounting for 55% in mass (INR 1.4 trillion) and 40% in mid (INR 0.5 trillion) segments respectively. The premium segment contributed a smaller 5% (INR 0.04 trillion).

### 5.3.6. Key trends in Indian kid's apparel market

1. **Ever-growing, non-discretionary market:** Spending on kids wear is increasingly viewed as essential, with the segment showing strong demand resilience across income levels and economic cycles.

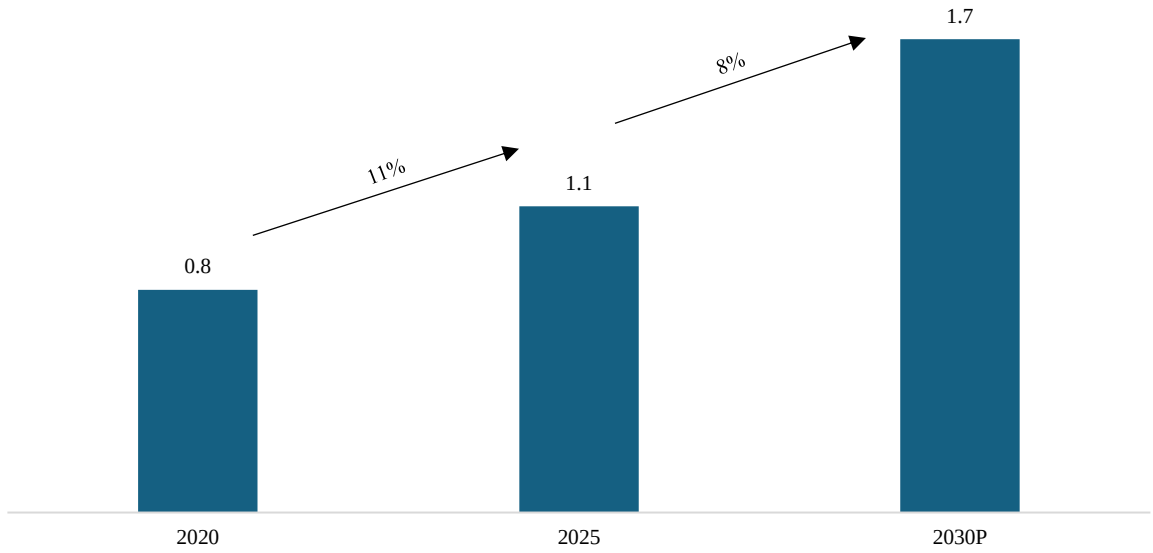
2. **Brand trust as a key purchase driver:** Parents prioritise trusted kids wear brands due to concerns around comfort, safety, and reliability, making brand credibility a critical factor in purchase decisions.

3. **Growing preference for multi-channel access:** Consumers increasingly seek seamless access to quality kids wear across offline and online channels, driving the growth of integrated multi-channel retail platforms.

## 5.4. Accessories & lifestyle product market in India

### 5.4.1. Accessories & Lifestyle market size in India

*Figure 49: Accessories & lifestyle market size in India (INR trillion), In FY*




Source: Wazir analysis
Note: Data represents financial year; Accessories includes sunglasses, fashion jewellery, stationery, belts, pouches, laptop bags etc.

The accessories and lifestyle market in India was valued at INR 0.8 trillion in FY 2020 and grew to INR 1.1 trillion in FY 2025, registering a CAGR of approximately 11%. The market is projected to reach INR 1.7 trillion by FY 2030, growing at a CAGR of ~8% over FY 2025–30. Value retail players, with their wide reach and price-accessible offerings, are well-positioned to capture a significant share of this expanding market.

**Growth Drivers**

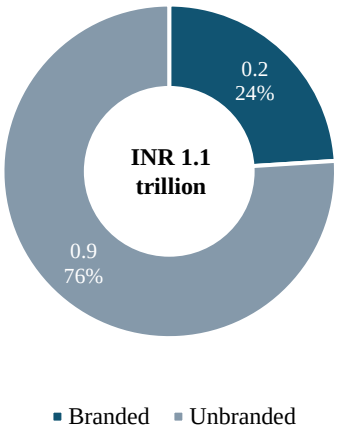
1. **Growing demand for fashion accessories:** Rising interest in fashion-led categories such as bags, sunglasses, wallets, and jewellery is driving category expansion. Consumers increasingly view accessories as key elements of personal style and self-expression.

2. **Rising aspirational consumption:** Consumers across urban and semi-urban regions are increasingly spending on lifestyle accessories as a means of self-expression. This shift is driven by aspirational lifestyles and growing brand consciousness across income segments.

3. **Increased access through organised retail and e-commerce:** Expansion of organised retail and digital platforms has improved availability and visibility of lifestyle and accessories brands. Omnichannel presence is helping reach wider consumer segments, including Tier 2 and 3 cities.

### 5.4.2. Market segmentation by branded & unbranded

*Figure 50: Accessories & lifestyle market segmentation by branded and unbranded (INR trillion), In FY 2025*




Source: Wazir analysis
Note: Data represents financial year

In FY 2025, unbranded products accounted for 76% of the Indian accessories market, valued at INR 0.9 trillion, while branded products held the remaining 24%, amounting to INR 0.2 trillion. Unbranded offerings formed a major part of the market, with branded products maintaining a significant presence.

### 5.4.3. Key trends in Indian accessories & lifestyle market

1. **Focus on affordable premiumisation:** Brands are introducing high-style, mid-price accessories targeting aspirational consumers looking for quality and design at accessible price points bridging the gap between unbranded and premium segments.

2. **Rise of functional fashion:** Consumers are increasingly opting for lifestyle accessories that offer both style and utility. Categories such as sunglasses, wallets, bags, and deodorants are witnessing growing demand for features like UV protection, compact design, multi-functionality, and long-lasting performance reflecting a clear shift towards purpose-driven consumption.

## 6. Competitive landscape

V2 Retail Limited is recognized as one of India's leading fashion retail chains, offering affordable and high-quality clothing and accessories. With a presence in over 200 cities, a workforce of 7,000+, and a 75% loyal customer base, the company continues to strengthen its position in the value fashion segment.

It is one of India's fastest-growing value fashion retail chains, delivering affordable, high-quality and fashionable apparel and lifestyle products to the aspirational middle and neo-middle-class population across India.

### 6.1. Profiling of key players in the Indian value apparel industry

The Indian value apparel market includes both established and new players like Yousta, Style Up, and Citykart, with varying store sizes and regional presence. While brands like Vishal Mega Mart, V2 Retail and V-Mart have a wide reach, newer entrants are gradually scaling up.

*Table 5: Key players in the Indian value apparel industry, In FY 2025*

| Player | Established | Company Name | States/ UT Presence | City Presence | Average Store Size (Sq. ft) |
|---|---|---|---|---|---|
| V2 Retail | 2001 | V2 Retail Limited | 20 | 150 | 10,500 |

| | | | | | |
|---|---|---|---|---|---|
| Vishal Mega Mart | 2001 | Vishal Mega Mart Limited | 30 | 458 | 17,500 |
| V-Mart | 2002 | V-Mart Retail Limited | 27 | 309 | 8,600 |
| Style Bazaar | 2013 | Baazar Style Retail Limited | 9 | 174 | 8,976 |
| Bazaar Kolkata | 2002 | Bazaar Retail Private Limited | NA | NA | 3,700 |
| M Bazaar* | 2009 | Metro Retail Private Limited | 10 | 162 | 8,800 |
| Citykart* | 2016 | Citykart Stores Private Limited | 14 | 91 | 5,939 |
| Zudio | 2016 | Trent Limited | 30 | 235 | 9,500 |
| Westside | 1998 | Trent Limited | 25 | 86 | 25,000 |
| Style Up* | 2022 | Aditya Birla Fashion and Retail Limited | 11 | 20 | 7,000 |
| Yousta | 2023 | Reliance Retail Limited | NA | NA | 7,500 |
| Pantaloons* | 1997 | Aditya Birla Fashion and Retail Limited | 29 | 183 | 5,713 |

Source: Wazir analysis; Company reports

Note: Data represents financial year; *Data for the current year as of September 2025, NA – Not available; UTs - Andaman and Nicobar Islands, Chandigarh, Dadra and Nagar Haveli and Daman and Diu, Delhi, Jammu and Kashmir, Ladakh, Lakshadweep, and Puducherry.

### 6.2. Operational benchmarking

#### 6.2.1. Category presence

Key players in the value apparel space cater to a broad range of categories like apparel & lifestyle. V2 Retail, along with a few others like V-Mart and M Bazaar, offers a diversified product mix across all major segments, reflecting a strong positioning in the category landscape. The company aims to follow a consumer centric approach that serves as a foundation for brand loyalty and delivering end-to-end shopping experience.

This approach is driven by a understanding of its customers' evolving needs and behaviours, which enables it to build personalized connections across all touchpoints

*Table 6: Category-wise presence of key players*

| Player | Apparel | | | | Lifestyle |
|---|---|---|---|---|---|
| | Ethnic | Western | Athleisure | Innerwear | |
| V2 Retail | ✓ | ✓ | ✓ | - | ✓ |
| Vishal Mega Mart | ✓ | ✓ | ✓ | ✓ | ✓ |
| V-Mart | ✓ | ✓ | ✓ | ✓ | ✓ |
| Style Bazaar | ✓ | ✓ | - | - | ✓ |
| Bazaar Kolkata | ✓ | ✓ | ✓ | - | ✓ |
| M Bazaar | ✓ | ✓ | ✓ | ✓ | ✓ |
| Citykart | ✓ | ✓ | - | - | ✓ |
| Zudio | ✓ | ✓ | - | ✓ | - |
| Westside | ✓ | ✓ | ✓ | ✓ | ✓ |
| Style Up | - | ✓ | - | - | - |
| Yousta | ✓ | ✓ | ✓ | ✓ | - |
| Pantaloons | ✓ | ✓ | ✓ | ✓ | ✓ |

Source: Company reports, Wazir analysis

Note: ✓ denotes presence in the respective category; Lifestyle includes categories like footwear, accessories and home essentials

### 6.2.2. Same store sales growth (SSSG%)

The market has seen a strong SSSG recovery post-COVID, led by players like V2 Retail, Vishal Mega Mart, and V-Mart. V2 Retail maintained steady momentum with ~30% growth in FY23 and FY24.

This reflects that V2 Retail stands among one of India's fastest-growing value fashion retail chains, delivering affordable, high-quality, and fashionable apparel and lifestyle products to the aspirational middle and neo–middle-class population across India.

*Table 7: Same store sales growth (SSSG%), In FY*

| Player | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| V2 Retail | -31% | 7.0% | 31.0% | 31.0% | 29.0% |
| Vishal Mega Mart | NA | 11.9% | 25.2% | 13.6% | 12.3% |
| V-Mart | -39.9% | 23.1% | 22.9% | 1.0% | 12.0% |
| Style Bazaar | NA | 17% | 25.7% | 10.0% | 13.0% |
| Bazaar Kolkata | NA | NA | NA | NA | NA |
| M Bazaar | NA | NA | NA | NA | NA |
| Citykart | NA | NA | NA | 12.0% | 13.0% |
| Zudio | NA | NA | NA | NA | NA |
| Westside | -45% | 56% | 49% | 10% | NA |
| Style Up | NA | NA | NA | NA | NA |
| Yousta | NA | NA | NA | NA | NA |
| Pantaloons | NA | NA | NA | NA | NA |

Source: Company reports, Wazir analysis

Note: Data represents financial year, NA – Not available

### 6.2.3. Retail area in Mn sq. ft.

The market has seen steady expansion in retail area, driven by both legacy players and emerging brands. V2 Retail nearly doubled its retail footprint from FY21 to FY25, indicating its focus on network growth.

*Table 8: Retail area in Mn sq. ft., In FY*

| Player | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| V2 Retail | 1.0 | 1.1 | 1.1 | 1.3 | 2.0 |
| Vishal Mega Mart | NA | 9.1 | 10.2 | 11.0 | 12.2 |
| V-Mart | 2.3 | 2.5 | 2.9 | 3.1 | 3.5 |
| Style Bazaar | 0.9 | 1.0 | 1.3 | 1.4 | 1.9 |
| Bazaar Kolkata | NA | NA | NA | NA | NA |
| M Bazaar | NA | NA | NA | NA | NA |
| Citykart | NA | NA | NA | NA | 0.8 |
| Zudio | NA | NA | NA | NA | 5.0 |
| Westside | 2.9 | 3.3 | 3.6 | 4.5 | 5.4 |
| Style Up | NA | NA | NA | NA | NA |
| Yousta | NA | NA | NA | NA | NA |
| Pantaloons | 4.5 | 4.9 | 5.7 | 5.7 | 5.7 |

Source: Company reports, Wazir analysis

Note: Data represents financial year, NA – Not available

### 6.2.4. Revenue mix

Most players in the value retail space derive a major share of revenue from apparel, with brands like V2 Retail, Westside, Style Bazaar and Pantaloons having over 85% contribution. V2 Retail's 92% apparel share highlights its focused positioning within the core category.

*Table 9: Revenue mix of key players, FY 2025*

| Player | Apparel | Non-Apparel |
|---|---|---|
| V2 Retail | 92% | 8% |
| Vishal Mega Mart | 44% | 56% |
| V-Mart | 79% | 21% |
| Style Bazaar | 87% | 13% |
| Bazaar Kolkata | 80% | 20% |
| M Bazaar | 80% | 20% |
| Citykart | 82% | 18% |
| Zudio | 80% | 20% |
| Westside | 95% | 5% |
| Style Up | NA | NA |
| Yousta | NA | NA |
| Pantaloons | 89% | 11% |

Source: Company reports, Wazir analysis
Note: Data represents financial year, NA – Not available

### 6.2.5. Store growth

The market saw strong store growth from FY 2020 to 2025, driven by rising demand in smaller towns. Zudio (57% CAGR) and Vishal Mega Mart (28% CAGR) led the expansion, while V2 Retail also grew steadily at 20% CAGR.

In line with the store expansion trends of the peer value retailers, V2 Retail's cluster-based expansion strategy enables it to tap into the potential of each region by establishing a network of stores, which in turn raises the entry-barrier for competing brands, who often lack the financial strength to expand quickly within a cluster or absorb short-term losses during the scaling process.

*Table 10: Store growth[1] trend: 2020-2025, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | CAGR[#] (2020-2025) |
|---|---|---|---|---|---|---|---|
| V2 Retail | 76 | 95 | 101 | 102 | 117 | 189 | 20% |
| Vishal Mega Mart | 200 | 421 | 501 | 557 | 611 | 696 | 28% |
| V-Mart | 266 | 279 | 380 | 429 | 447 | 497 | 13% |
| Style Bazaar | 84 | 91 | 106 | 135 | 162 | 214 | 21% |
| Bazaar Kolkata* | 106 | 116 | 115 | 155 | 162 | 217 | 13% |
| M Bazaar* | 105 | 118 | 118 | 148 | 176 | 209 | 13% |
| Citykart* | 63 | 79 | 69 | 103 | 107 | 150 | 32% |
| Zudio | 80 | 133 | 233 | 352 | 545 | 765 | 57% |
| Westside | 165 | 174 | 200 | 214 | 232 | 248 | 8% |
| Style Up | NA | NA | NA | 16 | 30 | 46 | 70% |
| Yousta | NA | NA | NA | NA | 55 | NA | NA |
| Pantaloons | 342 | 346 | 377 | 431 | 417 | 405 | 3% |

Source: Company websites and Annual Reports; Wazir analysis
Note: Data represents financial year, V Mart store counts include V Mart & Unlimited stores, 1- Store growth refers to the number of stores at the end of each FY, net of closures; *Brands' store counts as of Sep'25, [#]CAGR calculated for the year data is available, NA – Not available

### 6.2.6. Stores addition

*Table 11: Store additions: 2020 – 2025, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | CAGR* (2020-2025) |
|---|---|---|---|---|---|---|---|
| V2 Retail | -1 | 19 | 6 | 1 | 15 | 72 | NA[1] |
| Vishal Mega Mart | NA | NA | 80 | 56 | 54 | 85 | 2% |
| V-Mart | 52 | 13 | 101 | 49 | 18 | 50 | -1% |
| Style Bazaar | 12 | 7 | 15 | 29 | 27 | 52 | 34% |
| Bazaar Kolkata | 6 | 10 | -1 | 40 | 7 | 55 | 56% |
| M Bazaar | 32 | 13 | 0 | 30 | 28 | 24 | -6% |
| Citykart | 15 | 16 | -10 | 34 | 4 | 33 | 17% |
| Zudio | 40 | 53 | 100 | 119 | 193 | 220 | 41% |
| Westside | 15 | 9 | 26 | 14 | 18 | 16 | 1% |
| Style Up | NA | NA | NA | NA | 14 | 16 | 14% |
| Yousta | NA | NA | NA | NA | NA | NA | NA |
| Pantaloons | 34 | 4 | 31 | 54 | -14 | -12 | NA[1] |

Source: Company websites and Annual Reports, Wazir analysis

Note: Data represents financial year, V Mart store counts include V Mart & Unlimited stores, *CAGR calculated for the year data is available, NA – Not available, NA[1] – CAGR not calculated due to negative value.

### 6.2.7. Store distribution by city type

Value retailers have a strong presence in Tier 2 and 3 cities, reflecting their focus on underserved markets. Among them, V2 Retail is one of India's fastest-growing value fashion retail chains, with an extensive footprint across smaller towns and cities allows the company to cater effectively to value-conscious consumers while capitalizing on the structural growth in domestic consumption within these emerging markets.

*Table 12: Store presence - Tier wise*

| Player | Metro | Mini Metro | Tier 1 | Tier 2 | Tier 3 | Total |
|---|---|---|---|---|---|---|
| V2 Retail | 13 | 3 | 57 | 70 | 116 | 259 |
| Vishal Mega Mart | 66 | 83 | 151 | 153 | 285 | 738 |
| V-Mart | 12 | 5 | 150 | 107 | 163 | 437 |
| Style Bazaar | 1 | 7 | 25 | 30 | 184 | 247 |
| Bazaar Kolkata | NA | NA | NA | NA | NA | NA |
| M Bazaar | 1 | 13 | 39 | 17 | 139 | 209 |
| Citykart | 6 | 0 | 32 | 38 | 74 | 150 |
| Zudio | 108 | 227 | 266 | 104 | 98 | 803 |
| Westside | 40 | 68 | 77 | 27 | 17 | 229 |
| Style Up | 4 | 31 | 15 | 5 | 1 | 56 |
| Yousta | NA | NA | NA | NA | NA | NA |
| Pantaloons | 51 | 88 | 82 | 118 | 40 | 379 |

Source: Company website, Brands' store counts as of Sep'25 from website store locators

Note: City classification is based on population: Metro/Mini Metro/Tier 1 (>10 lakh), Tier 2 (3–10 lakh), and Tier 3 (<3 lakh). Metro: Delhi NCR and Greater Mumbai, Mini Metro: Kolkata, Chennai, Bangalore, Hyderabad, Ahmedabad, Pune, V Mart store counts include V Mart & Unlimited stores, NA – Not available

### 6.2.8. Store distribution by region

The market shows strong regional concentration in North and East India, reflecting higher demand in these markets. Players are now gradually expanding into South and West regions to tap new growth opportunities.

Similarly focusing on Northern and Eastern India, V2 Retail's cluster-based expansion strategy allows it to deepen market penetration, enhance regional brand visibility and realize operational efficiencies through centralized supply chains and inventory management. Its ability to identify footfall in locations and execute store rollouts has

enabled the company to strengthen its market presence and reinforce its position in the value retail segment. Its pan-India presence also allows it to streamline its supplier network and warehousing systems, while also tailoring its product offerings to suit the preferences of each region.

*Table 13: Store presence - Region wise*

| Player | North | South | East | West | Total |
|---|---|---|---|---|---|
| V2 Retail | 87 | 20 | 126 | 26 | 259 |
| Vishal Mega Mart | 302 | 187 | 168 | 81 | 738 |
| V-Mart | 231 | 2 | 166 | 38 | 437 |
| Style Bazaar | 28 | 13 | 189 | 17 | 247 |
| Bazaar Kolkata | NA | NA | NA | NA | NA |
| M Bazaar | 17 | 15 | 134 | 43 | 209 |
| Citykart | 58 | 0 | 80 | 12 | 150 |
| Zudio | 179 | 251 | 108 | 265 | 803 |
| Westside | 15 | 55 | 16 | 143 | 229 |
| Style Up | 2 | 24 | 6 | 24 | 56 |
| Yousta | NA | NA | NA | NA | NA |
| Pantaloons | 92 | 88 | 91 | 108 | 379 |

Source: Company website, Brands' store counts as of Sep'25 from website store locators
Note: City classification is based on population: Metro/Mini Metro/Tier 1 (>10 lakh), Tier 2 (3–10 lakh), and Tier 3 (<3 lakh). Metro: Delhi NCR and Greater Mumbai, Mini Metro: Kolkata, Chennai, Bangalore, Hyderabad, Ahmedabad, Pune, V Mart store counts include V Mart & Unlimited stores, NA – Not available

#### 6.2.9. Other key metrics

V2 Retail demonstrates efficient store-level performance with INR 9,499 revenue and INR 1,335 EBITDA per sq. ft. Vishal Mega Mart also shows strong metrics, with the highest revenue per store among reported players.

*Table 14: Key metrics (In INR), In FY 2025*

| Player | Average Transaction Value | Revenue per Store | EBITDA per Store | Revenue per sq. ft | EBITDA per sq. ft |
|---|---|---|---|---|---|
| V2 Retail | 859 | 10.0 | 1.4 | 9,499 | 1,335 |
| Vishal Mega Mart | 950 | 15.4 | 2.0 | 8,798 | 1,305 |
| V-Mart | 977 | 6.5 | 0.8 | 7,613 | 966 |
| Style Bazaar | 997 | 6.3 | 0.9 | 6,997 | 1,036 |
| Bazaar Kolkata | NA | NA | NA | NA | NA |
| M Bazaar | NA | NA | NA | NA | NA |
| Citykart | 700 | NA | NA | NA | NA |
| Zudio | 460 | NA | NA | NA | NA |
| Westside | 2,900 | NA | NA | NA | NA |
| Style Up | 550 | NA | NA | NA | NA |
| Yousta | NA | NA | NA | NA | NA |
| Pantaloons | 801 | 11 | 1.8 | 614 | 104 |

Source: Company reports, Wazir analysis
Note: Data represents financial year, NA – Not available

### 6.3. Financial benchmarking

#### 6.3.1. Revenue from operations

Revenue from operations is the top line parameter for assessing a company's financial performance.

*Table 15: Revenue from operations (INR Crore) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | CAGR |
|---|---|---|---|---|---|---|---|
| V2 Retail | 701.2 | 538.6 | 629.2 | 838.9 | 1,164.70 | 1,884.50 | 16% |
| Vishal Mega Mart | NA | 4,452.40 | 5,588.50 | 7,586.00 | 8,912.00 | 10,716.30 | 25% |
| V-Mart | 1,662.00 | 1,075.50 | 1,666.20 | 2,464.80 | 2,785.60 | 3,253.90 | 14% |
| Style Bazaar | 629.3 | 426.8 | 551.1 | 787.9 | 972.9 | 1,343.70 | 22% |
| Bazaar Kolkata | 651.2 | 448.3 | 642.1 | 974.6 | 1,182.20 | NA | 10% |
| M Bazaar | 555.5 | 370.7 | 533.7 | 715.9 | 808.8 | NA | 16% |
| Citykart | 348.9 | 267.2 | 374.9 | 523.7 | 626.6 | NA | 16% |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, NA – Not available

### 6.3.2. Revenue year-on-year growth

*Table 16: Revenue from operations YoY growth of major Indian players, In FY*

| Player | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| V2 Retail | -23.2% | 16.8% | 33.3% | 38.8% | 61.8% |
| Vishal Mega Mart | NA | 25.5% | 35.7% | 17.5% | 20.2% |
| V-Mart | -35.3% | 54.9% | 47.9% | 13.0% | 16.8% |
| Style Bazaar | -32.2% | 29.1% | 43.0% | 23.5% | 38.1% |
| Bazaar Kolkata | -31.2% | 43.2% | 51.8% | 21.3% | NA |
| M Bazaar | -33.3% | 44.0% | 34.1% | 13.0% | NA |
| Citykart | -23.4% | 40.3% | 39.7% | 19.6% | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, NA – Not available

### 6.3.3. Gross profit

*Table 17: Gross profit (INR Crore) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | CAGR |
|---|---|---|---|---|---|---|---|
| V2 Retail | 196.2 | 180.8 | 226.8 | 285.5 | 397.9 | 599.2 | 19% |
| Vishal Mega Mart | NA | 1,226.6 | 1,573.9 | 2,059.7 | 2,465.9 | 3,052.7 | 26% |
| V-Mart | 535.8 | 351.9 | 575.1 | 867.7 | 960.5 | 1,124.1 | 16% |
| Style Bazaar | 186.2 | 125.0 | 175.3 | 254.0 | 326.0 | 452.4 | 25% |
| Bazaar Kolkata | 227.4 | 149.0 | 225.1 | 354.9 | 439.5 | NA | 13% |
| M Bazaar | 186.6 | 127.7 | 193.4 | 268.3 | 307.8 | NA | 17% |
| Citykart | 114.9 | 88.4 | 130.0 | 167.0 | 212.0 | NA | 18% |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, Other income is not included, Gross Profit= Revenue from operations – COGS, NA – Not available

### 6.3.4. Gross profit %

Gross margin is a key profitability metric, reflecting the portion of revenue that exceeds the direct costs associated with producing goods, helping assess the company's core production efficiency and pricing strategy.

*Table 18: Gross profit (%) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 28.0% | 33.6% | 36.0% | 34.0% | 34.2% | 31.8% |
| Vishal Mega Mart | NA | 27.5% | 28.2% | 27.2% | 27.7% | 28.5% |
| V-Mart | 32.2% | 32.7% | 34.5% | 35.2% | 34.5% | 34.5% |
| Style Bazaar | 29.6% | 29.3% | 31.8% | 32.2% | 33.5% | 33.7% |
| Bazaar Kolkata | 34.9% | 33.2% | 35.1% | 36.4% | 37.2% | NA |

| | | | | | | |
|---|---|---|---|---|---|---|
| M Bazaar | 33.6% | 34.4% | 36.2% | 37.5% | 38.1% | NA |
| Citykart | 32.9% | 33.1% | 34.7% | 31.9% | 33.8% | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, Gross Profit%= (Gross Profit/ Revenue from operations) *100, NA – Not available

### 6.3.5. EBITDA

EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) assesses a company's operational performance by excluding expenses not related to its core activities.

*Table 19: EBITDA (INR Crore) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | CAGR |
|---|---|---|---|---|---|---|---|
| V2 Retail | 87.4 | 48.5 | 64.7 | 84.0 | 147.8 | 257.8 | 24% |
| Vishal Mega Mart | NA | 609.7 | 803.8 | 1,020.5 | 1,248.6 | 1,530.1 | 26% |
| V-Mart | 213.8 | 131.2 | 204.3 | 268.9 | 213.1 | 401.3 | 13% |
| Style Bazaar | 64.1 | 46.7 | 68.4 | 101.5 | 142.2 | 189.5 | 24% |
| Bazaar Kolkata | 105.5 | 52.5 | 76.9 | 93.2 | 164.2 | NA | 15% |
| M Bazaar | 43.3 | 23.8 | 49.0 | 74.1 | 76.6 | NA | 38% |
| Citykart | 21.5 | 35.3 | 40.6 | 52.1 | 78.7 | NA | 12% |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, *Does not include other income, EBIDTA= Profit before tax + Depreciation and amortisation expenses + Interest/Finance cost – Other Income, NA – Not available

### 6.3.6 EBITDA margin

*Table 20: EBITDA (%) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 12.5% | 9.0% | 10.3% | 10.0% | 12.7% | 13.7% |
| Vishal Mega Mart | NA | 13.7% | 14.4% | 13.5% | 14.0% | 14.3% |
| V-Mart | 12.9% | 12.2% | 12.3% | 10.9% | 7.6% | 12.3% |
| Style Bazaar | 10.2% | 10.9% | 12.4% | 12.9% | 14.6% | 14.1% |
| Bazaar Kolkata | 16.2% | 11.7% | 12.0% | 9.6% | 13.9% | NA |
| M Bazaar | 7.8% | 6.4% | 9.2% | 10.3% | 9.5% | NA |
| Citykart | 6.2% | 13.2% | 10.8% | 9.9% | 12.6% | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, EBIDTA%= (EBIDTA/Revenue from operations) *100, NA – Not available

### 6.3.7. Profit after tax (PAT)

Profit After Tax (PAT) is a crucial metric for gauging a company's profitability after all operational and overhead expenses have been considered. This metric provides a transparent perspective on the company's efficiency in managing its operations and producing net income.

*Table 21: Profit after tax (INR Crore) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | CAGR |
|---|---|---|---|---|---|---|---|
| V2 Retail | 8.8 | -12.8 | -11.7 | -12.8 | 27.8 | 72.0 | 28% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Vishal Mega Mart | NA | 118.6 | 202.8 | 321.3 | 461.9 | 632.0 | 52% |
| V-Mart | 49.3 | -6.2 | 11.6 | -7.8 | -96.8 | 45.8 | -1% |
| Style Bazaar | -9.9 | -18.3 | -8.0 | 5.1 | 21.9 | 14.7 | 52% |
| Bazaar Kolkata | 16.8 | -163.9 | -47.7 | -73.7 | -33.9 | NA | 20% |
| M Bazaar | 24.4 | 12.1 | 29.2 | 47.2 | 50.4 | NA | 3% |
| Citykart | 11.1 | 4.8 | 0.4 | -4.4 | 12.6 | NA | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, NA – Not available

### 6.3.8. PAT margin

PAT margin is the financial metric representing a company's net income after deducting all applicable taxes.

*Table 22: PAT (%) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 1.2% | -2.3% | -1.8% | -1.5% | 2.4% | 3.8% |
| Vishal Mega Mart | NA | 2.7% | 3.6% | 4.2% | 5.2% | 5.9% |
| V-Mart | 3.0% | -0.6% | 0.7% | -0.3% | -3.5% | 1.4% |
| Style Bazaar | -1.6% | -4.3% | -1.5% | 0.6% | 2.3% | 1.1% |
| Bazaar Kolkata | 2.6% | -36.6% | -7.4% | -7.6% | -2.9% | NA |
| M Bazaar | 4.4% | 3.3% | 5.5% | 6.6% | 6.2% | NA |
| Citykart | 3.2% | 1.8% | 0.1% | -0.8% | 2.0% | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, PAT%= (PAT/ Revenue from operations) *100, NA – Not available

### 6.3.9. Return on capital employed (ROCE)

ROCE measures a company's profitability and efficiency in using its total capital to generate earnings.

*Table 23: Return on capital employed (ROCE) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 6.5% | -1.2% | 1.0% | 2.9% | 10.3% | 14.9% |
| Vishal Mega Mart | NA | 4.3% | 6.5% | 9.1% | 11.0% | 12.3% |
| V-Mart | 13.3% | 2.1% | 4.3% | 4.5% | -0.5% | 13.3% |
| Style Bazaar | 5.0% | -0.4% | 3.5% | 7.2% | 16.3% | 7.4% |
| Bazaar Kolkata | 0.2% | -6.1% | -3.8% | -3.7% | 0.7% | NA |
| M Bazaar | 34.3% | 14.0% | 27.7% | 28.1% | 24.7% | NA |
| Citykart | 26.8% | 17.5% | 5.7% | 6.0% | 11.8% | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, EBIT does not include other income, ROCE= EBIT/ (Total assets - Current liabilities), NA – Not available

### 6.3.10. Return on equity (ROE)

Return on Equity (ROE) assesses a company's profitability by measuring its ability to generate profit from shareholders' equity. This ratio is calculated by dividing Profit After Tax (PAT) by shareholders' equity. ROE offers critical insights into how well a company leverages investor funds to produce earnings and is a significant indicator of financial performance and management effectiveness.

*Table 24: Return on equity (ROE) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 3.1% | -4.8% | -4.5% | -5.2% | 10.1% | 20.8% |
| Vishal Mega Mart | NA | 2.6% | 4.2% | 6.2% | 8.2% | 9.9% |
| V-Mart | 10.8% | -0.8% | 1.4% | -0.9% | -13.0% | 5.6% |
| Style Bazaar | -9.2% | -20.4% | -5.6% | 2.6% | 10.2% | 3.6% |
| Bazaar Kolkata | 2.5% | -32.0% | -10.3% | -14.9% | -7.4% | NA |

| | | | | | | |
|---|---|---|---|---|---|---|
| M Bazaar | 24.4% | 10.8% | 20.7% | 24.8% | 21.0% | NA |
| Citykart | 41.8% | 14.3% | 2.0% | -24.8% | 41.2% | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, ROE= PAT/Shareholder's equity, NA – Not available

### 6.3.11. Inventory days

Inventory days indicate the average time the company takes to convert its inventory into sales, serving as a key measure of inventory management efficiency.

*Table 25: Inventory days of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 155.4 | 292.8 | 248.2 | 183.9 | 186.7 | 152.8 |
| Vishal Mega Mart | NA | 109.7 | 110.6 | 98.5 | 83.0 | 88.1 |
| V-Mart | 154.9 | 216.1 | 223.5 | 199.0 | 163.2 | 169.1 |
| Style Bazaar | 190.5 | 243.9 | 272.3 | 216.7 | 243.8 | 213.6 |
| Bazaar Kolkata | 128.6 | 188.6 | 179.4 | 135.4 | 169.8 | NA |
| M Bazaar | 122.7 | 186.5 | 160.2 | 142.1 | 164.5 | NA |
| Citykart | 162.6 | 264.6 | 260.1 | 166.9 | 168.4 | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, Calculated on closing inventory, Inventory days= (Inventory/COGS) *365, NA – Not available

### 6.3.12. Net working capital days

Net working capital days represent the time taken by the company to convert its working capital into revenue, indicating the efficiency of managing short-term assets and liabilities.

*Table 26: Net working capital days of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 75.1 | 85.1 | -121.8 | 52.5 | 45.6 | 24.7 |
| Vishal Mega Mart | NA | 17.2 | 1.1 | -6.6 | 5.9 | 26.2 |
| V-Mart | 43.2 | 210.0 | 110.0 | 42.1 | 18.7 | 6.5 |
| Style Bazaar | 1.5 | -7.9 | 18.0 | 25.7 | -90.9 | 0.0 |
| Bazaar Kolkata | 39.0 | 49.6 | 40.4 | 31.0 | 8.4 | NA |
| M Bazaar | 33.1 | 60.9 | 56.7 | 79.3 | 78.3 | NA |
| Citykart | 20.3 | 40.6 | 34.6 | 38.4 | 35.8 | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, *Calculated at net working capital at year end, Net working capital days= (Net working capital/Revenue from operations) *365, NA – Not available

### 6.3.13. Marketing spend

*Table 27: Marketing spend (INR Crore) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 3.2 | 4.6 | 5.1 | 5.6 | 4.2 | 9.4 |
| Vishal Mega Mart | NA | 9.1 | 22.2 | 32.1 | 29.1 | 26.7 |
| V-Mart | 35.4 | 18.8 | 41.9 | 86.2 | 148.9 | 83.3 |
| Style Bazaar | 14.9 | 4.5 | 7.8 | 11.9 | 16.1 | 22.7 |
| Bazaar Kolkata | 17.4 | 7.1 | 11.7 | 25.6 | 30.7 | NA |
| M Bazaar | 12.7 | 7.5 | 12.4 | 17.6 | 27.4 | NA |
| Citykart | 5.1 | 3.7 | 5.4 | 8.7 | 8.1 | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, NA – Not available

Marketing spend as a percentage of revenue reflects the company's investment in brand building and customer acquisition, serving as a key indicator of the efficiency and impact of its promotional strategies.

### 6.3.14. Marketing spend as % of revenue

*Table 28: Marketing spend (%) of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | 0.5% | 0.8% | 0.8% | 0.7% | 0.4% | 0.5% |
| Vishal Mega Mart | NA | 0.2% | 0.4% | 0.4% | 0.3% | 0.2% |
| V-Mart | 2.1% | 1.7% | 2.5% | 3.5% | 5.3% | 2.6% |
| Style Bazaar | 2.4% | 1.1% | 1.4% | 1.5% | 1.7% | 1.7% |
| Bazaar Kolkata | 2.7% | 1.6% | 1.8% | 2.6% | 2.6% | NA |
| M Bazaar | 2.3% | 2.0% | 2.3% | 2.5% | 3.4% | NA |
| Citykart | 1.5% | 1.4% | 1.4% | 1.7% | 1.3% | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, NA – Not available

### 6.3.15. Cash conversion cycle

Cash conversion cycle describes the number of days it takes for a company to convert its inventory into sales generating cash.

*Table 29: Cash conversion cycle of major Indian players, In FY*

| Player | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| V2 Retail | -38.5 | 9.7 | 108.7 | 8.7 | 52.1 | 17.9 |
| Vishal Mega Mart | NA | -34.4 | -22.1 | -0.5 | 15.2 | 20.4 |
| V-Mart | 91.1 | 119.4 | 126.3 | 87.4 | 36.5 | 38.5 |
| Style Bazaar | 49.0 | 65.5 | 97.3 | 103.2 | 96.1 | 86.3 |
| Bazaar Kolkata | 88.3 | 129.5 | 116.8 | 135.4 | 169.8 | NA |
| M Bazaar | 77.4 | 114.5 | 99.4 | 93.4 | 105.2 | NA |
| Citykart | 61.1 | 81.0 | 116.5 | 96.0 | 99.4 | NA |

Source: Company annual filings, MCA reports, Wazir analysis
Note: Data represents financial year, Cash conversion cycle= Inventory days + Receivables days - Payable days, NA – Not available

## SUMMARY OF BUSINESS

*An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Placement Document, including the risks and uncertainties described below, before evaluating our business and making an investment in the Equity Shares pursuant to the Issue. This section should be read in conjunction with "**Summary of industry**", "**Risk Factors**" and "**Financial Information**", on pages 82, 34 and 227, respectively, before making an investment decision in relation to the Equity Shares.*

*The risks and uncertainties described in this section are not the only risks that are relevant to us, the Equity Shares or the industry and sector in which we operate. Additional risks and uncertainties not currently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, cash flows and financial condition. If any of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of their investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors described below. However, there are certain risk factors where such implications are not quantifiable, and hence any quantification of the underlying risks has not been disclosed in such risk factors.*

*In making an investment decision, prospective investors must rely on their own examination of our Group and the terms of the Issue, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences they may encounter from investing in the Equity Shares.*

*This Placement Document contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For details, see "**Forward-Looking Statements**" on page 19.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements included in this Placement Document. For further information, see "Financial Information" on page 227. Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a "Fiscal" or "fiscal year" are to the 12-month period ended March 31 of the relevant year. References in this section to a "three months period" or "quarter" refers to the quarter ended June 30 of a particular fiscal year.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report entitled "Industry Report on Value Retail Market", dated October, 2025, prepared by Wazir Advisors Private Limited, commissioned and paid for by our Company in connection with the Issue. Wazir Advisors Private Limited is not related in any manner to our Company, its Promoters, Subsidiary, Directors, Key Management Personnel, members of Senior Management, or the Book Running Lead Manager. Unless otherwise indicated, industry and market data used in this section has been derived from the report entitled "Industry Report on Value Retail Market", dated October, 2025 ("**Industry Report**"), prepared by Wazir Advisors Private Limited, commissioned and paid for by our Company in connection with the Issue. Wazir Advisors Private Limited is not related in any manner to our Company, its Promoters, Subsidiary, Directors, Key Management Personnel, members of Senior Management, or the Book Running Lead Manager. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Industry Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – This Placement Document contains information from third parties, including an industry report prepared by an independent third-party research agency, Wazir Advisors Private Limited ("Wazir"), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue." on page 53. Also see, "Industry and Market Data" on page 18.*

*In this Placement Document, unless specified otherwise, any reference to "the Company" or "our Company" refers to V2 Retail Limited, on a standalone basis, and a reference to "we", "us", "our" or "Group" is a reference to our Company together with its Subsidiary V2 Smart Manufacturing Private Limited, on a consolidated basis, as applicable, as of and for the relevant fiscal year or period. However, in the Fiscal 2026, our Subsidiary V2 Smart Manufacturing Private Limited has shut down all its manufacturing units and disposed of certain assets.*

**Overview**

We are one of India's fastest-growing value fashion retail chains, delivering affordable, high-quality and fashionable apparel and lifestyle products to the aspirational middle and neo-middle-class population across India *(Source: Industry Report)*. We operate in the organized retail sector and have established our presence primarily in Tier-II and Tier-III towns and cities in India. Our business focuses on value-conscious consumers who seek a range of products, convenience and access to modern retail formats. We commenced our retail operations with the opening of our first store in Jamshedpur in Fiscal 2012. As of September 30, 2025, we operated 259 stores across 197 cities in 23 states in India, with an aggregate retail area of approximately 27.94 lakh square feet.

Our retail proposition is structured around offering value and variety in product selection, to make fashion products accessible across a broad customer base and geographic footprint in India. Our product offerings are designed to cater to a wide demographic profile, including men, women and children. We also offer lifestyle products. Women's apparel comprises ethnic wear, fusion wear, and western wear; men's apparel includes formal wear, casual wear and sportswear and children's apparel is offered in various designs and styles.

The Indian retail market continues to be predominantly driven by value retail, which accounted for 75% of the total retail market in FY 2020. Although its share declined gradually to 70% in FY 2025 and 65% by FY 2030; value retail remains the dominant segment, supported by a large price-conscious consumer base, especially in non-metro regions. Despite the rising momentum of premium retail, which is projected to grow at a CAGR of 14% between FY 2025 and FY 2030, value retail is also set to expand steadily at a CAGR of 8% over the same period. This indicates continued strength in mass-market consumption and highlights the importance of affordability and accessibility in shaping consumer demand. The evolving mix reflects a growing aspiration among consumers while reaffirming the enduring relevance of value-driven formats in India's retail growth story. *(Source: Industry Report)*

We aim to enhance the shopping experience for customers through initiatives focused on assortment planning, store design, inventory management, and pricing strategies. We also focus on operational efficiencies and supply chain optimization to support cost leadership. Over the last three fiscal years, the contribution of our product segments to overall revenue has remained broadly consistent. The details of such contributions are set out below:

| **Product Category** | **Fiscal 2025** | **Fiscal 2024** | **Fiscal 2023** |
|---|---|---|---|
| Men's wear | 39.90% | 36.85% | 36.96% |
| Ladies' wear | 27.10% | 25.74% | 24.57% |
| Kids' wear | 24.98% | 25.53% | 26.62% |
| Lifestyle | 8.01% | 11.87% | 11.85% |

Our merchandise strategy includes majority of private label products (including NBOF, Godspeed, Herrlich, Glamora, Ebellia and Honey Brats). We aim to further expand our private label contribution to improve gross margins, better manage inventory and deepen customer loyalty. Our sourcing capability is backed by our logistics network, which is supported by our information technology infrastructure. At our centralized warehouse in Gurgaon, we have adopted technology and equipment, leading to process efficiencies, thus helping us in optimizing costs. As a result, we are able to procure our merchandise and manage our inventory levels efficiently to respond to our customers' changing preferences and needs while also ensuring that prices are kept affordable.
Over the last three fiscal years, we have expanded our retail footprint through the addition of new stores, with a focus on geographies that have limited presence of organized retail formats. Our expansion strategy is primarily directed toward Tier-II and Tier-III cities, which are characterized by increasing consumer spending and potential for modern retail growth. We also monitor and assess store performance across existing locations to improve operational efficiency and resource allocation. Key metrics for our retail network over the past three fiscals are summarized below:

| **Metric** | **Fiscal 2025** | **Fiscal 2024** | **Fiscal 2023** | **CAGR (FY23–FY25)** |
|---|---|---|---|---|
| No. of stores | 189 | 117 | 102 | 36.12% |
| Total Retail Area (lakh sq. ft.) | 20.27 | 12.54 | 10.83 | 36.81% |
| No. of cities | 150+ | 102 | 89+ | - |
| No. of states | 20 | 17 | 17 | - |

**Financial and operational performance**

A summary of our consolidated financial performance over the last three years is provided below:

*(₹ lakhs)*

| Particulars | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 | CAGR (FY23–FY25) |
|---|---|---|---|---|
| Revenue from Operations | 1,88,449.52 | 1,16,472.71 | 83,888.30 | 49.88% |
| Gross Profit | 55,125.33 | 34,600.30 | 26,009.01 | 45.58% |
| EBITDA | 25,781.84 | 14,781.66 | 8,398.63 | 75.21% |
| EBITDA Margin (%) | 13.68% | 12.69% | 10.01% | - |
| Profit After Tax | 7,203.23 | 2,781.07 | (1,281.67) | - |
| PAT Margin (%) | 3.82% | 2.39% | (1.53)% | - |
| Return on Equity (ROE) (%) | 23.20% | 10.66% | (5.07)% | - |
| Debt-to-Equity Ratio | 0.33 | 0.33 | 0.22 | - |

***Notes***

1. *EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less other income as per the Audited Consolidated Financial Information.*
2. *EBITDA margin is calculated as EBITDA divided by revenue from operations as per the Audited Consolidated Financial Information*
3. *Return on Equity (%) is calculated as profit after tax for the given year divided by average Total Equity for the given year. Average total equity is calculated as opening total equity plus closing total equity divided by 2 as appearing in the balance sheet of the relevant period as reported in the Audited Consolidated Financial Information.*
4. *Debt to Equity Ratio is calculated as total of long term borrowings and short term borrowings divided by total equity as per the Audited Consolidated Financial Information.*

**Operational key performance indicators**

The table below sets forth some of our operational key performance indicators:

| Operational Metric | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 | CAGR (FY23–FY25) |
|---|---|---|---|---|
| Same Store Sales Growth (SSSG) | 29.46% | 31.35% | 31.22% | - |
| Volume growth (%) | 43.10% | 49.56% | 41.30% | - |
| Average selling price (₹) | 296.85 | 263.14 | 283.32 | 2.36% |
| Average bill value (₹) | 859.48 | 796.95 | 796.68 | 3.87% |
| Sales per sq. ft. per month (₹) | 1,017.25 | 853.66 | 651.24 | 24.98% |
| Inventory holding (days) | 108.12 | 131.26 | 121.34 | - |

**Supply chain**

We manage our product lifecycle through design, sourcing and distribution process. Our in-house design team, comprising 60 members, is responsible for developing seasonal collections and managing the overall product portfolio. The design team works in coordination with our sourcing teams to align product development with market requirements and merchandising plans. We engage external vendors to support scalability. Our supply chain is supported by a centralized distribution center located in Gurgaon, which facilitates inventory replenishment to our retail stores. Inventory movement from the distribution center to our stores is managed through an owned logistics fleet, enabling control over transit timelines and distribution efficiency.

**Customer experience and store format**

We operate air-conditioned retail stores that are designed to provide a structured shopping environment. Stores are equipped with trial rooms and follow a standardized layout with product segmentation across categories. Our

product assortment is guided by data analytics, considering seasonal trends and regional preferences. We also undertake customer engagement initiatives, including promotional campaigns, loyalty programs and marketing activities aligned with festivals and regional events. These initiatives are aimed at enhancing customer interaction and driving store-level performance. Based on internal operational data, we have observed an improvement in key retail metrics such as footfall, conversion rates, and average bill value over recent fiscal periods.

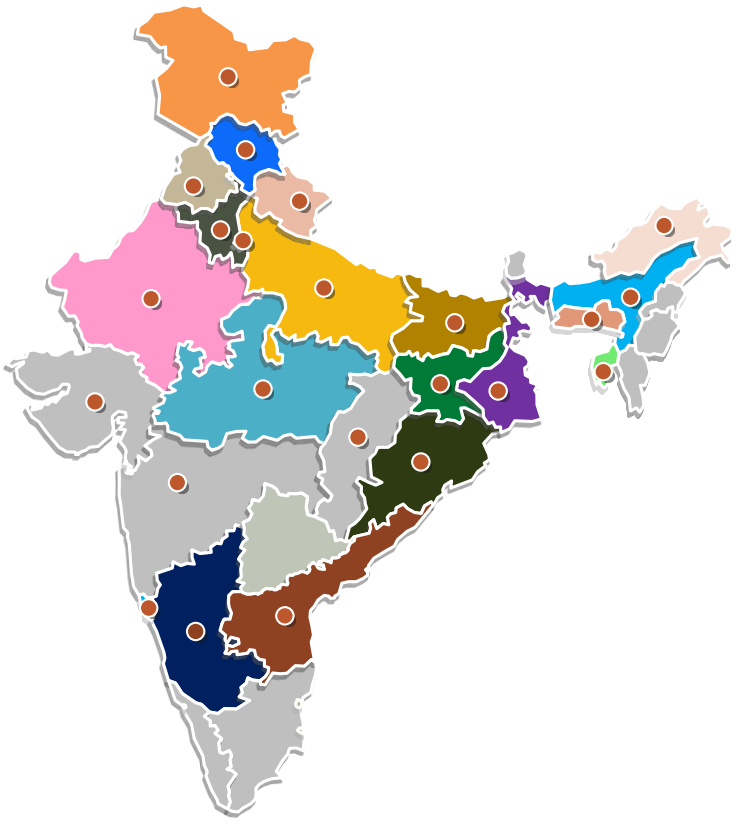
**Technology and digital initiatives**

We have implemented platforms such as SAP HANA to enable data-driven decision-making across functions. We also utilize digital tools to support customer segmentation and promotion planning. Our Company ensures that our IT capabilities are maintained through external partnerships with specialists, and we have developed internal teams in critical technology areas. We aim to continue to invest in information technology systems and digital tools to support various aspects of our operations. These investments are aimed at improving inventory management, product planning, and customer engagement. In addition, we are in the process of developing omni-channel capabilities to support future scalability and enhance customer access across platforms.

**Our Strength**

***Extensive and expanding pan-India retail footprint with strong presence in underpenetrated markets***

We have established a pan-India physical retail presence with a strategic focus on Tier-II and Tier-III cities, where organized retail penetration is lesser than that in metropolitan and Tier-I regions. As of September 30, 2025, our retail network comprises 259 stores across 23 states and over 197 cities, covering an aggregate retail area of approximately 27.94 lakh sq. ft. The map below showcases the presence of our stores across India as on September 30, 2025:



Between Fiscal 2023 to September 30, 2025, we added 157 new stores (net), translating into a compound annual growth rate (CAGR) of 45.17% in our store count. Our cluster-based expansion strategy allows us to deepen market penetration, enhance regional brand visibility and realize operational efficiencies through centralized supply chains and inventory management. Our ability to identify footfall in locations and execute store rollouts has enabled us to strengthen our market presence and reinforce our position in the value retail segment.

This widespread footprint enables us to cater to the value-conscious consumer base across India, while benefiting from the structural growth in domestic consumption in these emerging markets. Our pan-India presence also

allows us to streamline our supplier network and warehousing systems, while also tailoring our product offerings to suit the preferences of each region. Moreover, our cluster-based expansion strategy enables us to tap into the potential of each region by establishing a network of stores, which in turn raises the entry-barrier for competing brands, who often lack the financial strength to expand quickly within a cluster or absorb short-term losses during the scaling process. *(Source: Industry Report)*

***Comprehensive Product portfolio with family-centric positioning and growing private label share***

Over the years, we have created a network of suppliers. We offer a diversified portfolio of apparel and lifestyle products across multiple customer segments, including menswear, womenswear, kids wear and other lifestyle categories, primarily targeted at value-conscious consumers. Our product assortment is designed to cater to family needs and is offered at various price points. This approach contributes to overall basket size and store-level sales performance. Our in-house design and merchandising team curate product selections based on research, consumer feedback and regional preferences. As of June 30, 2025, our in-house design and merchandising team consists of 60 employees.

We believe we have established relationships with our vendors to ensure a smooth, effective and uninterrupted supply of products. An efficient supply chain system is essential not only to reduce operational costs but also to strike an optimum balance between the adequate level of inventory available and the availability of products at all stores as per customer requirements. We source our products, from vendors, spread across the country.

Our merchandise strategy includes a combination of third-party brands and private label products Over a period of time, we have increased the share of private label products in our overall merchandise mix. This allows for greater control over product design, pricing, inventory management and gross margins. Our private label portfolio contributes to improved margin performance and supports customer engagement through differentiated offerings.

***Efficient and centralized supply chain infrastructure with vendor partnerships***

Our Company operates a centralized and technology-enabled supply chain model that enables us to ensure timely product availability, cost efficiency and quality assurance across our growing retail footprint. We have built a network of third-party manufacturers and job work partners across key sourcing hubs. These vendors are aligned with our design, turnaround time and cost expectations. We operate a centralized warehouse and distribution hub in Gurgaon, for our inventory movement and replenishment across stores. We follow a weekly replenishment cycle to our stores using an owned fleet and automated dispatch planning. Our sourcing and procurement functions are integrated with data-driven systems that enable forecasting, reduce stockouts and optimize working capital. This sourcing and distribution framework has enabled us to support store expansion, manage seasonal spikes, and reduce our inventory holding period from 121.34 days in Fiscal 2023 to 108.12 days in Fiscal 2025, while maintaining product freshness and availability across locations.

***Financial performance and operational metrics***

We believe that our financial position, illustrates the growth of our operations over the years and the effectiveness of the administrative and cost management protocols that we have implemented. Our Company's revenue from operations increased at a compound annual growth rate (CAGR) of 49. 9% from ₹8,38,88.30 lakhs in Fiscal 2023 to ₹18,84,49.520 lakhs in Fiscal 2025. EBITDA increased at a CAGR of 75.2% during the same period. The profit after tax (PAT) margin was (1.53)% in Fiscal 2023 and increased to 3.82% in Fiscal 2025. This increase was primarily due to increase in our store presence, better resource planning, improved product assortment coupled with operating efficiencies, cost optimization measures, and changes in product mix.

Our Company's return on equity (ROE) improved from (5.19)% in Fiscal 2023 to 20.80% in Fiscal 2025. The EBITDA margin increased by 367 basis points over this period. Our working capital cycle and sales per square foot also improved during this period, reflecting enhanced operational metrics.

***Experienced promoters providing leadership and management to our Company***

Our management team is well-qualified and experienced in the retail industry and has played a key role in the sustained growth of our operations. Our Company is primarily led by our Promoter, Ram Chandra Agarwal, who has over 30 years of experience in the Indian retail industry. We are also supported by a board of directors and a senior management team comprising professionals with experience in areas including retail operations, merchandising, finance and business strategy. Akash Agarwal, our Whole-time Director and CEO is responsible

for procurement, e-commerce and finance whereas Pratik Adukia, Chief Financial Officer oversees finance, compliance and investor relations Our Company's Board of Directors and senior management are responsible for formulating and implementing business strategies and overseeing corporate governance practices. Our Company endeavors to maintain transparency in its operations and compliance with applicable regulatory and governance standards. For further details, see "***Board of Directors and Senior Management***" on page 137.

Our Company provides opportunities for the professional growth and career development of our employees by providing training to enhance and improve their skills. As on June 30, 2025, our Company's total employee strength was 7,765. Our Company ensures employee benefits that align with the ongoing market trends. We have developed an Employee Stock Ownership Plan (ESOP) to ensure employee retention through an on-boarding, training and development system.

**Our Strategies**

***Retail expansion in high-potential markets***

Our Company proposes to expand its retail presence by establishing new stores in selected locations, identified through internal assessments based on parameters such as population, consumer behavior, regional consumption patterns and availability of commercially viable retail space. This expansion will primarily target Tier II and Tier III cities, where organized retail formats have comparatively lower penetration. We plan to continue using a cluster-based expansion model, which we have followed historically, to benefit from operational synergies and cost efficiencies.

The Indian value retail market is steadily shifting from unorganised to organised formats. In FY 2020, organised retail segment made up just 11% of the market. This share increased to 16% by FY 2025 and is projected to reach 22% by FY 2030. Unorganised retail continues to hold the majority share but is gradually declining as the growth rate of the organised segment outpaces the unorganised segment. Organised value retail is projected to grow at a CAGR of 16% between FY 2025 and FY 2030, indicating growing formalisation and adoption of structured retail models. This growth is driven by continuous expansion by incumbents as well as entry of new players in the sector. In FY 2025, Tier 3 cities held the largest share of India's value retail market at 47%, reflecting their strong value-driven consumption behaviour. These cities are typically more price-sensitive due to lower disposable incomes and limited access to premium retail formats. Consumers in these regions prioritise affordability and functionality, making value retail the preferred choice. Tier 2 and Tier 1 cities contribute 23% and 18% respectively, while metro cities account for 12%. The consumption trend highlights the growing significance of smaller towns in driving India's value retail growth. *(Source: Industry Report)*

As part of this strategy, we intend to further accelerate our new stores openings subject to prevailing market conditions, regulatory approvals and internal feasibility assessments. We currently have a footprint in several states in northern and eastern India, and we believe there is potential to expand further in these regions. As of March 31, 2023, we operated 102 stores across 17 states in India, which increased to 259 stores across 23 states as of September 30, 2025. The store location selection process is a key component of our expansion strategy. We undertake structured market research and feasibility analysis to evaluate potential sites. This evaluation considers factors such as expected customer footfall, competition in the surrounding area, rental economics and ease of accessibility. We also seek to customize store size and format based on the specific characteristics of each location. Our store roll-out plans are supported by centralized procurement, warehousing and distribution networks and the use of technology in inventory management and store operations to support scalability and efficiency.

***Focus on increasing operational efficiency through store-level profitability***

Our business model emphasizes cost control, standardized processes and inventory optimization to enhance operational efficiency across our retail network. As we have scaled our operations, we have sought to benefit from operating leverage through shared resources across stores, centralized procurement and supply chain integration. This has contributed to improved store-level profitability and margin performance over time. We continue to monitor key operating metrics such as sales per square foot, inventory turnover and employee productivity to support store operations.

In the process of opening new stores, we take various factors into account, including population density, customer traffic, customer accessibility, potential growth of local population, development potential and future development trends, estimated spending power of the population and local economy, profitability and payback period, estimated

on the basis of the expected sales potential, strategic benefits, proximity and performance of competitors in the surrounding area and site characteristics and suitability with the specifications of our building plans.

***Supply chain and data analytics optimization through technology***

Our Company's business model is based on maintaining consistent operational efficiency. Supply chain management plays a key role in cost control and balancing inventory levels with demand across stores. Our Company continues to focus on improving operational efficiency by strengthening supply chain management, increasing the proportion of bulk procurement and promoting local sourcing. Between March 31, 2024 and September 30, 2025, 145 new stores were added and 3 stores were closed as part of network optimization. A centralized procurement model supported by vendor partnerships and a distribution center is used to manage product availability and replenishment timelines across our stores. This intends to improve delivery timelines. These initiatives have enabled better working capital management by reducing inventory and creditor days. Our Company maintains a product mix of in-house and third-party sourced goods. This mix supports inventory control, replenishment planning and overall supply chain efficiency. To further improve operating efficiency, our Company plans to invest in IT systems to enhance productivity and reduce turnaround time, expand and upgrade warehouse facilities to improve inventory management, adopt relevant industry practices across supply chain operations. These initiatives are intended to improve product availability across stores and align supply with customer demand.

***Customer centric approach to deepen brand loyalty and enhance experience***

Our Company follows a customer-centric strategy that serves as the foundation for brand loyalty and delivering a end-to-end shopping experience. This approach is driven by a understanding of our customers' evolving needs and behaviours, enabling us to build personalized connections across all touchpoints. Retailers are adopting structured merchandising practices to enhance product presentation and store aesthetics, incorporating elements such as size sets, colour blocking, and detailed categorization. There is a growing emphasis on expanding private label portfolios to improve margins and build customer loyalty. Upgrading store infrastructure remains a priority to elevate the shopping experience. In the non-food and grocery value segment, maintaining a broad assortment tailored to local preferences is critical, as variety increasingly influences purchase decisions. *(Source: Industry Report)*

Through data analytics and customer insights, we monitor and adapt to shifting preferences and trends. This allows us to deliver targeted marketing campaigns, recommend curated product assortments tailored to individual needs, and offer loyalty-driven promotions that resonate with our customer base.

We are also reimagining the in-store experience to align with our customer-first philosophy. This includes upgrading store layouts for easier navigation, implementing visual merchandising strategies that enhance product visibility and appeal, and ensuring our staff is trained to provide personalized service that exceeds expectations.

Furthermore, we place a emphasis on capturing and acting upon customer feedback across all channels. Insights gathered from surveys, reviews, and direct interactions are analyzed and integrated into our decision-making processes, allowing us to refine our product offerings, enhance service delivery, and raise the standard of our customer experience.

***Product and brand led differentiation***

Our business model is centred around product and brand-led differentiation, with a focus on developing and expanding our portfolio of private label offerings. A significant portion of our revenue is derived from private label products, with our own designed merchandise contributing to over 35.00% of our revenue from operations. We aim to further increase this contribution by Fiscal 2027, thereby strengthening our positioning as a value fashion retailer with a distinctive and differentiated product range. The emphasis on in-house design enables us to offer fashion at affordable price points, improve gross margins and reduce reliance on heavy discounting. It also fosters customer loyalty by providing consumers with new offerings. To maintain product relevance and freshness, we have strategically reduced old inventory (aged beyond one year), ensuring that our product offerings align with current fashion trends and consumer preferences.

Our capital expenditure per store is approximately ₹220 lakhs, which includes the initial store inventory. We maintain a lean working capital cycle**,** with an average inventory holding period of 90 days and trade payables averaging 45 days. This approach to capital and inventory management supports efficient cash flow utilization

and sustainable store-level profitability. Going forward, our revenue growth is expected to be driven by both new store additions and same-store sales growth, supported by operational efficiencies and an improvement in EBITDA margins. We are expanding through a cluster-based approach across key high-potential regions such as Uttar Pradesh, Bihar, Odisha, and Jharkhand, while also entering into new markets including Punjab, West Bengal, Rajasthan and Southern India.

India's retail spending is increasingly driven by markets beyond the top cities. Tier 2 and 3 cities are emerging as key growth engines, driven by rising consumerism and demand for organised retail, lifestyle products, and consumer appliances. These regions offer access to a vast, previously underserved consumer base with evolving preferences and aspirational lifestyles. Consumers in these towns are more willing to explore new brands and spend on lifestyle enhancement. Tier 2+ cities are experiencing a rise in aspirational, brand-aware consumers influenced by mass media and growing fashion consciousness. Increased purchasing power now allows these consumers to actively pursue current fashion trends. Value retailers are well-positioned to meet this demand by offering quality, variety, and trend-aligned products at competitive prices emerging as preferred alternatives to local boutiques. Purchase decisions are increasingly driven by quality, variety, and durability, rather than price alone. *(Source: Industry Report)*

Our expansion strategy is not solely focused on increasing the number of stores but is guided by parameters of profitability, scalability and brand dominance. Through this approach, we aim to strengthen our market presence, enhance operational leverage, and establish the V2 Retail brand across India's emerging consumption markets.

**Summary of our business**

***Our business***

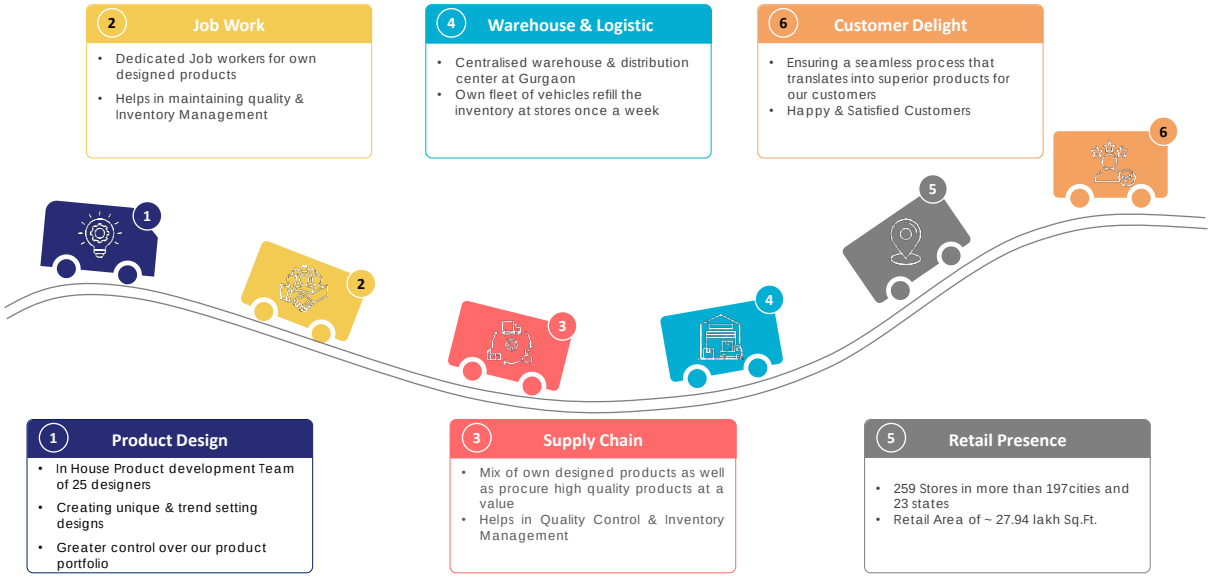
We are one of India's fastest-growing value fashion retail chains according to the Industry Report and we primarily operate in Tier-II and Tier-III towns and cities, focused on the northern and eastern parts of India. We sell quality and affordable apparels to men, women and kids as well as lifestyle products, through a chain of 'value retail' stores. As on September 30, 2025, our Company had a total of 259 stores spread across 197 cities in 23 states, catering to the needs and requirements of the value and fashion-conscious consumers residing in these towns and cities.

We opened our first store under the V2 Retail brand in Jamshedpur in Fiscal 2012. We had opened 74 stores in Fiscal 2025, which had increased our store count to 259 stores across 23 states as on September 30, 2025 as compared to 189 stores across 20 states as on March 31, 2025. Set forth hereunder is a table highlighting the states where our stores are present, and the number of stores operating in each of the states, as on the Fiscals ended 2023, 2024 and 2025 and 6-month period ended September 2025:

| Particulars | As on September 30, 2025 | As on March 31, 2025 | As on March 31, 2024 | As on March 31, 2023 |
|---|---|---|---|---|
| Number of Stores | 259 | 189 | 117 | 102 |
| Number of States | 23 | 20 | 17 | 17 |

We believe that the selection of suitable locations for opening of our stores has been critical to our expansion plans. We aim to be an early mover in our target markets to take advantage of the opportunities offered by these under-served regions and actively search for suitable locations. We follow a cluster-based expansion model and target densely populated neighbourhoods and residential areas with a majority of lower-middle, middle and aspiring upper-middle class consumers. Our stores are supported by an appropriate combination of supplies from our warehouse or through direct procurement from our suppliers to reduce out-of-stock products and transportation costs and increase the selection of merchandise available to our customers. We source most of our merchandise directly from manufacturers and suppliers in order to obtain the most competitive prices.

***Business process***




***Store selection process***

Our store selection process is designed to ensure that new locations align with our business objectives and long-term growth strategy. The process follows a structured progression, beginning with data collection and culminating in final site approval after multiple layers of analysis.

The process commences with target site data collection to identify locations for development or expansion. Data is gathered on various parameters, including geographic coordinates, access routes, nearby infrastructure and amenities. We also focus on competitor proximity, as locating stores near established competitors allows us to leverage existing customer footfall and market demand. This forms the foundation for evaluating and shortlisting potential locations.

Once initial data is compiled, it undergoes data validation to ensure accuracy and completeness. This involves cross-verification with official records and on-ground assessments to confirm competitor presence and key attributes. Additionally, market insights are enhanced through the analysis of competitors' sales, customer profiles, and pricing data. Validated data is then organized geographically by zone, state, and district, allowing for regional comparisons. This stage includes a demographic review covering population density, GDP, literacy rates and levels of urbanization, which together help assess each region's business potential. Such geographic categorization aids in regional focus, resource allocation and budgeting and manpower planning.

In the next stage, area and population metrics are analyzed to estimate market size and future growth potential. A larger and expanding population base indicates a stronger customer pool and revenue opportunity. Trends in population growth also guide the long-term viability of proposed locations and support informed expansion planning.

Each shortlisted site is then evaluated based on market rate and site type. Rental and property cost analyses are conducted to determine financial feasibility, while sites are classified as retail, commercial or mixed-use, depending on business requirements. Comparative assessments of competitors' rents and sales data further strengthen our benchmarking and support cost-benefit and return-on-investment (ROI) analyses to ensure economic viability.

We also assess frontage and floor availability, which are key determinants of store visibility, accessibility and operational efficiency. Typically, a minimum frontage of 40 feet is required to ensure visibility and attract footfall. Identified sits should provide at least 3,000 sq. ft. per floor, with a maximum structure of ground plus two floors. We also identify adequate parking space of around 2,500 sq. ft. and internal staircases to ensure customer convenience and regulatory compliance.

Following the preliminary assessment, field verification and site visits are conducted to physically inspect and validate the shortlisted properties. During these visits, our Company verifies structural integrity, accessibility, visibility and availability of utilities, while identifying any discrepancies between the documented data and actual

site conditions. The surrounding environment, traffic flow, and potential customer movement are also analyzed to evaluate the location's commercial attractiveness.

The final selection of store locations is made after a comprehensive review of all evaluation metrics, including strategic fit, market potential, financial feasibility, and physical site characteristics. Decisions are finalized post-field verification, ensuring that each selected site supports sustainable growth, operational efficiency and competitive advantage. This approach ensures that our expansion is both strategic and financially sound, reinforcing our market presence and brand accessibility across target geographies.

***Our suppliers***

As of June 30, 2025, we had a diversified supplier network. We primarily source products locally within India and aim to procure them from regions where such products are abundantly available or commonly manufactured, with the objective of optimising procurement costs. Our procurement process follows a standardised system designed to ensure the sourcing of quality products through the most efficient channels available to us. The procurement team undertakes continuous research and assessment to identify and engage with the best possible sources of supply. As of June 30, 2025, our procurement team consisted of 100 employees.

***Marketing***

We aim to make fashion accessible to Indian households while maintaining a brand appeal at value-driven price points. Every marketing investment is evaluated for measurable impact in terms of awareness generation, store traffic and customer loyalty. As on September 30, 2025 we have 259 stores across 197 cities, and our marketing initiatives are designed to reach pan-India with data-driven digital outreach.

Our marketing investment framework is structured around two categories: (i) Communication and promotion and (ii) Customer gifting and engagement, branded as the "*Billbusters*" program. The *Billbusters* program represents loyalty initiatives, rewarding customers who shop above a defined purchase threshold with gift items offered below cost. This initiative intends to enhance store footfalls, increasing average basket size and fostering customer satisfaction and retention. Our marketing communication employs a multi-channel approach that combines mass media visibility, hyperlocal engagement, digital marketing and public relations.

In the mass media category, we leverage print advertisements and newspaper inserts in regional and vernacular publications to promote festivals, offers and new collections. Radio and jingle campaigns are deployed across regional FM networks to build brand recall in high-density catchment areas, while hoardings and flex banners provide visibility in Tier-II and Tier-III city centres as well as key store frontages.

At the hyperlocal level, our brand engages with customers through on-ground activations such as roadshows, arch gates, DJs, dhols, and balloon decorations during store launches and festive events. Mobile branding units such as e-rickshaws and LED vans further extend our visibility across neighbourhoods, complemented by lights and posters that enhance night-time visibility and strengthen market presence.

Our digital and CRM marketing initiatives are central to driving personalized engagement and repeat purchases. We utilize WhatsApp, SMS, and RCS-based communication to reach registered customers with tailored offers and promotions. Digital coupons and campaign-based incentives encourage store visits and redemption activity.

Under public relations and brand relations, our Company maintains coverage in leading business and fashion media through strategic PR outreach and digital publication features. We also conduct marketing gifting and goodwill programs that distribute branded giveaways to reinforce positive brand associations and strengthen long-term relationships with customers and communities.

***Intellectual property***

As on date of this Placement Document, we have registered "7" trademarks (including our logo appearing on the cover page of this Placement Document) under various classes including 25 and 35. We have also applied for the registration of "7" additional trademarks under various classes included 7, 21, 25 and 35.

***Health, safety and environment***

We strive to maintain compliance with applicable health, safety and environmental regulations across our operations. To this end, we have adopted an integrated environment, energy, and occupational health and safety policy designed to meet legislative requirements, licensing conditions and certification standards, while safeguarding our employees and all personnel working under our supervision.

***Human resources***

As of June 30, 2025, we have 7,765 employees. A significant portion of our workforce is engaged in retail front-end operations, while the back-end teams manage functions such as procurement, supply chain, marketing, finance and accounts, warehousing, and information technology, among others. None of our employees are members of a union, and we have not experienced any material labour disputes to date. Our human resource policies focus on attracting and retaining qualified talent, ensuring employee integration within our Company and fostering skill development to enhance performance and support our Company's growth.

***Insurance***

Our operations are subject to hazards inherent in storing and transporting our products such as work accidents, fire, earthquakes, flood and other force majeure events and severe damage to and the destruction of property and inventory. Our principal types of insurance coverage include burglary insurance policy, standard fire and special perils insurance policy, employees policy and fidelity policy.

***Corporate Social Responsibility***

As a part of our corporate social responsibility ("CSR"), we have already setup a CSR Committee comprising of our Directors, Archana Surendra Yadav, Ram Chandra Agarwal, Arun Kumar Roopanwal, Akash Agarwal, as its members. In our efforts towards corporate social responsibility, we focus on activities relating to environmental sustainability by adopting ecological practices and encouraging conservation/judicious use of water and other natural re-sources, promoting healthcare, sanitation and making safe drinking water available, employment enhancement through training and vocational skill development, promoting education and sports, ensuring sustainable environment, and activities falling within the preview of schedule VII of Companies Act,

***Competition***

According to the Industry Report, the Indian value apparel market includes both established and new players like Yousta, Style Up, and Citykart, with varying store sizes and regional presence. While brands like Vishal Mega Mart, V2 Retail and V-Mart have a wide reach, newer entrants are gradually scaling up. Key Indian players in this industry include Vishal Mega Mart, V-Mart, Style Bazaar, Bazaar Kolkata, M Bazaar, Citykart, Zudio, Westside, Style Up, Yousta and Pantaloons. *(Source: Industry Report)*

***Property***

Our Registered Office is located in Khasra No. 928, Extended Lal Dora Abadi, Village Kapashera, Tehsil -Vasant Vihar, New Delhi 110 037 and Corporate office is located at Incuspaze, 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol, Haryana 122015. Additionally, we conduct our business from our 259 stores in respect of which we have entered into lease agreements with the owners, as on September 30, 2025

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

### Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, the SEBI Listing Regulations and our Articles of Association.

In accordance with our Articles of Association, read with applicable provisions of the Companies Act, our Company is authorised to have not less than three Directors and not more than 15 Directors. As on the date of this Placement Document, our Board consists of six Directors, including one Executive Chairman and Managing Director, two Executive Whole-Time Directors and three Independent Directors (including one women Independent Director).

Our Board composition is in compliance with the Companies Act and the SEBI Listing Regulations.

The following table sets forth details regarding our Board, as of the date of this Placement Document:

| Name, Address, Occupation, Term, Period of Directorship, Nationality and DIN | Age (years) | Designation |
|---|---|---|
| **Ram Chandra Agarwal**<br><br>**Address:** CB 628A, The Camellias, DLF Phase 5, Sector 42, Gurugram, Haryana, 122002<br><br>**Occupation:** Business<br><br>**Period of directorship:** Since July 23, 2001<br><br>**Current term:** For a period of five (5) years with effect from November 21, 2021<br><br>**Nationality:** Indian<br><br>**DIN**: 00491885 | 60 | Chairman and Managing Director |
| **Uma Agarwal**<br><br>**Address**: CB 628A, The Camellias, DLF Phase 5, Sector 42, Gurugram, Haryana, 122002<br><br>**Occupation**: Business<br><br>**Period of directorship:** Since July 23, 2001<br><br>**Current term:** For a period of five (5) years effective July 22, 2025<br><br>**Nationality:** Indian<br><br>**DIN:** 00495945 | 49 | Whole-Time Director |
| **Akash Agarwal**<br><br>**Address:** CB 628A, The Camellias, DLF Phase 5, Sector 42, Gurugram, Haryana, 122002<br><br>**Occupation:** Service<br><br>**Period of directorship:** Since September 29, 2017 | 33 | CEO and Whole-Time Director |

| Name, Address, Occupation, Term, Period of Directorship, Nationality and DIN | Age (years) | Designation |
|---|---|---|
| **Current term**: From August 12, 2023, liable to retire by rotation<br><br>**Nationality:** Indian<br><br>**DIN:** 03194632 | | |
| **Archana Surendra Yadav**<br><br>**Address:** A/42, Dahisar Pavitra Co-Operative Housing Society, Dahisar East, Mumbai – 400068, Maharashtra, India<br><br>**Occupation:** Chartered Accountant<br><br>**Period of directorship:** Since January 27, 2020<br><br>**Current term:** For a term of five (5) years w.e.f. January 26, 2025<br><br>**Nationality:** Indian<br><br>**DIN:** 07335198 | 48 | Non- Executive Independent Director |
| **Arun Kumar Roopanwal**<br><br>**Address**: 14/406 Vasundhara, Ghaziabad – 201012, Uttar Pradesh, India<br><br>**Occupation**: Self Employed<br><br>**Period of directorship:** Since January 27, 2020<br><br>**Current term:** For a term of five (5) years w.e.f. January 26, 2025<br><br>**Nationality:** Indian<br><br>**DIN:** 00406817 | 76 | Non-Executive Independent Director |
| **M S Anand**<br><br>**Address:** 101, Navratna pts, St. Anthony Road, Kadamwadi, Vakola, Santacruz East, Mumbai – 400055, Maharashtra, India<br><br>**Occupation:** Professional<br><br>**Period of directorship:** Since February 10, 2023<br><br>**Current term:** For a term of five (5) years w.e.f. February 10, 2023<br><br>**Nationality:** Indian<br><br>**DIN:** 09361339 | 61 | Non- Executive Independent Director |

**Brief profiles of our Directors**

**Ram Chandra Agarwal** is the Chairman and Managing Director of the Company. He holds a bachelor's degree in commerce from University of Calcutta and has experience of more than 24 years in retail sector. He has been a member of the Board since inception of the Company.

**Uma Agarwal** is the Whole-Time Director of the Company and has experience of over 24 years in the retail industry. She has been a member of the Board of Directors since the inception and oversees the marketing strategies of the Company.

**Akash Agarwal** is the CEO and Whole-Time Director of the Company. He holds a bachelor's degree in business administration (BBA) from Lancaster University (UK) and possesses around 9 years of experience in the retail industry.

**Archana Surendra Yadav** is an Independent Director of the Company. She holds a bachelor's degree in commerce from University of Mumbai and is a chartered accountant.

**Arun Kumar Roopanwal** is an Independent Director of the Company. He holds a masters degree in fibre science technology and Ph.D from IIT Delhi.

**M S Anand** is an Independent Director of the Company. He holds a bachelor's degree in commerce from Bangalore University and has completed a Post-Graduate Program in Business Management from IIM, Kozhikode.

**Relationship with other Directors**

Except as disclosed below, none of our Directors are related to each other:

| Name of the Director | Related to | Nature of Relationship |
|---|---|---|
| Ram Chandra Agarwal | Uma Agarwal | Spouse |
| Ram Chandra Agarwal | Akash Agarwal | Father |
| Uma Agarwal | Ram Chandra Agarwal | Spouse |
| Uma Agarwal | Akash Agarwal | Mother |
| Akash Agarwal | Ram Chandra Agarwal | Son |
| Akash Agarwal | Uma Agarwal | Son |

**Shareholding of Directors in our Company**

As per the Articles of Association, our Directors are not required to hold any qualification shares.

The following table sets forth details of shareholding of our Directors in our Company as of the date of this Placement Document:

| Name of the Director | No. of Equity Shares | Percentage (%) |
|---|---:|---:|
| Ram Chandra Agarwal | 18,83,962 | 5.45 |
| Uma Agarwal | 1,44,000 | 0.42 |
| Akash Agarwal | 16,38,779 | 4.74 |
| **Total** | 36,66,741 | 10.61 |

**Borrowing powers of the Board**

Pursuant to the Board resolution dated August 31, 2016 and Shareholders resolution dated September 30, 2016 passed at the Annual General Meeting and Section 180 (1)(c) of the Companies Act and other applicable provisions (including statutory modifications thereof), the Board of Directors of the Company be and is hereby authorised to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount to be borrowed, together with the amount already borrowed, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of `₹50,000 lakhs (Rupees Fifty Thousand Lakh only) over and above the aggregate of the paid

up share capital and free reserves of the Company.

**Interests of our Directors**

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as an Executive Director of our Company and reimbursement of expenses, if any, payable to them, as well as the sitting fees and commission, if any, payable to them for attending meetings of our Board and/or committees thereof as approved by our Board and Shareholders. For details of remuneration paid to our Directors, see "***- Terms of appointment and remuneration of Executive Directors***" and "***Remuneration of the Directors***" on page 140.

Our Executive Non-Independent Directors, if applicable may also be regarded as interested to the extent of Equity Shares or employee stock options under V2R ESOP 2016 held by them in our Company. Our Directors may also be interested to the extent of equity shares, if any, held by them or held by the entities in which they are associated as promoter, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as Promoter, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which our Directors are interested. Further, except as disclosed in the section "*Related Party Transactions*" on page 81, our Directors do not have any other interest in the business or promotion of our Company as of the date of this Placement Document.

Except as stated in "***Terms of appointment and remuneration of Executive Directors***", "***Remuneration of Non-executive and Independent Directors***" and "***Related Party Transactions***" on pages 140, 141 and 141, respectively, our Company has not entered into any contract, agreement or arrangement during the preceding three years from the date of this Placement Document in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. Further, as on the date of this Placement Document, our Directors have not taken any loans from our Company.

Except as stated in "***Related Party Transactions***" beginning on page 81, our Directors have no interest in any property acquired or proposed to be acquired of or by our Company as on the date of this Placement Document or in any transaction by our Company for acquisition of land, construction of buildings and supply of machinery.

**Terms of appointment and remuneration of Executive Directors**

| Name of the Director | Terms of appointment |
|---|---|
| Ram Chandra Agarwal | 1. Fixed Remuneration – ₹5,00,000 per month<br>2. Perquisites- Benefits, schemes, privileges and amenities as per the Company's policy. |
| Uma Agarwal | 1. Remuneration – Not exceeding an overall ceiling of ₹5,00,000 per month.<br>2. Perquisites- As decided subject to the overall ceiling |
| Akash Agarwal | 1. Fixed Remuneration – ₹5,00,000 per month<br>2. Perquisites- Benefits, schemes, privileges and amenities as per the Company's policy. |

**Remuneration of the Directors**

**A. Executive Directors**

The following table set forth the details of remuneration paid by our Company to the Executive Directors of our Company during the current Fiscal from April 1, 2025, till June 30, 2025, and for the Fiscals 2025, 2024 and 2023:

(*₹ in lakhs, unless otherwise stated)*

| Name of the Director | Remuneration for the current Fiscal (from April 1, 2025 June 30, 2025) | Remuneration for the Fiscal 2025 | Remuneration for the Fiscal 2024 | Remuneration for the Fiscal 2023 |
|---|---|---|---|---|
| Ram Chandra Agarwal | NIL | NIL | 60.00 | 60.00 |
| Uma Agarwal | NIL | NIL | 60.00 | 60.00 |
| Akash Agarwal | 15.00 | 60.00 | 38.23 | 65.77 |

**B. Non-Executive Directors**

Our Non-Executive Directors are entitled to receive sitting fees for attending the Board. Pursuant to the board resolution dated June 25, 2020 passed by our Board of Directors, our Non-Executive Directors are entitled to sitting fees of ₹ 75,000 for attending each meeting of our Board.

The following table set forth the details of sitting fees paid by our Company to the Non-Executive and Independent Directors of our Company during the current Fiscal from April 1, 2025, till June 30, 2025, and for the Fiscals 2025, 2024 and 2023:

(*₹ in lakhs, unless otherwise stated)*

| Name of the Director | Current Fiscal (from April 1, 2025 till June 30, 2025) | Sitting fees for the Fiscal 2025 | Sitting fees for the Fiscal 2024 | Sitting fees for the Fiscal 2023 |
|---|---|---|---|---|
| Archana Surendra Yadav | 0.75 | 3.00 | 3.00 | 3.75 |
| Arun Kumar Roopanwal | 0.75 | 3.00 | 3.00 | 3.75 |
| M S Anand | 0.75 | 3.00 | 3.00 | 0.75 |

*Note: Our Company paid sitting fees of 3.00 lakhs each in Fiscal 2023 to Harbir Singh Sidhu and Lalit Kumar who were the Independent Directors on our Board till November 14, 2022 and December 26, 2022 respectively*

**Corporate Governance**

As on date of this Placement Document, our Board consists of six (6) Directors comprises of one Executive Chairman and Managing Director, two Executive Whole-Time Directors and three Non-Executive Independent Directors )including one woman independent director) .Our Company is in compliance with the corporate governance requirements including in relation to the constitution of the Board and committees thereof, as prescribed under the Companies Act and SEBI Listing Regulations.

**Committees of the Board of Directors**

Our Company has constituted the following five (5) statutory committees in terms of the SEBI Listing Regulations and the Companies Act, each of which functions in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations.

Our Board has constituted various committees, which function in accordance with the relevant provisions of the Companies Act, and the SEBI Listing Regulations. These are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Corporate Social Responsibility Committee; (iv) Stakeholders' Relationship Committee (v) Risk Management Committee

The following table sets forth the members of the aforesaid committees as of the date of this Placement Document:

| Name of the Committee | Name | Designation |
|---|---|---|
| Audit Committee | Archana Surendra Yadav | Chairperson |
| | Ram Chandra Agarwal | Member |
| | Arun Kumar Roopanwal | Member |
| | M S Anand | Member |
| Nomination and Remuneration Committee | Arun Kumar Roopanwal | Chairperson |
| | Archana Surendra Yadav | Member |
| | M S Anand | Member |
| Corporate Social Responsibility | Archana Surendra Yadav | Chairperson |

| Name of the Committee | Name | Designation |
|---|---|---|
| Committee | Ram Chandra Agarwal | Member |
| | Arun Kumar Roopanwal | Member |
| | Akash Agarwal | Member |
| Stakeholder Relationship Committee | Arun Kumar Roopanwal | Chairman |
| | Archana Surendra Yadav | Member |
| | Ram Chandra Agarwal | Member |
| | Uma Agarwal | Member |
| Risk Management Committee | Arun Kumar Roopanwal | Chairperson |
| | Akash Agarwal | Member |
| | M S Anand | Member |

**Key Managerial Personnel**

In addition to our Chairman and Managing Director, Ram Chandra Agarwal and CEO and Whole-Time Director, Akash Agarwal and Whole-Time Director Uma Agarwal, the details of Key Managerial Personnel of our Company are as follows:

**Pratik Adukia** is the Chief Financial Officer of the Company. He has been associated with the organization since May 9, 2011, and is responsible for management operations and finance of the Company. He holds a bachelor's degree in commerce and has years of experience in the retail finance sector.

**Shivam Aggarwal** is the Company Secretary and Compliance Officer of the Company. He has been associated with the Company since May 30, 2024. He holds professional qualifications as a Company Secretary (CS) and a Bachelor of Laws (LLB). He has an experience of over 6 years and have previously worked with Jindal Saw Limited and Ebixcash World Money Limited.

**Senior Management**

In addition to Pratik Adukia, our Chief Financial Officer and Shivam Aggarwal, our Company Secretary and Compliance Officer, whose details are set out in ***"Key Managerial Personnel of our Company***" on page 142, the details of other members of Senior Management are given below:

| Name | Designation |
|---|---|
| Sunil Kumar | CEO Committee |
| Abhishek Khemka | Head – Sourcing and Production |
| Amarnath Yadav | Head – Finance & Accounts, Taxation |
| Shakti Prasad Mohanty | Head – Business development & Project |
| Pappu Kumar | Head – Retail Operations |

**Shareholding of Key Managerial Personnel and the members of our Senior Management**

Except as disclosed below, none of our Key Managerial Personnel and members of our Senior Management hold any Equity Shares in our Company, as on the date of this Placement Document.

| Name of the Key Managerial Personnel / members of our Senior Management | Number of Equity Shares | Percentage (%) shareholding |
|---|---|---|
| Pratik Adukia | 41,557 | 0.12 |

**Relationship between Key Managerial Personnel and members of Senior Management**

Except as disclosed above in "Relationship between Directors", none of our Key Managerial Personnel and members of our Senior Management are related either to each other or to the Directors.

**Interest of Key Managerial Personnel and members of Senior Management**

None of our Key Managerial Personnel or Senior Management have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and

reimbursement of expenses incurred by them in the ordinary course of business and to the extent of the Equity Shares held by them directly or indirectly in our Company or stock options granted to them under the V2R ESOP 2016 if any, and any dividend payable to them and other distributions in respect of such Equity Shares. For details of interests of Directors, see "– *Interest of the Directors*" on page 140.

Except as provided in "*Financial Information*" on page 227, and except as disclosed in this Placement Document, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Placement Document in which any of the Key Managerial Personnel or Senior Management other than the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

**Policy on disclosures and internal procedure for prevention of insider trading**

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons.

Our Company is in compliance with the same and has implemented an insider trading code of conduct to regulate, monitor and report trading by Insiders ("***Insider Trading Code***") in accordance with the SEBI Insider Trading Regulations, in terms of which the Company Secretary acts as the Compliance Officer of our Company under the aforesaid code of conduct for the Insider Trading Code.

The Insider Trading Code is uploaded on the website of the Company at the link: https://v2retail.com/investors/insider-trading-code-of-conduct/

**Other confirmations**

Except to the extent of their shareholding in the Company and as disclosed above in *"– Interest of our Directors*" and *"– Interest of Key Managerial Personnel"* none of our Promoter or Directors or Key Managerial Personnel have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company, nor our Promoter nor our Directors have been identified as Wilful Defaulters or Fraudulent Borrower, as defined under the SEBI ICDR Regulations.

None of our Promoter or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither our Company, nor our Directors, or our Promoter or members of our Promoter Group or the companies with which our Promoter are or have been associated as a promoter or a person in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental authority.

No change in control in our Company will occur consequent to the Issue.

Except for Mr. Ram Chandra Agarwal and Ms. Uma Agarwal, no loans have been availed or extended by our Directors, from, or to, our Company or the Subsidiary.

None of our Directors is or was a director of any listed company which has been or was compulsorily delisted from any Stock Exchange during the term of their directorship in such company.

Our Promoter have interests in other companies that may undertake the same business as our Company in which our Promoter have an interest, are authorized to carry out, or engage in business similar to that of our Company.

**Related Party Transactions**

For details in relation to the related party transactions entered into by our Company including details with regard to loans made or guarantees given or securities provided during the last three Financial Years, immediately preceding the year of circulation of this Placement Document, see "*Related Party Transactions*" and "*Financial Information*" on pages 81 and 227, respectively

## SHAREHOLDING PATTERN OF OUR COMPANY

**The shareholding pattern of our Company as on September 30, 2025, is set forth below:**

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. of outstanding ESOP granted | Total no. of shares on fully diluted basis (including warrants, ESOPs, Convertible securities etc) | Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) as a % of (A+B+C2) | No. of equity shares held in dematerialized form | Sub- categorization of shares | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| **(A) Promoter & Promoter Group** | 8 | 1,87,54,890 | 1,87,54,890 | 54.22 | 1,87,54,890 | 54.22 | - | 1,87,54,890.00 | 54.22 | 1,87,54,890 | - | - | - |
| **(B) Public** | 39930 | 1,58,34,451 | 1,58,34,451 | 45.78 | 1,58,34,451 | 45.78 | - | 1,58,34,451.00 | 45.78 | 1,57,64,366 | - | - | - |
| **(C) Non Promoter-Non Public** | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **(C1) Shares underlying DRs** | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **(C2) Shares held by Employee Trust** | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Grand Total** | 39,938 | 3,45,89,341 | 3,45,89,451 | 100.00 | 3,45,89,341 | 100.00 | - | 3,45,89,341.00 | 100.00 | 3,45,19,256 | - | - | - |

***Statement showing shareholding pattern of the Promoter and Promoter Group***

| **Category of shareholder** | **Entity Type** | **No. of shareholders** | **No. of fully paid up equity shares held** | **Total nos. shares held** | **Shareholding as a % of total no. of shares (calculated as per SCRR. 1957) As a % of (A+B+C2)** | **Number of Voting Rights held in each class of securities** | | **No. of outstanding ESOP granted** | **Total no. of shares on fully diluted basis (including warrants, ESOPs, Convertible securities etc)** | **Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) as a % of (A+B+C2)** | **Number of equity shares held in dematerialized form** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | **Class eg: X** | **Total %** | | | | |
| **1) Indian** | - | | | | - | | - | | | - | |
| **a) Individuals/Hindu undivided Family** | - | 5 | 38,26,422 | 38,26,422 | 11.06 | 38,26,422 | 11.06 | - | 38,26,422.00 | 11.06 | 38,26,422 |
| Ram Chandra Agarwal | Promoter | 1 | 18,83,962 | 18,83,962 | 5.45 | 18,83,962 | 5.45 | - | 18,83,962.00 | 5.45 | 18,83,962 |
| Akash Agarwal | Promoter Group | 1 | 16,38,779 | 16,38,779 | 4.74 | 16,38,779 | 4.74 | - | 16,38,779.00 | 4.74 | 16,38,779 |
| Ramchandra Agarwal (HUF) | Promoter Group | 1 | 1,55,000 | 1,55,000 | 0.45 | 1,55,000 | 0.45 | - | 1,55,000.00 | 0.45 | 1,55,000 |
| Uma Agarwal | Promoter | 1 | 1,44,000 | 1,44,000 | 0.42 | 1,44,000 | 0.42 | - | 1,44,000.00 | 0.42 | 1,44,000 |
| Shreya Agarwal | Promoter Group | 1 | 4,681 | 4,681 | 0.01 | 4,681 | 0.01 | - | 4,681.00 | 0.01 | 4,681 |
| **b) Central Government/State Government (s)** | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **c) Financial Institutions/Banks** | - | - | - | - | - | - | - | - | - | - | - |
| **d) Any Other (specify)** | - | 3 | 1,49,28,468 | 1,49,28,468 | 43.16 | 1,49,28,468 | 43.16 | - | 1,49,28,468.00 | 43.16 | 1,49,28,468 |
| Bodies Corporate | - | 3 | 1,49,28,468 | 1,49,28,468 | 43.16 | 1,49,28,468 | 43.16 | - | 1,49,28,468.00 | 43.16 | 1,49,28,468 |
| Ricon Commodities Private Limited | Promoter Group | 1 | 1,28,62,710 | 1,28,62,710 | 37.19 | 1,28,62,710 | 37.19 | - | 1,28,62,710.00 | 37.19 | 1,28,62,710 |
| Vishal Waterworld Pvt Ltd | Promoter Group | 1 | 14,33,176 | 14,33,176 | 4.14 | 14,33,176 | 4.14 | - | 14,33,176.00 | 4.14 | 14,33,176 |
| V2 Conglomerate Limited | Promoter Group | 1 | 6,32,582 | 6,32,582 | 1.83 | 6,32,582 | 1.83 | - | 6,32,582.00 | 1.83 | 6,32,582 |
| **Sub Total (A)(1)** | - | 8 | 1,87,54,890 | 1,87,54,890 | 54.22 | 1,87,54,890 | 54.22 | - | 1,87,54,890.00 | 54.22 | 1,87,54,890 |
| **2) Foreign** | - | - | - | - | - | - | - | - | - | - | - |
| a) Individual (Non-Resident Individuals/Foreign Individuals) | - | - | - | - | - | - | - | - | - | - | - |
| b) Government | - | - | - | - | - | - | - | - | - | - | - |
| c) Institutions | - | - | - | - | - | - | - | - | - | - | - |
| d) Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - |
| e) Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - |
| **Sub Total (A)(2)** | - | - | - | - | - | - | - | - | - | - | - |
| **Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)** | - | 8 | 1,87,54,890 | 1,87,54,890 | 54.22 | 1,87,54,890 | 54.22 | - | 1,87,54,890.00 | 54.22 | 1,87,54,890 |

***Statement showing shareholding pattern of the Public shareholder***

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub- categorization of shares 9XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| **Institutions** | | | | | | | | | | | | | |
| **B1) Institutions (Domestic)** | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mutual Funds | 8 | 22,79,592 | 22,79,592 | 6.59 | 22,79,592 | 6.59 | - | 22,79,592.00 | 6.59 | 22,79,592 | - | - | - |
| Motilal Oswal Large and Midcap Fund | 1 | 21,75,691 | 2,17,5,691 | 6.29 | 21,75,691 | 6.29 | - | 21,75,691.99 | 6.29 | 21,75,691 | - | - | - |
| Venture Capital Funds | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Alternate Investment Funds | 7 | 1,82,638 | 1,82,638 | 0.53 | 1,82,638 | 0.53 | - | 1,82,638 | 0.53 | 1,82,638 | - | - | - |
| Banks | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Insurance Companies | - | - | - | - | - | - | - | - | - | - | - | - | - |

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub- categorization of shares 9XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| Provident Funds/Pension Funds | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Asset reconstruction companies | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sovereign Wealth Funds | - | - | - | - | - | - | - | - | - | - | - | - | - |
| NBFCs registered with RBI | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Financial Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Sub Total B1** | 15 | 24,62,230 | 24,62,230 | 7.12 | 24,62,230 | 7.12 | - | 24,62,230.00 | 7.12 | 24,62,230 | - | - | - |
| **B2) Institutions (Foreign)** | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Foreign Direct Investment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sovereign Wealth Funds | - | - | - | - | - | - | - | - | - | - | - | - | - |

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub- categorization of shares 9XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| Foreign Portfolio Investors Category I | 57 | 6,06,680 | 6,06,680 | 1.75 | 6,06,680 | 1.75 | - | 6,06,680.00 | 1.75 | 6,06,680.00 | - | - | - |
| Foreign Portfolio Investors Category II | 11 | 1,21,091 | 1,21,091 | 0.35 | 1,21,091 | 0.35 | - | 1,21,091.00 | 0.35 | 1,21,091 | - | - | - |
| Overseas Depositories (holding DRs) (balancing figure) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Sub Total B2** | 68 | 7,27,771 | 7,27,771 | 2.10 | 7,27,771 | 2.10 | - | 7,27,771.00 | 2.10 | 7,27,771 | - | - | - |
| **B3**) Central Government/ State Government(s) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Central Government/President of India | - | - | - | - | - | - | - | - | - | - | - | - | - |
| State Government/ Governor | - | - | - | - | - | - | - | - | - | - | - | - | - |

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub- categorization of shares 9XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Sub Total (B)(3)** | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **B4)** Non-Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Associate companies / Subsidiaries | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Directors and their relatives (excluding independent directors and nominee directors) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Key Managerial Personnel | 2 | 2,66,128 | 2,66,128 | 0.77 | 2,66,128 | 0.77 | - | 2,66,128.00 | 0.77 | 2,66,128 | - | - | - |

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub- categorization of shares 9XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| Relatives of promoters (other than “Immediate Relatives” of promoters disclosed “Promoter and Promoter Group” category) | 1 | 9,601 | 9,601 | 0.03 | 9,601 | 0.03 | - | 9,601.00 | 0.03 | 9,601 | - | - | - |
| Trusts where any person belonging to “Promoter and Promoter Group” category is “trustee”, “beneficiary” or “author” of the trust” | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investor Education and Protection Fund (IEPF) | - | - | - | - | - | - | - | - | - | - | - | - | - |

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub- categorization of shares 9XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| Resident Individuals holding nominal share capital up to Rs. 2 lakhs | 36,884 | 5,71,0,175 | 5,71,0,175 | 16.51 | 5,71,0,175 | 16.51 | - | 5,71,0,175.00 | 16.51 | 5,702,590 | - | - | - |
| Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs | 60 | 38,91,993 | 38,91,993 | 11.25 | 38,91,993 | 11.25 | - | 38,91,993 | 11.25 | 3,829,493 | - | - | - |
| Abhijit Periwal | 1 | 4,75,030 | 4,75,030 | 1.37 | 4,75,030 | 1.37 | - | 4,75,030.00 | 1.37 | 4,75,030 | - | - | - |
| Sachin Kasera | 1 | 5,50,000 | 5,50,000 | 1.59 | 5,50,000 | 1.59 | - | 5,50,000.00 | 1.59 | 5,50,000 | - | - | - |
| Vishal Vishwanath Todi | 1 | 6,65,000 | 6,65,000 | 1.92 | 6,65,000 | 1.92 | - | 6,65,000.00 | 1.92 | 6,65,000 | - | - | - |
| Non Resident Indians (NRIs) | 1,342 | 33,36,606 | 33,36,606 | 0.97 | 33,36,606 | 0.97 | - | 33,36,606 | 0.97.00 | 33,36,606 | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Foreign Companies | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bodies Corporate | 556 | 16,58,745 | 16,58,745 | 4.80 | 16,58,745 | 4.80 | - | 16,58,745.00 | 4.80 | 16,58,745 | - | - | - |
| Any Other (specify) | 1,002 | 7,71,202 | 7,71,202 | 2.23 | 7,71,202 | 2.23 | - | 7,71,202.00 | 2.23 | 7,71,202 | - | - | - |

| Category of shareholder | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights (Class X) | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub- categorization of shares 9XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | Subcategory_I | SubCategory-II | SubCategory_III |
| Bodies Corporate | 70 | 2,36,497 | 2,36,497 | 0.68 | 71 | 0.00 | - | 2,36,497 | 0.68 | 236479 | - | - | - |
| Clearing Members | 29 | 37,753 | 37,753 | 0.11 | 37,753 | 0.11 | - | 37,753.00 | 0.11 | 37,753 | - | - | - |
| HUF | 902 | 4,96,881 | 4,96,881 | 1.44 | 4,73,815 | 1.44 | - | 4,96,881.00 | 1.44 | 4,96,881 | - | - | - |
| Trusts | 1 | 71 | 71 | - | 71 | - | - | 71.00 | - | 71 | - | - | - |
| **Sub Total B4** | 39,847 | 12,644,450 | 12,644,450 | 36.56 | 12,644,450 | 36.56 | - | 12,644,450.00 | 36.56 | 12,644,450 | - | - | - |
| **B=B1+B2+B3+B4** | 39,930 | 15,834,451 | 1,58,34,451 | 45.78 | 1,58,34,451 | 45.78 | - | 1,58,34,451.00 | 45.78 | 1,57,64,366 | - | - | - |

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

**Note:**
(1) PAN would not be displayed on website of Stock Exchange(s).
(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares
(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

***Statement showing shareholding pattern of the Non Promoter-Non Public shareholder***

| Category & Name of the Shareholders | No. of shareholder | No. of fully paid up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A +B+ C2) | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)As a % of (A+B+C2) | Number of equity shares held in dematerialized form (Not Applicable) |
|---|---|---|---|---|---|---|---|---|
| **C1) Custodian/DR Holder** | - | - | - | - | - | - | - | - |
| **C2) Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021** | - | - | - | - | - | - | - | - |
| **Total Non-Promoter-Non Public Shareholding (C) = (C)(1) + (C)(2)** | - | - | - | - | - | - | - | - |

**Note:**

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available,

**Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the Company.**

| Sl. No. | Name of the Trading Member | Name of the Beneficial Owner | No. of shares held | % of total no. of shares | Date of reporting by the Trading Member |
|---|---|---|---|---|---|
| - | - | - | - | - | - |

**Statement showing foreign ownership limits**

| | Approved Limits % | Limits Utilized % |
|---|---|---|
| **As on shareholding date** | 49.00 | 6.36 |
| As on the end of previous 1st quarter | 49.00 | 6.37 |
| As on the end of previous 2nd quarter | 49.00 | 6.36 |
| As on the end of previous 3rd quarter | 49.00 | 6.36 |
| As on the end of previous 4th quarter | 49.00 | 6.36 |

## ORGANISATIONAL STRUCTURE

### Corporate History

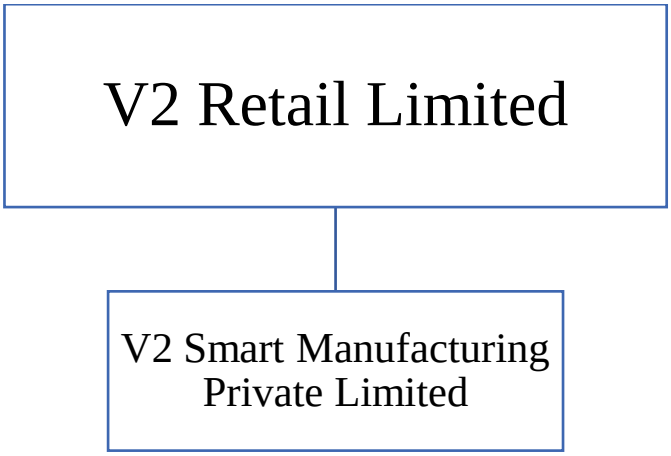
Our Company was originally incorporated as "*Vishal Retail Private Limited*" on July 23, 2001, under the Companies Act, 1956 with the Registrar of Companies, West Bengal at Kolkata. Our Company was converted to a public limited company, approved by our Shareholders' vide special resolution, at its extraordinary general meeting held on November 28, 2005, pursuant to which the name of our Company was changed to "*Vishal Retail Limited*" and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, West Bengal at Kolkata dated February 20, 2006. Thereafter the name of our Company was changed to "*V2 Retail Limited*" pursuant to approval of the shareholders vide special resolution, at its extraordinary general meeting held on June 25, 2011 and a certificate of change of name was issued by the Registrar of Companies, NCT of Delhi and Haryana at Delhi on July 29, 2011

The Corporate Identification Number of our Company is L74999DL2001PLC147724. Our Registered Office is located at Khasra no.928, Extended Lal dora abadi, Village Kapashera, Tehsil Vasant Vihar, New Delhi - 110037 and our Corporate Office is located at 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol 122015, Haryana.

### Organisational Structure

As on the date of this Placement Document, we have one wholly owned subsidiary Company named as V2 Smart Manufacturing Private Limited which was incorporated on October 25, 2019. For further details, see "***Definitions and Abbreviations***" and "***Financial Information***" on pages 24 and 227, respectively.

The organisational structure of the Company as on the date of this Placement Document are as follows:




However, in the Fiscal 2026, our Subsidiary V2 Smart Manufacturing Private Limited has shut down all its manufacturing units and disposed of certain assets. The manufacturing units were established to gain transparency in production costs and enable more effective price negotiations with vendors. As expanding factories for every new set of stores was not economically viable, our Company transitioned to contract manufacturing, achieving comparable cost efficiency.

## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and the investors are assumed to have apprised themselves of the same from our Company. Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Book Running Lead Manager and their respective directors, officer, agents affiliate and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "**Selling Restrictions**" and "**Purchaser Representations and Transfer Restrictions**" beginning on page 177 and 181 respectively.*

*Our Company, the Book Running Lead Manager and its directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.*

*Our Company and the BRLM and its directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such an investor is eligible to acquire Equity Shares in this Issue.*

**Qualified Institutions Placement**

**THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.**

The Preliminary Placement Document and this Placement Document have not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue has been made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 and other applicable provisions of the Companies Act and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, our Company, being a listed company in India may issue eligible securities to Eligible QIBs on a private placement basis provided that certain conditions are met by such Company. Some of these conditions are set out below:

- the shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must *inter alia* specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the Relevant Date for the QIP;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the Promoter or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognized Stock Exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to seek approval of the shareholders for the

abovementioned special resolution; except for Equity Shares allotted during the preceding one year from the date of this Placement Document;

- invitation to apply in the QIP must be made through a private placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the issuer shall have completed allotments with respect to any earlier offer or invitation made by the issuer or shall have withdrawn or abandoned such invitation or offer made by the issuer, except as permitted under the applicable law;

- the issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;

- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., the Preliminary Placement Document and Application Form), the issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;

- the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited.

- the Promoter or Directors are not declared as 'wilful defaulter' 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016;

- In accordance with the SEBI ICDR Regulations, securities will be issued, and allotment shall be made only in dematerialized form to the allottees; and

- the Promoter and directors of the issuer are not Fugitive Economic Offenders

At least 10% of the Equity Shares issued pursuant to this QIP to Eligible QIBs were made available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remained unsubscribed, it may be allotted to other Eligible QIBs

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's Equity Shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of 4.98% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their special resolution passed in the Annual General Meeting held dated September 5, 2025 and in terms of Regulation 176(1) of SEBI ICDR Regulations.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The "Relevant Date" mentioned above in case of allotment of Equity Shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "Stock Exchange" means any of the recognised Stock Exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares must be allotted within 365 days from the date of the shareholders' resolution approving the QIP in one or tranches and also within 60 days from the date of receipt of Application Amount from the successful Eligible QIBs failing which our Company shall refund the Bid Amount in accordance with applicable

laws For details of Allotment, see **"*Pricing and Allocation – Designated Date and Allotment of Equity Shares*"** below.

Subscription to the Equity Shares issued pursuant to the Issue must be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document that shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with the Issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document and this Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹25,000 lakhs; and
- five, where the issue size is greater than ₹25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***Issue Procedure – Application Form***" on beginning page 167.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised Stock Exchange.

We have applied for and received the in-principle approval from BSE and NSE dated October 30, 2025 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We have filed a copy of the Preliminary Placement Document and will file a copy of this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorised and approved by our Board on July 30, 2025 and our Shareholders through a special resolution passed in the Annual General Meeting held on September 5, 2025.

**Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.**

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States, and may not be offered, sold or delivered in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdiction where such offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 177 and 181, respectively.**

**The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold. and Bids may not be made by persons in any such jurisdictions, except in compliance with the applicable laws of such jurisdiction.**

**Issue Procedure**

1. On Bid / Issue Opening Date, our Company in consultation with the Book Running Lead Manager had circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form was specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company has maintained complete records of such Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom the Preliminary Placement Document and this Placement Document and the serially numbered Application Form were dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act and the PAS Rules.

2. The list of Eligible QIBs to whom the Application Form and serially numbered Preliminary Placement Document was delivered has been determined by our Company in consultation with the Book Running Lead Manager. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which included the details of the bank account wherein the Application Amount was to be deposited, were addressed to a particular Eligible QIB, no invitation to make an offer to subscribe was deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form were to signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB could submit an unsigned copy of the Application Form, as long as the Application Amount was paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount had been transferred to the Escrow Account, such Application Form constituted an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids were being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB was authorised to do so.

3. Eligible QIBs were required to submit an Application Form, including any revisions thereof, along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the Book Running Lead Manager.

4. Bidders were required to indicate the following in the Application Form:

    - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, email id, PAN details (if applicable), phone number and bank account details;

    - number of Equity Shares Bid for;

    - price at which they were agreeable to subscribe to the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;

    - an undertaking that they will deliver an offshore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian Stock Exchange in compliance with Regulation S;

    - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;

- Equity Shares held by the Bidder in our Company prior to the Issue;

- it has agreed to all the representations, warranties, acknowledgements and agreements set forth in or incorporated by reference in the Application Form, which will include, but will not be limited to, the representations, warranties, acknowledgements and agreements set forth in the "***Notice to Investors***", "***Representations by Investors***", "***Issue Procedure***", "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***" beginning on pages 3, 6, 159, 177, and 181, respectively, which will be incorporated by reference; and

- a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S, and it has agreed to certain other representations set forth in this Placement Document and in the Application Form.

***NOTE****: Eligible FPIs were required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds specifically required to state the names of the concerned schemes for which the Bids were made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not be required to be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid was made. Application by various schemes or funds of a Mutual Fund has been treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

5. Eligible QIBs were required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "*V2 Retail Limited QIP Escrow Account*" with the Escrow Bank, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares was made from the bank accounts of the relevant Bidders, and our Company was required to keep a record of the bank account from where such payment had been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares held by joint holders was to be paid from the bank account of the person whose name appeared first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever was later, Application Amount received for subscription of the Equity Shares was kept by our Company in a separate bank account with a scheduled bank and was utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder was not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder was lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount had been paid by such Bidder, (c) the Application Amount had been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowered or withdrew their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Application Amount was refunded to the same bank account from which it was remitted, in the form and manner set out in "***Issue Procedure – Refunds***" on page 172.

6. Once a duly completed Application Form was submitted by a Bidder and the Application Amount was transferred to the Escrow Account, such application constitutes an irrevocable offer, and the Bid could not be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount was required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date has been notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company is required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

8. The Bids made by asset management companies or custodians of Mutual Funds shall were required to specifically state the names of the concerned schemes for which the Bids were made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids

provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

**9.** Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account, on or after the Bid/ Issue Closing Date, our Company has, in consultation with Book Running Lead Manager determined the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Manager, on behalf of our Company, sent the serially numbered CAN and this Placement Document to the Successful Bidders. The dispatch of a CAN, and this Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated and Refund Amount (if any) due to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders who have been allocated the Equity Shares. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the Book Running Lead Manager.**

10. The Bidder acknowledged that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

11. Upon determination of the Issue Price and issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Manager, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

12. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

13. After passing the resolution passed by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

14. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

15. Our Company will then apply for the final trading approvals from the Stock Exchanges.

16. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

17. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

18. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for, through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "- ***Refunds***" on page 172.

**Eligible Qualified Institutional Buyers**

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to Foreign Portfolio Investors, only Eligible FPIs applying under Schedule II of the FEMA Rules are considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs who can participate in the Issue, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs; other than individuals, corporate bodies and family offices;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions; (which are resident in India)
- Mutual Funds registered with SEBI;
- pension funds with minimum corpus of ₹25 crore registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹25 crore;
- public financial institutions; as defined under Section 2(72) of the Companies Act
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

*Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

**ELIGIBLE FPIs WERE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS WERE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIs DID NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIs WERE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.**

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control) should not exceed 10.00% of post-Issue Equity Share capital of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Further, in terms of the FEMA Rules, the total holding of each FPI or an investor group shall be below 10.00% of the post-issue total paid-up Equity Share capital of our Company on a fully diluted basis.

Further, with effect from April 1, 2020, the limit of total holdings of all Eligible FPIs put together shall be the sectoral cap applicable to our Company, currently being 100.00% under the automatic route. As of March 31, 2025, the aggregate FPI shareholding in our Company is 6.36% of our Company's paid-up Equity Share capital on a fully diluted basis. For further details, see "***Shareholding Pattern of our Company***" on page 145.

In case the holding of an FPI including its investor group increases to 10.00 % or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. Other than those Eligible FPIs, as prescribed in Regulation 22(4) of the SEBI FPI Regulations, in the event that such divestment of excess holding is not undertaken within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI and receipt of necessary regulatory approvals as required and in accordance with applicable laws, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations and FEMA Rules.

As per the FPI Operational Guidelines, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed Central Depository Services (India) Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3.00% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The designated depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars / public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Our Company shall, in consultation with the BRLM, determine Allocation to the Eligible FPIs and such Bids which are above the Eligible FPI Limit, shall be liable to be rejected, in the sole discretion of our Company. Please note that this is subject to the extent of Foreign Portfolio Investment in our Company on the date of Allocation of Equity Shares.

***Restriction on Allotment.***

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a Promoter, or any person related to, the Promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the promoter or members of the Promoter Group.
- veto rights; or
- a right to appoint any nominee director on the board of the Issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

**Our Company, the Book Running Lead Manager and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs were advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs were advised to ensure that any single**

**application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document and this Placement Document. Eligible QIBs are required to satisfy themselves that any requisite compliance pursuant to this Allotment such as public disclosures under applicable laws is complied with. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.**

**A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.**

*Note*: Affiliates or associates of the Book Running Lead Manager who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

**Bid Process**

***Application Form***

Eligible QIBs could only use the serially numbered Application Forms (which were addressed to them) supplied by our Company and the Book Running Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount was paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the Eligible QIB was deemed to have made all the following representations and warranties and the representations, warranties and agreements made under "***Notice to Investors***", **"*Representations by Investors***" and "***Selling Restrictions***" beginning on pages 3, 6 and 177, respectively:

1. Each Eligible QIB confirmed that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. Each Eligible QIB confirmed that it is not a Promoter and is not a person related to the Promoter(s), either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter(s) or members of the Promoter Group or persons related to the Promoter(s);

3. Each Eligible QIB confirmed that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);

4. Each Eligible QIB confirmed that, and consents to, its name and percentage of post- Issue shareholding (assuming full subscription in this Issue) being included as a "proposed Allottee" in this Issue in this Placement Document. However, each Bidder further acknowledges and agrees, disclosure of such details in relation to the proposed Allotees in this Placement Document will not guarantee Allotment to them, as Allotment shall continue to be at the sole discretion of our Company, in consultation with the BRLM.

5. Each Bidder confirmed that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

6. Each Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;

7. Each Bidder confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than the floor of a recognised Stock Exchange;

8. Each Eligible QIB confirmed that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;

9. Each Eligible QIB confirmed that its Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations;

10. The Eligible QIB agreed that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;

11. The Eligible QIB agreed that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Manager. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

12. The Eligible QIB acknowledged that in terms of the requirements of the Companies Act, upon Allocation, our Company had disclosed names as "*proposed Allottees*" and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document and such QIB consented of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledged and agreed that disclosure of such details as "*proposed Allottees*" in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Manager;

    a. QIBs "*belonging to the same group*" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

13. The Eligible QIBs acknowledged that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.

14. Each Eligible QIB confirmed that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

15. Each Eligible FPI confirmed that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

16. A representation that such Bidder is outside the United States, is acquiring the Equity Shares in an "offshore transaction" under Regulation S and is not an affiliate of the Company or the Book Running Lead Manager or a person acting on behalf of such an affiliate

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy.

**ELIGIBLE QIBs WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANTS IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs WERE REQUIRED TO ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM, WAS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.**

**IF SO, REQUIRED BY THE BOOK RUNNING LEAD MANAGER, THE ELIGIBLE QIBs SUBMITTING A BID ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGER TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.**

**IF SO, REQUIRED BY THE BOOK RUNNING LEAD MANAGER, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WERE REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address and bank account were obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount was remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder was deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document by our Company (by itself or through the Book Running Lead Manager) in favour of the Successful Bidder.

***Submission of Application Form***

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the relevant Escrow Account into which the Application Amounts will have to be deposited. The Application Amount was deposited in the Escrow Account as is specified in the Application Form and the Application Form was submitted to the Book Running Lead Manager either through electronic form or through physical delivery at either of the following addresses:

| Name | Address | Contact Person | Website and Email | Telephone |
|---|---|---|---|---|
| Motilal Oswal Investment Advisors Limited | Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel St. Depot, Prabhadevi Mumbai, 400025, Maharashtra, India | Subodh Mallya/ Vaibhav Shah | **Website:** www.motilaloswalgroup.com<br><br>**Email:** mocorpfin@motilaloswal.com | +91 22 7193 4380 |

The Book Running Lead Manager was not required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders Bidding in the Issue have paid the entire Application Amount along with the submission of the Application Form, within the Issue Period.

**Payment of Bid Amount**

Our Company has opened the Escrow Account in the name of "V2 Retail Limited QIP Escrow Account" with Amount only through electronic transfer of funds from their own bank account the Escrow Bank, in terms of the Escrow Agreement entered among our Company, the Book Running Lead Manager and the Escrow Bank. Each Bidder was required to deposit the Application Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bid/ Issue Period. Bidders could make payment of the Application.

**Note: Payments were to be made only through electronic fund transfer from the Bidder's own bank account. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment was not made favouring the Escrow Account within the Issue Period stipulated in the Application Form, the Application Form was liable to be rejected.**

Pending Allotment, our Company undertakes to utilise the amount deposited in "*V2 Retail Limited QIP Escrow Account*" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount if our Company was not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder was not allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, was lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount had been paid by such Bidder, or the application amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the application amount has been arrived at using an indicative price higher than the Issue Price, or any Bidder lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "***Issue Procedure – Refunds***" on page 172.

***Bank Account Details***

Each Bidder were required to mention the details of the bank account from which the payment of Application Amount had been made along with confirmation that such payment has been made from such account.

**Pricing and Allocation**

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, '*Stock Exchange*' shall mean any of the recognised Stock Exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Company has offered a discount of 4.98% of the Floor Price in accordance with the approval of the Shareholders of our Company accorded through special resolution passed in the Annual General Meeting held on September 5, 2025 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the Book Running Lead Manager, has determined the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board or the committee thereof decides to open the Issue and "Stock Exchange" means any of the recognized Stock Exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalisation of the Issue Price, our Company shall update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as this Placement Document.

***Build-up of the Book***

The Bidders were required to submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the Book Running Lead Manager. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

**Price Discovery and Allocation**

Our Company, in consultation with the Book Running Lead Manager, has determined the Issue Price, which shall be at or above the Floor Price. However, our Company offered a discount of 4.98% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our shareholders pursuant to special resolution passed in the Annual General Meeting held on September 5, 2025. After finalisation of the Issue Price, our Company shall update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as this Placement Document.

**Method of Allocation**

Our Company has determined the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Application Forms received from the Bidders at or above the Issue Price were grouped together to determine the total demand. The Allocation to all such Bidders was required to be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size was required to be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Manager have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

**THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION IS FINAL AND BINDING ON ALL ELIGIBLE QIBs. ELIGIBLE QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES WAS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BRLM AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGER ARE NOT OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.**

**CAN**

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, have decided the Successful Bidders to whom the serially numbered CAN has been dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN includes the details of amount to be refunded, if any, to such Bidders. Additionally, the CAN includes the probable Designated Date, being the date of credit of the Equity Shares to the Successful Bidders' account, as applicable to the respective Bidder.

The Successful Bidders have been sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document, to the respective Successful Bidders has been deemed a valid, binding and irrevocable contract for such Bidders to subscribe to the Equity Shares Allocated to them. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the Book Running Lead Manager.

**Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.**

By submitting the Application Form, an Eligible QIB has been deemed to have made the representations and warranties as specified in section "***Notice to Investors***" on page 3 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

**Designated Date and Allotment of Equity Shares**

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued, and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer of securities in listed companies in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Allottees.

5. Following the credit of Equity Shares into the respective Allottees' beneficiary accounts with the Depository Participants, our Company shall apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act, whichever is later. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in this Placement Document.

7. After finalisation of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and has filed it with the Stock Exchanges as this Placement Document, which includes names of the proposed Allottees and the percentage of their post-Issue shareholding in the Company.

8. Pursuant to the circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company is required to be disclosed to this Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the BRLM of the listing and trading approvals of the Stock Exchanges for Equity Shares offered in the Issue, and after filing return of Allotment under Form PAS-3 with the RoC.

**Refunds**

In the event that the number of Equity Shares Allocated to a Bidder was lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount had been paid by such Bidder, or the Bidder has deposited the Application Amount arrived at using a price higher than the Issue Price or Equity Shares were not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowered or with the Bid prior to the Bid/ Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% per annum. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

**Release of Funds to our Company**

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC, whichever is later.

**Other Instructions**

***Submission of Documents***

A physical copy of the Application Form and relevant documents were required to be provided along with the Application Form shall be submitted as soon as practicable.

***Permanent Account Number or PAN***

Each Bidder was required to mention its PAN (except Bids from any category of Bidders, which were exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information were to be considered incomplete and were liable to be rejected. It is to be specifically noted that applicants were not required to submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

***Bank account details***

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

***Right to Reject Applications***

Our Company, in consultation with the Book Running Lead Manager, could reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Manager in relation to the rejection of Bids was final and binding. In the event the Bid was rejected by our Company, the Application Amount paid by the Bidder is refunded to the same bank account from which the Application Amount was remitted by such Bidder as set out in the Application Form. For details, see "***Issue Procedure – Refund***" on page 172.

***Equity Shares in dematerialised form with NSDL or CDSL***

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue was required to have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL.

The Stock Exchanges have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Manager shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

## PLACEMENT AND LOCK UP

### Placement Agreement

The Book Running Lead Manager has entered into the Placement Agreement dated October 30, 2025 with our Company, pursuant to which the Book Running Lead Manager has agreed, subject to certain conditions, to manage this Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable effort's basis.

The Equity Shares will be placed with the Eligible QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 of the Companies Act read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations and warranties, as well as indemnities from our Company and is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Preliminary Placement Document and this Placement Document have not been, and will not be, registered as a prospectus with the Registrar of Companies, and no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public in India or any other class of prospective investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation Sand the applicable laws of the jurisdiction where such offers and sales are made. For further details, see "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***" on pages 177 and 181, respectively.

### Relationship with the Book Running Lead Manager

In connection with the Issue, the Book Running Lead Manager or its affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "***Offshore Derivative Instruments***" beginning on page 13.

From time to time, the Book Running Lead Manager, and their affiliates and associates may have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, Subsidiary, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Manager and its affiliates and associates.

### Lock up

The Company undertakes that it will not for a period of 30 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Manager, directly or indirectly:

a. Purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be

deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or

b. Enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or

c. Deposit Equity Shares with any other depositary in connection with a depositary receipt facility

d. Enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or

e. Publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above.

## SELLING RESTRICTIONS

The distribution of the Preliminary Placement Document and this Placement Document or any offering material and the offering, sale or delivery of Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of the Preliminary Placement Document and this Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction. The Preliminary Placement Document and this Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "***Notice to Investors***" and "***Representations by Investors***" on pages 3 and 6 respectively.

### General

No action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with or other material relating to the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013. Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, acknowledgment and agreements as described in this section and under "N***otice to Investors", "Representations by Investors***" and "***Purchaser Representations and Transfer Restrictions***" on pages 3, 6 and 181, respectively.

### Republic of India

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. The offering of Equity Shares pursuant to the Preliminary Placement Document by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public at large about this Issue is prohibited.

### European Economic Area

In relation to each Member State of the European Economic Area (each a "Member State"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or

c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Book Running Lead Manager of such fact in writing and has received the consent of the Book Running Lead Manager in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a nondiscretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Manager has been obtained to each such proposed offer or resale.
Our Company, the Book Running Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

**Hong Kong**

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

**Japan**

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"). The Preliminary Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Preliminary Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

**Singapore**

The Preliminary Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the Equity Shares will be offered pursuant to exemptions under the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time ("SFA"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Preliminary Placement Document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

i. to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

ii. where no consideration is or will be given for the transfer

iii. where the transfer is by operation of law

iv. as specified in Section 267(7) of the SFA; or

v. As specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

**Singapore SFA Product Classification**: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**United Kingdom**

No Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation, to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation; (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or (c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). This Placement Document is directed only at relevant persons. Other persons should not act on this Placement Document or any of its contents. This Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

**United States**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. For further information, please see "***Representations by Investors***" and "***Purchaser Representations and Transfer Restrictions"*** on pages 6 and 181, respectively.

**Other Jurisdictions**

The distribution of this Placement Document and the offer and sale of the Securities may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

## PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

*Due to the following restrictions, investors are advised to consult their legal counsel prior to subscribing for Equity Shares offered in the Issue or making any resale, pledge or transfer of the Equity Shares purchased in the Issue.*

*Pursuant to Chapter VI of the SEBI ICDR Regulations, the Equity Shares Allotted in the Issue are not permitted to be sold for a period of one year from the date of Allotment, except on floor of the BSE or the NSE. Due to the following restrictions, investors are advised to consult their respective legal counsels prior to Bidding for the Equity Shares or making any offer, resale, pledge or transfer of the Equity Shares, except if the resale of the Equity Shares is by way of a regular sale on the BSE or the NSE. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to an investment in the Equity Shares and related matters concerning the Issue. For more information, please refer to the section titled "**Selling Restrictions**" on page 177.*

*Additionally, in accordance with the FDI Policy, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules, wherein if the beneficial owner of the Securities is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. Further, the Bidders need to confirm that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.*

### Purchaser Representations and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

By accepting delivery of this Placement Document, submitting a bid to purchase the Equity Shares and/or accepting delivery of Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations and will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Placement Document) which may be applicable in its jurisdiction and it has obtained or will obtain any consent, approval or authorisation required for it to purchase and accept delivery of Equity Shares, and it acknowledges and agrees that none of our Company or the Book Running Lead Manager and its respective affiliates shall have any responsibility in this regard.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in "offshore transactions" as defined in and in compliance with Regulation S, and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares and is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, (ii) such customer is located outside the United States (within the meaning of Regulation S), and (iii) such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S

- It understands and agrees (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred in compliance with the U.S. Securities Act and other applicable securities laws only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and, in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdictions in which such offers or sales are made.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company or the Book Running Lead Manager for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. It is seeking to subscribe to the Equity Shares in this Issue for its own investment and not with a view to distribution. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to the Preliminary Placement Document and will be provided access to this Placement Document which it has read in its entirety.

- It agrees to indemnify and hold our Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold our Company or the Book Running Lead Manager liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by our Company.

It acknowledges that our Company and the Book Running Lead Manager and its respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify our Company and the Book Running Lead Manager. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by our Company,

its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes our Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

## THE SECURITIES MARKET OF INDIA

*The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company, the Book Running Lead Manager or any of their respective affiliates or advisors*

### The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first Stock Exchange was established in Mumbai. The BSE and the NSE are the significant Stock Exchanges in terms of the number of listed companies, market capitalisation and trading activity

### Stock Exchanges Regulation

Indian Stock Exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SECC Regulations**"), which regulate inter alia the recognition, ownership and internal governance of Stock Exchanges and clearing corporations in India together with providing for minimum net worth requirements for Stock Exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, byelaws and regulations of the respective Stock Exchanges, regulate the recognition of Stock Exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the Stock Exchanges

The SEBI Act empowers SEBI to regulate the Indian securities markets, including Stock Exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### Listing and Delisting of Securities

The listing of securities on a recognised Indian Stock Exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act, and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations SEBI Listing Regulations as well as the listing agreements. The SCRA and the SCRR empowers the governing body of each recognised Stock Exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and byelaws of the Stock Exchanges in India, to overrule a Stock Exchange's governing body and withdraw recognition of a recognized Stock Exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of Equity Shares from the Stock Exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

### Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding at 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Further, where the public shareholding in a listed company falls below 25% (except exempted public sector undertakings) at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

### Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed Stock Exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier. If any of these circuit breaker thresholds are reached, trading in all equity and equity derivatives markets nationwide is halted. The markets are required to re-open, after a circuit breaker threshold is hit, with a pre-open call auction session. The timing of the halt and the pre-open call auction session varies depending on the time of day and the circuit breaker breached.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The Stock Exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by Stock Exchanges that are required to be paid by the stockbrokers.

**BSE**

BSE is one of the Stock Exchanges in India on which our Equity Shares are listed. Established in 1875, it is the oldest Stock Exchange in India. In 1956, it became the first Stock Exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatisation and Demutualisation) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017. It has evolved over the years into its present status as one of the premier Stock Exchanges of India.

**NSE**

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. Deliveries for trades executed "on- market" are exchanged through the NSE Clearing. It has evolved over the years into its present status as one of the premier Stock Exchanges of India. The NSE was recognised as a Stock Exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 2004.

**Internet-based Securities Trading and Services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant Stock Exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

**Trading Hours**

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised Stock Exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the Stock Exchange has in place a risk management system and infrastructure commensurate to the trading hours.

**Trading Procedure**

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading ("**BOLT**") facility in 1995. This totally automated screen-based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

**Settlement**

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday.

**SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to, inter alia, continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

**SEBI Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the Equity Shares of a company are listed on a Stock Exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer.

**SEBI Insider Trading Regulations**

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities listed or proposed to be listed, to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and

procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations also provides for disclosure obligations for Promoter, members of the Promoter group, designated person or director in case value of trade exceed monetary threshold of ₹0.1 crore over a calendar quarter, within two trading days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Further, on July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

**Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

**Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing Stock Exchange. The derivatives exchange or derivatives segment of a Stock Exchange functions as a self-regulatory organisation under the supervision of SEBI.

## DESCRIPTION OF THE EQUITY SHARES

*The following is information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.*

### Share capital

The authorized share capital of our Company is ₹45,84,00,000 divided into 4,00,00,000 Equity Shares of ₹ 10 each and 4,00,000 Preference Shares of ₹ 146 each. For further details, see "***Capital Structure***" beginning on page 74.

### Dividends

Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of dividend on the Equity Shares of the Company, but so that the holder of partly paid up share shall be only entitled to such proportion of the distribution upon a fully paid up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

The Company in Annual General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may subject to the provisions of Section 207 of the Act, fix the time for payment.

The Directors, if in their opinion the position of the Company justifies, may from time to time without the sanction of a general meeting pay interim dividend to one or more classes of shares to the exclusion of others at rates which may differ from class to class and when declaring such dividend they should satisfy themselves that the preference shares which have prior claim in respect of payment of dividend shall have their entire rated dividend at the time of final preparation of the accounts for the period.

Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the Company and the member, be set off against the call. The making of a call under this Article shall be deemed ordinary business of an annual general meeting which declares dividend.

No unclaimed dividend shall be forfeited by the Company and all unclaimed and unpaid dividends be dealt with as per Section 205A of the Act.

The Company shall not be responsible for the loss of any cheque, dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

### Capitalisation of profits

The Company in General Meeting may, upon the recommendation of Board, resolve:

a) to capitalise whole or any part of the amount for the time being standing to the credit of any of the Company's reserve account, or to the credit of the profit and loss account or otherwise available for distribution; and
b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividends and in the same proportions.

The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in Clause (3), either in or towards:

i. paying up any amounts for the time being unpaid on any shares held by such members respectively;

ii. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid; or

iii. partly in the way specified in sub-clause i and partly in that specified in sub-clause ii.

**Alteration of Share Capital**

The Company, by ordinary resolution may from time to time;

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

(b) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the memorandum, so, however that in the subdivision the proportion between the amount paid and the amount if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

(c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled

Subject to the provisions of Sections 100 to 105 (both inclusive) of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

**Votes of Members**

Subject to any right or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands, every member present in person, shall have one vote; and

(b) On a poll, the voting right of members shall be as laid-down in Section 87 of the Act.

Except as conferred by Section 87 of the Act the holders of preference shares have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with the provision of Sub-Section 2 of Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision of Section 89 and Sub-Section (2) of Section 92 of the Act be in the same proportion as the Capital paid up in respect of the preference share bears to the total paid up equity capital of the Company.

Where a Company or body-corporate (hereinafter called "member Company") is a member of the Company a person duly appointed by resolution in accordance with Section 187 of the Act to represent such member Company at a meeting of the Company shall not by reason of such appointment, be deemed to be a proxy and the production at the meeting of a copy of such resolution duly signed by one Director of such member Company and certified by him as a true copy of the resolution shall, on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the member Company or body corporate which he represents, as that member Company or body corporate could exercise if it were an individual member.

Any member of a Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not), as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.

No member shall be entitled to exercise any voting rights, either personally or by proxy, at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

**Winding Up**

On winding up, preference share, if any, will rank as regards Capital in priority to equity shares, to the extent of the paid up value of the said shares but to no other rights of participating in its assets.

1. Subject to the provisions of the Act, if the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Act divide amongst contributories in specie or in kind the whole or any part of the assets of the Company whether they shall consist of property of the same kind or not.

2. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members of different classes of members.

3. The liquidator may, with the like sanction of a special resolution, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories or any of them as the liquidator shall think fit.

In the event of the Company being wound up the holders of preference shares, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repayment to them of the amount paid up on the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid up on the preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares so that the losses shall be borne by the holders of preference shares as nearly as may be in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up and the arrears of dividend as aforesaid.

The assets, if any, available for distribution after payment to the preference shareholders as aforesaid shall be distributed amongst the holders of equity shares in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares in respect of which they were respectively registered.

## STATEMENT OF POSSIBLE TAX BENEFITS

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIAIRY (V2 SMART MANUFACTURING PRIVATE LIMITED) AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

The information provided below sets out the possible special direct tax benefits available to V2 Retail Limited ("Company") and its Material Subsidiary and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership, and disposal of equity shares of the Company, under the Income-tax Act, 1961 (as amended by the Finance Act (No. 2), 2024 (published on August 16, 2024)) read with Income Tax Rules, 1962, circulars, notifications, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company and its shareholders operate and applicable to the Company and its shareholders, Customs Act 1962 and Foreign Trade Policy 2023 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as "Taxation Laws") presently force in India.

Several of these benefits are dependent on fulfilling the conditions prescribed under the relevant Taxation Laws. Hence, the ability of the Company, its material subsidiary, and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business / commercial imperatives any of them face, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company, its material subsidiary and its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing Taxation Laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

## STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIAIRY AND ITS SHAREHOLDERS

### I. Special Direct tax benefits available to the Company and its material subsidiary under the Income tax Act, 1961

The statement of possible tax benefits enumerated below is as per the Income tax Act 1961 ("ITA") as amended from time to time and as applicable for Financial Year ("FY") 2024-25, relevant to Assessment Year ("AY") 2025-26 as per the provisions of Finance Act (No. 2), 2024 (published on August 16, 2024).

#### 1) Lower corporate tax rate under Section 115BAA of the ITA

Section 115BAA inserted w.e.f. 1 April 2020 (i.e. AY 2020-21), provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess). In case the Company or a material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:

- Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
- Deduction under clause (ii a) of sub-section (1) of Section 32 (Additional depreciation);
- Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- Deduction under sub-clause (ii) or sub-clause (ii a) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
- Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);

- Deduction under Section 35CCD (Expenditure on skill development);
- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-
- corporate dividends);
- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of section 115JB regarding Minimum Alternate Tax ("MAT") are not applicable if the Company or material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA. Consequently, the Company or material subsidiary will not be entitled to claim tax credit relating to MAT, if available from the year of adoption of such beneficial tax rate.

The Company has opted for the concessional rate of tax for the first time in the return of income filed for FY 2023-24 and KIL, one of the material subsidiaries has opted for the concessional rate of tax for the first time in the return of income filed for FY 2019-20 for which declaration in specified form (i.e., Form 10-IC) has been filed with the ITA.

**2) Lower corporate tax rate under Section 115BAB of the ITA**

Section 115BAB inserted w.e.f. 1 April 2020 (i.e. AY 2020-21), provides an option to a domestic company engaged in the manufacture or production of any article or thing, to pay corporate tax at a reduced rate of 15% (plus applicable surcharge and education cess), subject to certain conditions. In case the material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAB of the ITA, it will not be allowed to claim any of the following deductions/exemptions:

- Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
- Deduction under clause (ii a) of sub-section (1) of Section 32 (Additional depreciation);
- Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- Deduction under sub-clause (ii) or sub-clause (ii a) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
- Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
- Deduction under Section 35CCD (Expenditure on skill development);
- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-
- corporate dividends);
- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of section 115JB regarding Minimum Alternate Tax ("MAT") are not applicable if the material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAB of the ITA. Consequently, the material subsidiary will not be entitled to claim tax credit relating to MAT, if available from the year of adoption of such beneficial tax rate.

The subsidiary Company, V2 Smart Manufacturing Private Limited had started its operation in FY 2019-20. V2 Smart Manufacturing Private Limited has opted for the concessional rate of tax for the first time in the return of income filed for FY 2019-20 and accordingly, the concessional rate of tax shall be applicable for FY 2019-20 and onwards.

**3) Deduction in respect of employment of new employees under Section 80JJAA of the ITA**

As per Section 80JJAA of the ITA, an assessee subject to tax audit under Section 44AB of the ITA, is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided, subject to the fulfilment of prescribed conditions therein.

The deduction under Section 80JJAA is available even if the Company or material subsidiaries has opted for concessional tax rates under Section 115BAA and Section 115BAB of the ITA.

**4) Deduction in respect of certain inter-corporate dividends under Section 80M of the ITA**

As per Section 80M of the ITA, where domestic companies have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of Section 139 of the ITA.
The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA of the ITA.

Considering that the Company and its material subsidiary did not receive any dividend income in FY 2024-25, it shall not avail any deduction under Section 80M of ITA for the AY 2025-26.

**5) Deduction in respect of capital expenditure incurred in relation to scientific research under Section 35(1)(iv) of the ITA**
As per section 35(1)(iv) of the ITA, any expenditure of a capital nature (excluding expenditure incurred on acquisition of any land) incurred on scientific research related to the business carried on by the company can be claimed a revenue deduction.

The deduction under Section 35(1)(iv) is available even if domestic company opts for concessional tax rate under Section 115BAA or 115BAB of the ITA.

**II. Special Indirect tax benefits available to the Company and material subsidiary**

The statement of possible tax benefits enumerated below is as per the Central Goods and Services Tax Act, 2017 (CGST Act) / the Integrated Goods and Services Tax Act, 2017 (IGST Act)/ the Union Territory Goods and Service Tax Act, 2017 (UTGST Act) / respective State Goods and Service Tax Act, 2017(SGST Act)("all the acts collectively Referred as GST Act"), the ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") including the rules, regulations, circulars and notifications issued thereunder (collectively referred to as "Indirect Tax Laws") as amended from time to time and presently in force in India.

**i. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2024)**

**Remission of Duties and Taxes on Exported Products (RoDTEP)**
The objective of RoDTEP scheme is to refund various duties and taxes incurred on the export of goods. Under the scheme, rebate of taxes will be given in the form of electronic scrip which could be utilised for payment of Basic Customs Duty.

There was no export made by the Company or its material subsidiary in FY 2024-25, therefore, no benefit was availed under RoDTEP Scheme.

**Export Promotion Capital Goods (EPCG)**
EPCG Scheme is being introduced by Government to facilitate duty free import of capital goods to be used for producing goods thereby enhancing India's manufacturing and export competitiveness. EPCG Schemes facilitates import of Capital Goods at zero customs duty subject to fulfilling an export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years from date of authorization. EPCG license holder is exempted from payment of whole of Basic

Customs Duty, Additional Customs Duty and Special Additional Duty of Customs (in lieu of Value Added Tax/ local taxes (non-GST goods)), Integrated Goods and Services Tax and Compensation Cess (GST goods), wherever applicable, subject to certain conditions.

Currently, the Company and its material subsidiary are not availing any benefits under EPCG Scheme

**ii. Benefits under Customs Act (read with Tariff Act and related rules and regulations)**

**Benefits of Duty Drawback scheme under Section 75 of Customs Act**

As per section 75 of the Customs Act, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such exported goods. The main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the drawback amount payable on such goods.

There was no export made by the Company and its material subsidiary in FY 2024-25, therefore no such duty drawback benefit was availed.

**Benefits of Concessional custom duty pursuant to India's Free Trade Agreements with various countries.**

Free trade Agreements ('FTA's) are treaties between two or more countries designed to reduce or eliminate certain barriers to trade and investment and to facilitate stronger trade and commercial ties between participating countries. FTAs help in economic growth as it provides advantages of reduced costs and duty savings on import and export of products covered or eligible under FTA. Indian government has entered into various bilateral and multilateral trade agreements with various countries.

The Company and its material subsidiary have not availed any such benefit during the FY 2024-25.

**iii. Benefits under the Central Goods and Services Act, 2017 (CGST Act), respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (IGST) (read with relevant Rules prescribed thereunder)**

**Export of goods under the GST law**

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated. On account of zero rating of supplies, the supplier will be entitled to claim Input Tax Credit (ITC) in respect of input and input services used for such supplies and can seek refund of accumulated/ unutilized ITC.

GST law inter-alia allows export of goods at zero rate on fulfilment of certain conditions. Exporters can export goods under Bond / Letter of Undertaking (LUT) without payment of IGST and claim refund of accumulated ITC. There is also an alternative available to export goods with payment of IGST and subsequently claim refund thereof, as per the provisions of Section 54 of CGST Act.

There was no export made by the Company or its material subsidiary in FY 2024-25, therefore, no such benefit of export under LUT was availed.

**III. Special Direct tax benefits available to the Shareholders**

There is no special direct tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the ITA. Further, it may be noted that these are general tax benefits available to equity shareholders, other shareholders holding any other type of instrument are not covered below:

i. **Dividend Income**

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 80M of the ITA would be available on fulfilling the conditions as mentioned above. Further, if the shareholder is a tax resident of foreign country with which India has a Double taxation Avoidance Agreement ('DTAA'), it may claim benefit of applicable rate as stated in the DTAA, if more beneficial over rate is ITA.

ii. **Tax on Capital gains on sale of listed equity shares in an Indian company**

As on date, as per Section 112A of the ITA, long-term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at a flat rate of 12.5% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act 2004 read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,25,000 in a financial year. Further, the holding period for all listed securities would be 12 months and for all other assets it shall be 24 months to qualify as long term capital asset.

Further, as per Section 111A of the ITA, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20% subject to fulfillment of prescribed conditions under the ITA.

iii. **Simplified/New tax regime**

As per Section 115BAC of the ITA, a simplified/ new tax regime may be opted for by individuals, Hindu undivided family ("HUF"), Association of Persons, Body of Individuals, whether incorporated or not every artificial juridical person, wherein income- tax law shall be computed at the rates specified as under:

| Total Income | Rate of tax |
|---|---|
| Upto INR 4,00,000 | Nil |
| From INR 4,00,001 to 8,00,000 | 5% |
| From INR 8,00,001 to 12,00,000 | 10% |
| From INR 12,00,001 to 16,00,000 | 15% |
| From INR 16,00,001 to 20,00,000 | 20% |
| From INR 20,00,001 to 24,00,000 | 25% |
| Above 24,00,000 | 30% |

Standard deduction for salaried employees opting for new tax regime is INR 75,000.
Presently, under the new regime, the limit of total income for rebate under Section 87A of ITA is INR 12,00,000 and the limit of rebate is INR 60,000.
Deduction of family pension is presently available at lower of 33% or INR 15,000. The said limit of INR 15,000 has been increased to INR 25,000 under the new regime.

Deduction for employer's contribution to NPS (for private sector employees) has been increased from 10% under old regime to 14% under new regime. Section 36 (allowing for deduction of such contribution to employers) has been amended correspondingly to enable companies to claim higher deduction.

Pertinent to note that the above rates are subject to the assessee not availing specified exemptions and deductions as specified under said section.

It may be noted that the shareholders have the discretion to exercise the simplified tax regime.

iv. **Double Taxation Avoidance Agreement benefit**

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between

India and the country in which the non-resident has fiscal domicile and fulfilment of other conditions to avail the treaty benefit.

**IV. Special Indirect tax benefits available to the Shareholders**

There are no special indirect tax benefits available to the Equity Shareholders of Company under the Indirect tax laws.

**Notes**:

i. Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in theproposed issue relying on this statement.

ii. The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

iii. All the above benefits are as per the current tax law and any change or amendment in the laws/regulation, which when implemented would impact the same.

iv. The above Statement covers only certain possible special tax benefits under the Taxation Laws, read with the relevant rules, circulars and notifications applicable as on date and does not cover any benefit under any other lawin force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

v. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changingtaxation laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Issue.

vi. This statement has been prepared solely in connection with the proposed issue under the Companies Act, 2013 and Securities and Exchange Board of India ("SEBI") Regulations, and as amended.

**For and on behalf of Board of Directors**
**V2 Retail Limited**

**Ram Chandra Agarwal**
**Managing Director**

**Place:** Haryana
**Date:** October 30, 2025

## LEGAL PROCEEDINGS

*We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of tax disputes and material civil proceedings, which are pending before various adjudicating forums. We assess each such legal proceeding filed by or against us and monitor the legal position on an ongoing basis.*

*In terms of our Company's "Policy For Determination of Materiality of Events/information" ("**Materiality Policy**") framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board pursuant to its resolution dated August 1, 2018 and amended by our Board pursuant to its resolution dated May 27, 2025, there are no outstanding litigations involving our Company that have been disclosed to the Stock Exchanges, and accordingly, except as disclosed in this section there is no such outstanding litigation involving our Company that requires disclosure in this Placement Document.*

*However, solely for the purpose of the Issue, our Company has disclosed in this section, to the extent applicable (i) all outstanding criminal proceedings involving our Company, our Subsidiary, our Directors and our Promoter; (ii) all outstanding actions by statutory or regulatory authorities against our Company, our Subsidiary, our Directors and our Promoter; (iii) outstanding civil involving our Company, our Subsidiary, our Promoter and our Directors, where the amount involved in such proceeding exceeds ₹187.76 lakhs which is 5% of the average of profit after tax based on the last three audited consolidated financial statement ("**Materiality Threshold**"); (iv) consolidated disclosure of the direct and indirect tax matters involving the Company; and (v) any other outstanding litigation involving our Company wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could materially and adversely affect the reputation, operations or financial position of our Company.*

*Further, other than as disclosed in this section, (i) there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the last three years immediately preceding the year of circulation of this Placement Document and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Placement Document involving our Company, nor are there any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company; (iii) there are no defaults in repayment of (a) undisputed statutory dues; (b) debentures and interest thereon; (c) deposits and interests thereon and (d) any loan obtained from any bank or financial institution and interest thereon by our Company, as of the date of this Placement Document; (iv) there are no material frauds committed against us in the last three years; (v) there are no defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; or (vii) there are no reservations, qualifications or adverse remarks of auditors in the last five Fiscal Years immediately preceding the year of circulation of this Placement Document.*

*It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Directors and/or our Promoter from third parties (excluding statutory / regulatory /governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Directors and/or our Promoter, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.*

*Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.*

**1. Summary of outstanding litigation and legal proceedings involving our Company and our subsidiary, along with the amount involved, wherever quantifiable for the pending matters which, if they result in an adverse outcome, would materially and adversely affect our operations or our financial position**

A summary of outstanding litigation and legal proceedings that have been initiated by us or against us or initiated by or against our subsidiary, along with the amount involved, wherever quantifiable for the pending matters which, if they result in an adverse outcome, would materially and adversely affect our operations or our financial position, is set our below:

*(in ₹ lakhs, unless otherwise specified)*

| Name of the Entity | Criminal proceedings | Tax proceedings | Statutory or regulatory proceeding | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material civil litigations | Aggregate amount involved (₹ in lakshs) |
|---|---|---|---|---|---|---|
| **Company** | | | | | | |
| By our Company | NIL | NIL | NA | NA | NIL | NIL |
| Against our Company | NIL | NIL | NIL | NIL | NIL | NIL |
| **Subsidiary** | | | | | | |
| By our Subsidiary | NIL | NIL | NA | NA | NIL | NIL |
| Against our Subsidiary | NIL | NIL | NIL | NIL | NIL | NIL |

**To the extent quantifiable*

**2. Litigation involving our Company**

**Material civil proceedings involving our Company**

A. Civil Proceedings filed by our Company

1. Civil Suit No. 82/2017 has been filed by our Company against Mohit Jain and Others (the "**Respondents**") in District Court, Panchkula, Haryana under section 34 of the Arbitration and Conciliation Act, 1996 seeking to set aside an arbitral award passed in favour of the Respondents. The matter arose from illegal termination of a Memorandum of Understanding between our Company and the Respondents pertaining to a property on leasehold. The disputed amount involved is ₹200.00 Lakhs. The matter is currently pending, and the next date of hearing is December 5, 2025.

B. Civil Proceedings filed against our Company

As on the date of this Placement Document, there are no material civil proceedings filed against our Company.

**Criminal Proceedings involving our Company**

A. Criminal Matters filed by our Company

1. Criminal Miscellaneous Petition No. 8961/2023 dated September 25, 2023 has been filed by Surender Kumar Agarwal and Others (including Company as a party) against the Delhi Pollution Control Committee ("**DPCC**") in High Court of Delhi, New Delhi under section 482 of the Code of Criminal Procedure, 1973 seeking setting aside of order dated April 10, 2023 and challenging the raid conducted by DPCC in our outlets. The matter is currently pending, and the next date of hearing is November 13, 2025.

2. Criminal Complaint No. 831/2024 has been filed by Surender Kumar Agarwal and Others (including Company as a party) against the Delhi Pollution Control Committee ("**DPCC**") in Tis Hazari District Court, Delhi challenging the raid conducted by DPCC in our outlets. The matter is currently pending, and the next date of hearing is November 13, 2025.

3. Criminal Complaint No. 42063/2024 has been filed by our Company against Shailesh Verma (the "**Defendant**") in Dwarka District Court, Delhi under section 138 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheque given by the defendant. The matter is currently pending, and the next date of hearing is November 13, 2025.

B. Criminal Matters filed against our Company

1. Criminal suit CS No. 517367/2016 has been filed against our Company by the Delhi Pollution Control Committee ("**DPCC**") in Tis Hazari District Court, Delhi under sections 15, 16, 19 of the Environment Protection Act, 1986 read with section 190 of Code of Criminal Procedure, 1973 respect to violation of rules of usage of plastic bags through a raid conducted in our outlets by DPCC. We have challenged the raid conducted by DPCC. The matter is currently pending, and the next date of hearing is November 10, 2025.

2. Criminal suit CS No. 528893/2016 has been filed against our Company by the Delhi Pollution Control Committee ("**DPCC**") in Tis Hazari District Court, Delhi under sections 15, 16, 19 of the Environment Protection Act, 1986 read with section 190 of Code of Criminal Procedure, 1973 with respect to violation of rules of usage of plastic bags through a raid conducted in our outlets by DPCC. We have challenged the raid conducted by DPCC. The matter is currently pending, and the next date of hearing is November 10, 2025.

**Tax proceedings involving our Company**

We have set out below claims relating to direct and indirect taxes involving our Company in a consolidated manner giving details of number of cases and total amount involved in such claims (Net of Provision):

| Nature of case | Number of cases | Amount Involved (Net of Provision) (in ₹ lakhs )* |
|---|---|---|
| Direct Tax | 2 | 39.17 |
| Indirect Tax | 7 | 1,261.20 |

**To the extent quantifiable*

**Actions taken by regulatory and statutory authorities**

1. NSE and BSE Limited (the "Stock Exchanges") had imposed a total penalty of ₹0.20 lakhs on our Company vide notice bearing reference number 2025-26/6343 dated September 24, 2025 and email dated September 15, 2025, respectively, for non-submission of corporate governance report under section 17(2) of Listing Regulations, 2015. The entire penalty amount has been paid to the stock exchanges on September 8, 2025.

**3. Litigation involving our Subsidiary**

**Material civil proceedings involving our Subsidiary**

A. Civil Proceedings filed by our Subsidiary

As on the date of this Placement Document, there are no material civil proceedings filed by our Subsidiary.

B. Civil Proceedings filed against our Subsidiary

As on the date of this Placement Document, there are no material civil proceedings filed against our Subsidiary.

**Criminal proceedings involving our Subsidiary**

A. Criminal Proceedings filed by our Subsidiary

As on the date of this Placement Document, there are no criminal proceedings filed by our Subsidiary.

B. Criminal Proceedings filed against our Subsidiary

As on the date of this Placement Document, there are no criminal proceedings filed against our Subsidiary.

**Tax proceedings involving our Subsidiary**

We have set out below claims relating to direct and indirect taxes involving our Subsidiary in a consolidated manner giving details of number of cases and total amount involved in such claims (Net of Provision):

| Nature of case | Number of cases | Amount Involved (net of provision) (₹ in lakhs)* |
|---|---|---|
| Direct Tax | Nil | Nil |
| Indirect Tax | 2 | 23.18 |

*to the extent quantifiable

**Actions taken by regulatory and statutory authorities**

As on the date of this Placement Document, there are no actions taken by any regulatory or statutory authority against our Subsidiary.

**4. Litigation involving our Directors**

**Criminal proceedings involving our Directors**

A. Criminal Matters filed by our Directors

1. A Criminal Complaint No. 367/2025 was filed by our Director Ram Chandra Agarwal in Dwarka District Court, Delhi to quash the FIR No. 242/2019 filed by Meena Soni. The matter is currently pending however the district court has granted permanent exemption to our Director Ram Chandra Agarwal, and the next date of hearing is January 16, 2026.

B. Criminal Matters filed against our Directors

1. A First Information Report (FIR) No. 242/2019 was filed by Meena Soni (the "**Complainant**") against our Director Ram Chandra Agarwal under sections 354A and 509 of Indian Penal Code, 1860. The case was further registered in Dwarka District Court, Delhi bearing No. CS O3446/2020 to quash the FIR filed by the Complainant. The matter is currently pending however the district court has granted permanent exemption to our Director Ram Chandra Agarwal. The next date of hearing is November 13, 2025.

**Material civil proceedings involving our Directors**

A. Civil Proceedings filed by our Directors

As on the date of this Placement Document, there are no material civil proceedings filed by our Directors.

B. Civil Proceedings filed against our Directors

As on the date of this Placement Document, there are no material civil proceedings filed by our Directors.

**Actions taken by regulatory and statutory authorities**

As on the date of this Placement Document, there are no actions taken by any regulatory or statutory authority against our Directors.

**5. Litigation involving our Promoters**

**Criminal proceedings involving our Promoters**

A. Criminal Matters filed by our Promoters

Except as disclosed in "– *Litigation involving our Directors*" on page 200, there are no criminal proceedings filed by our Promoters as on the date of this Placement Document.

B. Criminal Matters filed against our Promoters

Except as disclosed in "– *Litigation involving our Directors*" on page 200, there are no criminal proceedings

filed against our Promoters as on the date of this Placement Document.

**Material civil proceedings involving our Promoters**

A. Civil Proceedings filed by our Promoters

As on the date of this Placement Document, there are no material civil proceedings filed by our Promoters.

B. Civil Proceedings filed against our Promoters

As on the date of this Placement Document, there are no material civil proceedings filed against our Promoters.

**Actions taken by regulatory and statutory authorities**

As on the date of this Placement Document, there are no actions taken by any regulatory or statutory authority against our Promoters.

**6. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years**

*Nil*

**7. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company**

No material frauds have been committed against our Company during the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023.

**8. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon**

*Nil*

**9. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder**

*Nil*

**10. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operation**

*Nil*

**11. Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks**

Except as disclosed below, there are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Placement Document:

*[The remainder of the page has been intentionally left blank]*

1. Auditors' reservation or qualifications related to our Company related to Consolidated Financial Statements:

| **Financial Period/ Year** | **Details of Audit qualifications** | **Impact on the financial statements and financial position of the Company** | **Corrective steps taken and/or proposed to be taken by the Company** |
|---|---|---|---|
| June 30, 2025 | As described in Note 5 to the accompanying consolidated financial results, the Company had 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 June 30, 2025. Our conclusion on the consolidated financial results for the quarter ended June 30, 2025 is qualified in respect of this matter. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2025 | As described in Note 46 to the accompanying consolidated financial statements, the Holding 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 Holding Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Holding 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, 2025. Our opinion on the consolidated financial statements for the year ended March 31, 2025 is qualified in respect of this matter. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2024 | As described in Note 45 to the accompanying consolidated financial statements, the Holding 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 | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets |

| Financial Period/ Year | Details of Audit qualifications | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| | period of 3 years. However, the Holding Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Holding 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, 2024. Our opinion on the consolidated financial statements for the year ended March 31, 2024 is qualified in respect of this matter. | | and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2023 | 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. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2022 | As described in Note 47 to the accompanying consolidated financial statements, the Parent Company has performed physical verification of property, plant and equipment during the year ended 31 March 2022 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 in respect of property, plant and equipment with aggregate gross block of Rs 17,792.30 lakhs and net block of Rs | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new |

| Financial Period/ Year | Details of Audit qualifications | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| | 9,162.77 lakhs as at 31 March 2022. 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 2022. | | consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2022 | As stated in Note 15(a) to the accompanying consolidated financial statements, the Holding Company's other equity as at 31 March 2022 includes an amount of 365.36 lakhs in the nature of capital reserve arising out of business restructuring carried out in earlier years, for which the Holding Company's management has not been able to provide necessary reconciliation and information. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid balance, and the consequential impact, if any, on the financial statements. Our opinion on the consolidated financial statements for the previous year ended 31 March 2021 was also modified in respect of this matter. | Impact on financial statements could not be ascertained. | This qualification has already been removed by our Statutory Auditors in their Audit Report for the year ended 31 March 2024 |
| Financial year ended March 31, 2022 | As stated in Note 35(a) to the accompanying consolidated financial statements, the Holding Company's contingent liabilities as at 31 March 2022 include certain contingent liabilities aggregating to 747.26 lakhs pertaining to litigations pending with various authorities, for which the Holding Company's management has not been able to provide necessary evidence in relation to probability of outflow of resources embodying economic benefits. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid amounts as provision or contingent liabilities as at 31 March 2022 in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" and the consequential impact, if any, on the total liabilities and profit as at and for the year then ended. Our opinion on the consolidated financial statements for the year ended 31 March 2021 | Impact on financial statements could not be ascertained. | We are very effectively taking up all the matter under litigation and at present there are no pending cases in respect of Value Added Tax in any state. |

| Financial Period/ Year | Details of Audit qualifications | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| | was also qualified in respect of this matter. | | |
| Financial year ended March 31, 2021 | As stated in Note 16(a) to the accompanying Consolidated financial statements, the Holding Company's other equity as at 31 March 2021 includes an amount of Rs. 365.36 lakhs in the nature of capital reserve arising out of business restructuring carried out in earlier years, for which the Holding Company's management has not been able to provide necessary reconciliation and information. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid balance, and the consequential impact, if any, on the financial statements. Our opinion on the consolidated financial statements for the previous year ended 31 March 2020 was also modified in respect of this matter. | Impact on financial statements could not be ascertained. | This qualification has already been removed by our Statutory Auditors in their Audit Report for the year ended 31 March 2024 |
| Financial year ended March 31, 2021 | As stated in Note 37(a)(iv) to the accompanying consolidated financial statements, the Holding Company's contingent liabilities as at 31 March 2021 include certain contingent liabilities aggregating to Rs. 799.59 lakhs pertaining to litigations pending with various authorities, for which the Holding Company's management has not been able to provide necessary evidence in relation to probability of outflow of resources embodying economic benefits. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid amounts as provision or contingent liabilities as at 31 March 2021 in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" and the consequential impact, if any, on the total liabilities and profit as at and for the year then ended. Our opinion on the consolidated financial statements for the year ended 31 March 2020 was also qualified in respect of this matter. | Impact on financial statements could not be ascertained. | We are very effectively taking up all the matter under litigation and at present there are no pending cases in respect of Value Added Tax in any state. |

2. Auditors' qualification related to our Company related to Standalone Financial Statements:

| **Financial Period/ Year** | **Details of Audit qualifications** | **Impact on the financial statements and financial position of the Company** | **Corrective steps taken and/or proposed to be taken by the Company** |
|---|---|---|---|
| June 30, 2025 | As described in Note 5 to the accompanying standalone financial results, the Company had 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 June 30, 2025. Our conclusion on the standalone financial results for the quarter ended June 30, 2025 is qualified in respect of this matter. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2025 | 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, 2025. Our opinion on the standalone financial statements for year ended March 31, 2025 is qualified in respect of this matter. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2024 | As described in Note 46 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 | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to |

| Financial Period/ Year | Details of Audit qualifications | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| | 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, 2024. Our opinion on the standalone financial statements for year ended March 31, 2024 is qualified in respect of this matter | | do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2023 | As described in Note 47 in 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 concluding 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. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2022 | As described in Note 47 to the accompanying standalone financial statements, the Company has performed physical verification of property, plant and equipment during the year ended 31 March 2022 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 in | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this |

| Financial Period/ Year | Details of Audit qualifications | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| | respect of property, plant and equipment with aggregate gross block of Rs 17,792.30 lakhs and net block of Rs 9,162.77 lakhs as at 31 March 2022. 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 2022. | | year, all the qualified comments would be removed. |
| Financial year ended March 31, 2022 | As stated in Note 16(a) to the accompanying standalone financial statements, the Company's other equity as at 31 March 2022 includes an amount of 365.36 lakhs in the nature of capital reserve arising out of business restructuring carried out in earlier years, for which the Company's management has not been able to provide necessary reconciliation and information. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid balance, and the consequential impact, if any, on the financial statements. Our opinion on the standalone financial statements for the previous year ended 31 March 2021 was also modified in respect of this matter. | Impact on financial statements could not be ascertained. | This qualification has already been removed by our Statutory Auditors in their Audit Report for the year ended 31 March 2024 |
| Financial year ended March 31, 2022 | As stated in Note 35(a) to the accompanying standalone financial statements, the Company's contingent liabilities as at 31 March 2022 include certain contingent liabilities aggregating to 747.26 lakhs pertaining to litigations pending with various authorities, for which the Company's management has not been able to provide necessary evidence in relation to probability of outflow of resources embodying economic benefits. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid amounts as provision or contingent liabilities as at 31 March 2022 in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" and the consequential impact, if any, on the | Impact on financial statements could not be ascertained. | We are very effectively taking up all the matter under litigation and at present there are no pending cases in respect of Value Added Tax in any state. |

| Financial Period/ Year | Details of Audit qualifications | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| | total liabilities and loss as at and for the year then ended. Our opinion on the standalone financial statements for the year ended 31 March 2021 was also qualified in respect of this matter. | | |
| Financial year ended March 31, 2021 | As stated in Note 16(a) to the accompanying standalone financial statements, the Company's other equity as at 31 March 2021 includes an amount of ₹ 365.36 lakhs in the nature of capital reserve arising out of business restructuring carried out in earlier years, for which the Company's management has not been able to provide necessary reconciliation and information. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid balance, and the consequential impact, if any, on the financial statements. Our opinion on the standalone financial statements for the previous year ended 31 March 2020 was also modified in respect of this matter. | Impact on financial statements could not be ascertained. | This qualification has already been removed by our Statutory Auditors in their Audit Report for the year ended 31 March 2024. |
| Financial year ended March 31, 2021 | As stated in Note 36(iv) to the accompanying standalone financial statements, the Company's contingent liabilities as at 31 March 2021 include certain contingent liabilities aggregating to ₹ 799.59 lakhs pertaining to litigations pending with various authorities, for which the Company's management has not been able to provide necessary evidence in relation to probability of outflow of resources embodying economic benefits. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness and classification of the aforesaid amounts as provision or contingent liabilities as at 31 March 2021 in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" and the consequential impact, if any, on the total liabilities and loss as at and for the year then ended. Our opinion on | Impact on financial statements could not be ascertained. | We are very effectively taking up all the matter under litigation and at present there are no pending cases in respect of Value Added Tax in any state. |

| Financial Period/ Year | Details of Audit qualifications | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| | the standalone financial statements for the year ended 31 March. | | |

3. Auditors' emphasis of matter related to our Company:

| Financial Period/ Year | Details of Emphasis of Matter | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| June 30, 2025 | We draw attention to Note 4 of the accompanying standalone financial results, which describes that an advance amounting to Rs. 1,493.08 Lakhs outstanding since April 2019, which describes that an advance amounting to Rs. 1,493.08 Lakhs outstanding since April 2019, has been considered good based on extension of the underlying contract with Bennett, Coleman and Co. Limited ('BCCL') till July 07, 2026. The management is confident of the utilization of such advance against future advertisement services to be provided by BCCL within the extended periods of the contract and hence, has considered the aforesaid balance as fully recoverable as on date. Our conclusion is not qualified in respect of this matter. | No financial impact | The Company has prepared a plan to utilise this advance within a period of 3 years. |
| Financial year ended March 31, 2025 | We draw attention to Note 44 of the accompanying standalone financial statement, which describes that an advance amounting to Rs. 1,494.23 lakhs 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, 2025. The management is confident of the utilization of such advance against future advertisement services to be provided by BCCL within the extended periods 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. | No financial impact | The Company has prepared a plan to utilise this advance within a period of 3 years. |
| Financial year ended March 31, 2024 | We draw attention to Note 43 of the accompanying standalone financial statement, which describes that an advance amounting to Rs. 1,553.48 lakhs 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, 2024. 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. | No financial impact | The Company has prepared a plan to utilise this advance within a period of 3 years. |
| Financial year ended March 31, 2023 | 1. 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. | No financial impact | This emphasised matter has already been resolved. |

| Financial Period/ Year | Details of Emphasis of Matter | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| Financial year ended March 31, 2023 | 2. We draw attention to Note 44 of the accompanying standalone financial statement, which describes that an advance amounting to Rs. 1,557.66 lakhs outstanding since April 2004, has been considered on a good basis management's assessment of exemption to the underlying contract with Bennett, Coleman and Co. Limited (BCCL), in July 30, 2009. 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 advance balance as fully recoverable as on date. Our opinion is not qualified in respect of this matter. | No financial impact | The Company has prepared a plan to utilise this advance within a period of 3 years. |
| Financial year ended March 31, 2022 | 1. We draw attention to Note 46 of the accompanying Statement, which describes the uncertainties relating to the effect of COVID-19 pandemic outbreak and the management's evaluation of the impact on the standalone financial statements of the Company as at the balance sheet date. The extent of the impact of these uncertainties on the Company's operations is significantly dependent on future developments, as they evolve. | No financial impact | The Company has fully recovered from the effect of COVID-19 pandemic |
| Financial year ended March 31, 2022 | 2. We draw attention to Note 44 of the accompanying standalone financial statements, which describes that an advance amounting to Rs. 1,557.65 lacs (31 March 2021: Rs. 1,557.65 lacs) outstanding since April 2019, as included in Non-current assets as at March 31, 2022 has been considered good basis management's assessment of expected renewal of the underlying contract with Bennett, Coleman and Co. Limited ('BCCL') which will be valid till July 7, 2022, basis past experience and ongoing discussion with the BCCL for such renewal. Further, the management is confident of the utilisation 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 modified in respect of these matters. | No financial impact | The Company has prepared a plan to utilise this advance within a period of 3 years. |
| Financial year ended March 31, 2021 | We draw attention to Note 48 of the accompanying standalone financial statements, which describes the uncertainties relating to the effect of COVID19 pandemic outbreak and the management's evaluation of the impact on the standalone financial statement of the Company as at the balance sheet date. The extent of the impact of these uncertainties on the Company's operations is significantly dependent on future developments. Our opinion is not modified in respect of this matter. | No financial impact | The Company has fully recovered from the effect of COVID-19 pandemic |

4. Emphasis of Matter-Summary Related to V2 Smart Manufacturing Private Limited

| Financial Period/Year | Details of Emphasis of Matter | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|
| Financial year ended March 31, 2022 | We draw your attention to the fact that previous year financial statements were audited by another auditor. We have relied upon such audited financial statements, wherever possible, so far as opening balances, disclosures and presentation are concerned. | No material impact on the financial statements. | Not required |
| Financial year ended March 31, 2022 | We draw your attention to Note No. 16 of the accompanying financial statements which describes the dues to Micro, Small and Medium Enterprises (MSME). Such information has been disclosed on the basis of status of payables available to the company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and on the basis of information received through direct confirmations to us. | No material impact on the financial statements. | Not required |
| Financial year ended March 31, 2022 | We draw your attention to the fact that our appointment as the auditor of the company was approved in Extra-Ordinary General Meeting (EGM) dated 18th April 2022. In terms of Para - 7 of Standard on Auditing - 501 "Audit Evidence - Specific Considerations for Selected Items", it was impracticable to attend physical inventory count. We have relied upon the alternate procedures and physical verification conducted by the management at regular intervals, so far as such inventories are concerned. | No material impact on the financial statements. | Not required |

5. Auditors' adverse observations related to our Company (CARO):

| Period/Year | Clause | Details of Adverse Observations | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company* |
|---|---|---|---|---|
| Financial year ended March 31, 2025 | Remark in Clause (i)(b) of CARO, 2020 Order | According to the information and explanations given to us and records examined by us, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks on the basis of security of current assets. There are differences between books of account of the respective quarters and quarterly returns/ statements filed by the Company with the bank as disclosed in the Note 49(xi) to the standalone financial statements. The Company has not been sanctioned working capital limits from any financial institution. | No material impact on the financial statements. | No material impact on the financial statements. |
| Financial year ended March 31, 2025 | Remark in Clause (ii)(b) of CARO, 2020 Order | According to the information and explanations given to us and records examined by us, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks on the basis of security of current assets. There are differences between books of account of the respective quarters and quarterly returns/ statements filed by the Company with the bank as disclosed in the Note 49(xi) to the standalone financial statements. The Company has not been sanctioned working capital limits from any financial institution. | No material impact on the financial statements. | No material impact on the financial statements. |
| Financial year ended March 31, 2024 | Remark in Clause (i)(b) of CARO, 2020 Order | 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 during the year ended March 31, 2023 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 46 to the standalone financial statements. Therefore, we are unable to comment on the | Impact on financial statements could not be ascertained | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were |

| Period/Year | Clause | Details of Adverse Observations | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company* |
|---|---|---|---|---|
| | | discrepancies, if any, pending finalization of reconciliation process. | | not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2024 | Remark in Clause (ii)(b) of CARO, 2020 Order | According to the information and explanations given to us and records examined by us, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks on the basis of security of current assets. There are differences between books of account of the respective quarters and quarterly returns/statements filed by the Company with the bank as disclosed in the Note 48(xi) to the standalone financial statements. The Company has not been sanctioned working capital limits from any financial institution. | Impact on financial statements could not be ascertained | No material impact on the financial statements. |
| Financial year ended March 31, 2023 | Remark in Clause (i)(b) of CARO, 2020 Order | 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 during the year 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. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this |

| Period/Year | Clause | Details of Adverse Observations | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company* |
|---|---|---|---|---|
| | | | | year, all the qualified comments would be removed |
| Financial year ended March 31, 2022 | Remark in Clause (i)(b) of CARO, 2020 Order | The Company has a regular program of physical verification of its fixed assets under which fixed assets 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/Holding Company and the nature of its assets. In accordance with this program, certain fixed assets 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, which could have arisen during a forested reconciliation process. | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed |
| March 31, 2021 | Remark in Clause (i)(b) of CARO, 2020 Order | The Company has a regular program of physical verification of its fixed assets under which fixed assets 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 fixed assets were required to be verified during the year which have not been verified by the management of the Company | Impact on financial statements could not be ascertained. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 |

| Period/Year | Clause | Details of Adverse Observations | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company* |
|---|---|---|---|---|
| | | as stated in note 52 to the standalone financial<br>statements. Therefore, we are unable to comment on the discrepancies, if any, which<br>could have arisen on such verification. | | year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed |

*[The remainder of this page has been intentionally left blank]*

6. Auditors' adverse observation related to V2 Smart Manufacturing Limited (CARO)

<table>
<tr><th>Period/Year</th><th>Clause</th><th>Details of Observations</th><th>Impact on the financial statements and financial position of the Company</th><th>Corrective steps taken and/or proposed to be taken by the Company</th></tr>
<tr><td>Financial year ended March 31, 2025</td><td>Remark in Clause (iv) of CARO, 2020 Order</td><td>The company has not furnished guarantees, pledged security or made any investments during the year. However, it has granted unsecured loans, to body corporate, being related parties in terms of the provisions of Section 185 and 186 of the Companies Act, 2013 during the year.<br>(a) Loans and Advances<br><table><tr><th>To whom</th><th>Aggregate amount during the year</th><th>Balance outstanding at balance sheet date</th></tr><tr><td>Parties other than subsidiaries, joint ventures and associates</td><td>Rs. 138 Lakhs</td><td>Rs. 141.12 Lakhs</td></tr></table>(b) In our opinion, and according to the information and explanations given to us, the terms and conditions of grant of loan, prima facie, not prejudicial to the interest of the Company.<br>(c) In respect of loan granted by the company, the schedule of repayment of principal and interest have been not stipulated.<br>(d) Since repayment term have not been stipulated, we are unable to comment on said clause.<br>(e) Since repayment term have not been stipulated, we are unable to comment on said clause.<br>(f) The company has granted loans or advanced in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.</td><td>No material impact on the financial statements.</td><td>No material impact on the financial statements.</td></tr>
</table>

7. Auditors' adverse observations related to our Company (Internal Financial Controls)

| **Financial Period/ Year** | **Nature of Adverse Observation (Reservations, qualifications, adverse remarks or matters of emphasis)** | **Details of** Qualified Opinion | **Impact on the financial statements and financial position of the Company** | **Corrective steps taken and/or proposed to be taken by the Company** |
|---|---|---|---|---|
| Financial year ended March 31, 2025 | Qualified Opinion | 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 standalone financial statements. | No material impact on the financial statements. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2024 | Qualified Opinion | 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. | No material impact on the financial statements. | We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |

| **Financial Period/ Year** | **Nature of Adverse Observation (Reservations, qualifications, adverse remarks or matters of emphasis)** | **Details of** Qualified Opinion | **Impact on the financial statements and financial position of the Company** | **Corrective steps taken and/or proposed to be taken by the Company** |
|---|---|---|---|---|
| Financial year ended March 31, 2023 | Qualified Opinion | 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.<br><br>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. | No material impact on the financial statements. | a) This qualification has already been removed by our Statutory Auditors in their Audit Report for the year ended 31 March 2024<br><br>b) We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2022 | Qualified Opinion | 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 | No material impact on the financial statements. | a) This qualification has already been removed by our Statutory Auditors in their Audit Report for the year ended 31 March 2024<br><br>b) This qualification has already been removed by our Statutory Auditors in their Audit Report for the |

| Financial Period/ Year | Nature of Adverse Observation (Reservations, qualifications, adverse remarks or matters of emphasis) | Details of Qualified Opinion | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|---|
| | | accompanying financial statements.<br>b) The Company's internal financial controls over retention of adequate information towards estimating provisions and contingent liabilities with respect to outstanding litigations were not operating effectively, which could result in an inappropriate assessment of the accuracy and completeness of provisions and contingent liabilities, which is not in accordance with Indian Accounting Standard 37 - Provisions, Contingent Liabilities and Contingent Assets.<br>c) 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. | | year ended 31 March 2024<br><br>c) We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |
| Financial year ended March 31, 2021 | Qualified Opinion | a) The Company's internal financial controls over retention of adequate information towards reconciliation of capital reserve in accordance with accounting principles | No material impact on the financial statements. | a) This qualification has already been removed by our Statutory Auditors in their Audit Report for the |

| Financial Period/ Year | Nature of Adverse Observation (Reservations, qualifications, adverse remarks or matters of emphasis) | Details of Qualified Opinion | Impact on the financial statements and financial position of the Company | Corrective steps taken and/or proposed to be taken by the Company |
|---|---|---|---|---|
| | | generally accepted in India were not operating effectively, which could lead to a potential material misstatement in Other equity in the accompanying financial statements.<br><br>b) The Company's internal financial controls over retention of adequate information towards estimating provisions and contingent liabilities with respect to outstanding litigations were not operating effectively, which could result in an inappropriate assessment of the accuracy and completeness of provisions and contingent liabilities, which is not in accordance with Indian Accounting Standard 37 - Provisions, Contingent Liabilities and Contingent Assets.<br><br>c) The Company's internal financial control system over physical verification of property, plant and equipment (PPE) 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, reserves and related disclosures in the accompanying financial statements. | | year ended 31 March 2024<br><br>b) This qualification has already been removed by our Statutory Auditors in their Audit Report for the year ended 31 March 2024<br><br>c) We did not have the fixed assets module in our ERP, it has been a challenge because we have so many multiple sites and there are more than 15,000 different articles for fixed assets and we did not want to do an accurate reconciliation. So, we had hired an external agency who worked on it for more than 1 year but we were not satisfied with the results. But now we have hired a new consultant and almost 80% reconciliation has been done so this year, all the qualified comments would be removed. |

## OUR STATUTORY AUDITOR

In term of the provisions of Section 139 of the Companies Act, 2013, M/s Singhi & Co, Chartered Accountants, were appointed as our Company's Statutory Auditor pursuant to a resolution adopted by our Shareholders at the Annual General Meeting held on September 30, 2022 for a period of five years.

Our Statutory Auditor have reviewed the Unaudited Consolidated Financial Results, which is included in this Placement Document and audited the Audited Consolidated Financial Statements for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 which are included in this Placement Document in "***Financial Information***" on page 227.

The peer review certificate of our Statutory Auditor is valid as of the date of this Placement Document.

## GENERAL INFORMATION

1. Our Company was originally incorporated as "*Vishal Retail Private Limited*" on July 23, 2001, under the Companies Act, 1956 with the Registrar of Companies, West Bengal at Kolkata. Our Company was converted to a public limited company, approved by our Shareholders' vide special resolution, at its extraordinary general meeting held on November 28, 2005, pursuant to which the name of our Company was changed to "*Vishal Retail Limited*" and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, West Bengal at Kolkata dated February 20, 2006. Thereafter the name of our Company was changed to "*V2 Retail Limited*" pursuant to approval of the shareholders vide special resolution, at its extraordinary general meeting held on June 25, 2011 and a certificate of change of name was issued by the Registrar of Companies, NCT of Delhi and Haryana at Delhi on July 29, 2011

2. Our Registered Office is located at Khasra no.928, Extended Lal dora abadi, Village Kapashera, Tehsil Vasant Vihar, New Delhi - 110037 and our Corporate Office is located at 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol 122015, Haryana.

3. Our Corporate Identification Number is L74999DL2001PLC147724. The website of our Company is www.v2retail.com.

4. The Equity Shares are listed on BSE and NSE.

5. The Issue was authorised and approved by our Board pursuant to a resolution dated July 30, 2025 and by the shareholders of our Company pursuant to a special resolution passed in the Annual General Meeting dated September 5, 2025.

6. Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from each of BSE and NSE on October 30, 2025 to list the Equity Shares issued pursuant to the Issue on the Stock Exchanges. We will apply for final listing and trading approvals to the Stock Exchanges, after Allotment of the Equity Shares in the Issue.

7. The authorised share capital of our Company is ₹ 45,84,00,000 comprising of 40,00,00,000 Equity Shares of face value of ₹10 each and 4,00,000 Preference Shares of ₹ 146 each. As on the date of this Placement Document, the issued, subscribed and paid-up capital of our Company is ₹34,58,93,410 comprising 3,45,89,341 Equity Shares of face value of ₹10 each.

8. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed India Ratings and Research Private Limited, for monitoring the utilisation of the Gross Proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

9. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 11:00 am to 1:00 pm on all working days, (except Saturdays and public holidays) during the Bid/ Issue Period at our Registered and Corporate Office.

10. Except as disclosed in this Placement Document, there has been no material adverse change in our financial or trading position since the date of the latest financial statements prepared and included herein.

11. The Floor Price is ₹ 2,245.75 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of 4.98% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their special resolution passed in the Annual General Meeting held dated September 5, 2025 and in terms of Regulation 176(1) of SEBI ICDR Regulations.

12. Our Company confirms that it is in compliance with the minimum public shareholding requirements as required under the terms of the SEBI ICDR Regulations, the SCRA and the SCRR.

13. Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

14. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting our Company, or its assets or revenues, nor is our Company aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue or could have a material adverse effect on the position, business, operations, prospects or reputation of our Company. For further details, see *"**Legal Proceedings**"* on page 197.

15. During the Fiscal 2026, our Subsidiary V2 Smart Manufacturing Private Limited has shut down all its manufacturing units and disposed of certain assets. The manufacturing units were established to gain transparency in production costs and enable more effective price negotiations with vendors. As expanding factories for every new set of stores was not economically viable, our Company transitioned to contract manufacturing, achieving comparable cost efficiency. There has been no material change in the financial or trading position of our Company since March 31, 2025, the date of the Audited Consolidated Financial Statements included in this Placement Document, except as disclosed herein.

16. The Company and the BRLM accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

17. Shivam Aggarwal is the Company Secretary and Compliance Officer of our Company. His details are as follows:

    Name: Shivam Aggarwal, Company Secretary and Compliance Officer
    Address: 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol 122015, Haryana
    **Tel No.:** 011-41771850
    **E-mail:** cs@v2kart.com

## FINANCIAL INFORMATION

Certain financial metrics derived from the Audited Consolidated Financial Statements The accounting ratios derived from the Audited Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled "*Risk Factors*" and "*Financial Information*" on pages 34 and 227, respectively:

*(in ₹ lakhs, unless otherwise stated)*

| S.No. | Particulars | As at and for the fiscal year ended March 31, 2025 | As at and for the fiscal year ended March 31, 2024 | As at and for the fiscal year ended March 31, 2023 |
|---|---|---|---|---|
| **1.** | Revenue from Operations | 1,88,449.52 | 1,16,472.71 | 83,888.30 |
| **2.** | Profit before tax | 9,821.89 | 3,137.28 | (1,695.19) |
| **3.** | Profit for the year | 7,203.23 | 2,781.07 | (1,281.67) |
| **4.** | Equity share capital | 3,458.93 | 3,458.93 | 3,438.93 |
| **5.** | Other Equity | 31,170.76 | 24,012.43 | 21,253.50 |
| **6.** | Non-controlling interests | 0.00 | 0.00 | 0.00 |
| **7.** | Total equity | 34,629.69 | 27,471.36 | 24,692.43 |
| **8.** | Basic earning per equity share (in ₹) | 20.83 | 8.04 | (3.73) |
| **9.** | Dilutes earning per equity share (in ₹) | 20.83 | 8.04 | (3.73) |
| **10.** | Return on equity (%)* | ***23.20*** | ***10.66*** | ***(5.07)*** |
| **11.** | Net Asset Value per Share (in ₹)** | 100.12 | 79.42 | 71.80 |

***Profit for the year divided by Average Total Equity*
***Net Assets (Total assets less total liabilities) divided by number of equity shares*

**Reconciliation of return on equity ("ROE")**

***(in ₹ lakhs, unless otherwise stated)***

| Particulars | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Profit for the year (I) | 7,203.23 | 2,781.07 | (1,281.67) |
| Average Total Equity (II) | 31,050.52 | 26,081.89 | 25,256.13 |
| ROE (I/II) (%) | 23.20 | 10.66 | (5.07) |

**Reconciliation of Average Total Equity**

***(in ₹ lakhs, unless otherwise stated)***

| Particulars | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Total equity | | | |
| Opening balance (I) | 27,471.36 | 24,692.43 | 25,819.83 |
| Closing Balance (II) | 34,629.69 | 27,471.36 | 24,692.43 |
| Average Total Equity ((I) + (II))/2 | 31,050.52 | 26,081.89 | 25,256.13 |
| | | | |

**Reconciliation of Net Asset Value per Share**

***(in ₹ lakhs, unless otherwise stated)***

| Particulars | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Total assets (I) | 1,59,906.94 | 1,02,714.25 | 79,328.16 |
| Total liabilities (II) | 1,25,277.22 | 75,242.89 | 54,635.73 |
| Net assets (III=I-II) | 34,629.72 | 27,471.36 | 24,692.43 |
| Equity Shares (IV) | 3,45,89,341 | 3,45,89,341 | 3,43,89,341 |

| | | | |
|---|---|---|---|
| Net Asset Value per Share (V=III*10^5)/IV) (in ₹) | 100.12 | 79.42 | 71.80 |

**Summary of consolidated statement of cash flows**

| Particulars | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| Net cash flow generated from/(used in) operating activities (A) | 22,299.35 | 9,317.35 | 8,635.69 |
| Net cash flows generated from/(used in) investing activities (B) | (13,072.71) | (3,904.74) | (1,227.34) |
| Net cash flows generated from/(used in) financing activities (C) | (9,270.09) | (4,959.80) | (7,570.17) |
| Net Increase/decrease in cash and cash equivalents (A+B+C) | (43.45) | 452.81 | (161.82) |
| Cash and cash equivalents at the beginning of the year | 944.83 | 492.02 | 653.86 |
| Cash and cash equivalents at the end of the year | 901.38 | 944.83 | 492.04 |

The above information is extracted from and may be read in conjunction with Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results, which are presented in the manner set out below:

| S. No. | Financial Information | Page Number |
|---|---|---|
| 1. | Unaudited Consolidated Financial Results for the three months period ended June 30, 2025 | 226-289 |
| 2. | Fiscal 2025 Audited Consolidated Financial Statements along with audit report issued | |
| 3. | Fiscal 2024 Audited Consolidated Financial Statements along with audit report issued | |
| 4. | Fiscal 2023 Audited Consolidated Financial Statements along with audit report issued | |

Singhi & Co.
Chartered Accountants

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**Independent Auditor's Review Report on Unaudited Quarterly Consolidated Financial Results for Quarter ended June 30, 2025 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended**

**To the Board of Directors of V2 Retail Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of V2 Retail Limited ("the Company/Parent") and its subsidiary "V2 Smart Manufacturing Private Limited" (the Parent and its subsidiary together referred to as "the Group") for the quarter ended June 30, 2025, ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. As described in Note 5 to the accompanying consolidated financial results, the Company had 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 June 30, 2025. Our conclusion on the consolidated financial results for the quarter ended June 30, 2025 is qualified in respect of this matter.

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, except for the possible effect of the matter described in para 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement read with notes therein, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to Note 4 of the accompanying consolidated financial results, which describes that an advance amounting to Rs. 1,493.08 Lakhs outstanding since April 2019, has been considered good based on extension of the underlying contract with Bennett, Coleman and Co. Limited ('BCCL') till July 07, 2026. The management is confident of the utilization of such advance against future advertisement services to be provided by BCCL within the extended periods of the contract and hence, has considered the aforesaid balance as fully recoverable as on date. Our conclusion is not qualified in respect of this matter.

7. We did not review the interim financial results of a subsidiary included in the unaudited consolidated financial results; whose interim financial results reflect revenue from operation of Rs. 1,362.91 Lakhs, net profit/(loss) after tax of Rs. (191.50) Lakhs and total comprehensive income of Rs. (191.50) Lakhs for the quarter ended June 30, 2025 respectively. This interim financial result was reviewed by other auditor whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on report of the other auditor and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

For Singhi and Co.
Chartered Accountants
Firm Reg. No. 302049E

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

Bimal Kumar Sipani
Partner
Membership No. 088926
UDIN: 25088926BMJHJM1752

Place: Noida (Delhi-NCR)
Date: July 30, 2025

**Statement of unaudited consolidated financial results for the quarter ended 30 June 2025**

**(Rs. in lakhs, unless stated otherwise)**

| | Particulars | Quarter ended | | | Year ended |
|---|---|---|---|---|---|
| | | 30 June 2025 | 31 March 2025 | 30 June 2024 | 31 March 2025 |
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| 1 | **Income** | | | | |
| (a) | Revenue from operations | 63,221.65 | 49,851.31 | 41,503.29 | 1,88,449.52 |
| (b) | Other income | 91.94 | 186.44 | 139.26 | 696.01 |
| | **Total income** | **63,313.59** | **50,037.75** | **41,642.55** | **1,89,145.53** |
| 2 | **Expenses** | | | | |
| (a) | Purchases of stock-in-trade | 52,464.89 | 40,836.25 | 25,557.28 | 1,32,928.33 |
| (b) | Cost of raw material consumed | 1,111.96 | 1,244.48 | 3,391.10 | 10,517.85 |
| (c) | Changes in inventories of Finished goods, Work in progress and stock-in-trade | (9,076.10) | (6,336.67) | (934.18) | (14,918.86) |
| (d) | Jobwork charges | 80.45 | 314.90 | 1,231.55 | 4,331.23 |
| (e) | Printing,washing and other direct charges | 17.74 | 24.17 | 235.38 | 465.63 |
| (f) | Employee benefits expense | 5,261.89 | 4,229.33 | 3,561.85 | 15,919.59 |
| (g) | Finance Costs | 2,277.20 | 2,140.22 | 1,371.26 | 6,790.98 |
| (h) | Depreciation and amortisation expense | 3,209.40 | 2,793.52 | 2,136.77 | 9,864.98 |
| (i) | Other expenses | 4,636.89 | 3,757.03 | 2,914.55 | 13,423.91 |
| | **Total expenses** | **59,984.32** | **49,003.23** | **39,465.56** | **1,79,323.64** |
| | **Profit/(Loss) before tax (1-2)** | **3,329.27** | **1,034.52** | **2,176.99** | **9,821.89** |
| 4 | **Tax expense** | | | | |
| (a) | Current tax | 1,210.02 | 440.80 | 503.42 | 2,782.29 |
| (b) | Tax expense of earlier years | - | 40.64 | - | 40.64 |
| (c) | Deferred tax | (347.06) | (90.48) | 39.60 | (204.28) |
| | **Total tax expense** | **862.96** | **390.96** | **543.02** | **2,618.66** |
| 5 | **Profit/(Loss) for the period/year (3-4)** | **2,466.31** | **643.56** | **1,633.97** | **7,203.23** |
| 6 | **Other comprehensive income** | | | | |
| | (i) Items that will not be reclassified to the statement of profit and loss | (61.15) | (1.17) | (20.03) | (59.67) |
| | (ii) Income tax relating to items that will not be reclassified to the statement of profit and loss | 15.39 | 0.03 | 5.04 | 14.75 |
| | **Total other comprehensive income** | **(45.76)** | **(1.14)** | **(14.99)** | **(44.92)** |
| 7 | **Total comprehensive Income for the period/year (5+6)** | **2,420.55** | **642.42** | **1,618.98** | **7,158.31** |
| | **Net profit attributable to** | | | | |
| | Owner of the company | **2,466.31** | **643.56** | **1,633.97** | **7,203.23** |
| | Non controlling interest | - | - | - | - |
| | **Other comprehensive income attributable to** | | | | |
| | Owner of the company | (45.76) | (1.14) | (14.99) | (44.92) |
| | Non controlling interest | - | - | - | - |
| | **Total comprehensive income attributable to** | | | | |
| | Owner of the company | 2,420.55 | 642.42 | 1,618.98 | 7,158.31 |
| | Non controlling interest | - | - | - | - |
| 8 | Paid-up equity share capital (face value of Rs. 10 each) | **3,458.93** | **3,458.93** | **3,458.93** | **3,458.93** |
| 9 | Other equity | | | | **31,170.76** |
| 10 | **Earnings per share (face value of Rs. 10 each): (not annualised except for the year ended)** | | | | |
| (a) | Basic (in Rs.) | **7.13** | **1.86** | **4.72** | **20.83** |
| (b) | Diluted (in Rs.) | **7.13** | **1.86** | **4.72** | **20.83** |

**Notes to consolidated unaudited financial results for the quarter ended 30 June 2025**

1. The unaudited Consolidated Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 July 2025. The statutory auditors have conducted limited review of these financial results pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and have issued a modified report.

2. The above consolidated financial results have been prepared in accordance with the recognition and measurement principles of the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended).

3. The Group's primary business segment is reflected based on principal business activities carried on by the Group. As per Ind AS 108, Operating Segments, the Group operates in one reportable business segment i.e., retail trade through chain of stores and is primarily operating in India and hence, considered as single geographical segment.

4. The holding Company initially executed an Advertisement contract dated 17 July 2020 for the period of 5 years with Bennet Coleman and Company Limited (BCCL), pursuant to which the holding Company has agreed to give advertisements of Rs. 2,500 lakhs, being the total commitment and BCCL has extended long-term credit facility amounting to Rs. 1,625 lakhs to be utilized in accordance with the terms of aforesaid agreement. The aforesaid agreement has now been extended till July 7, 2026. The holding Company has utilisable advance of Rs. 1,493.08 lakhs till 30 June 2025 (31 March 2025 Rs. 1,494.23 lakhs) outstanding since April, 2019, pursuant to this contract. The management of holding company is confident of utilising the above advance with in the extended contractual periods and therefore, has considered the aforesaid advance as good and recoverable.

5. The holding Company had 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 holding Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the holding Company in respect of property, plant and equipment. The management of holding company does not expect resultant adjustments to be material to the financial statements.

6. The figures for quarter ended 31 March 2025 are balancing figures between audited figures in respect of full financial year upto 31 March 2025 and the unaudited published year to date figures upto 31 December 2024, being the date of end of third quarter of the financial year which was subjected to limited review.

7. The figures for the corresponding previous period/year have been regrouped/reclassified, wherever necessary.

V2 RETAIL LIMITED NEW DELHI

**For and on behalf of the Board of Directors**

**Ram Chandra Agarwal**
**Chairman & Managing Director**
**DIN: 00491885**

**Place: Gurugram**
**Date:** 30 July 2025

Singhi & Co.
Chartered Accountants

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## 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 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, 2025, 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 material 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, and based on the consideration of report of the other auditor on separate financial statements of the subsidiary and other financial information of the subsidiary referred to in the "Other Matters" section below, 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, 2025, the consolidated profit including other 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 Holding 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 Holding Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Holding 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, 2025. Our opinion on the consolidated financial statements for the year ended March 31, 2025 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 Act . Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' 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 we have obtained 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 44 of the accompanying consolidated financial statements, which describes that an advance amounting to Rs. 1,494.23 lakhs outstanding since April 2019, has been considered good basis Holding Company management's assessment of extension of the underlying contract with Bennett, Coleman and Co. Limited ('BCCL') till July 07, 2025. The holding company management is confident of the utilization of such advance against future advertisement services to be provided by BCCL within the extended periods 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.

| S.N. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | | 2025 and their corresponding expected sales in future periods.<br>• 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.<br>• Tested the net realizable value of traded goods inventory on a sample basis to recent selling prices.<br>• Assessed the adequacy of the disclosures made in the consolidated financial statements.<br><br>Obtained written representations from management on the completeness and adequacy of inventory allowance as at the year end. |
| 2. | **Accounting of Leases Under Ind AS 116-(Leases) :**<br>Leases Refer note 1(vi)(g) for material accounting policy and note 45 for the consolidated financial statement disclosure.<br>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. | **How our audit addressed the key audit matter:**<br>Our audit included, but was not limited to, the following audit procedures:<br>• Understood the management process for identification of leasing arrangements for accounting of leases by applying the practical expedient.<br>• Evaluated design and tested the operating effectiveness of controls implemented around above mentioned process throughout the year.<br>• Reviewed the overall impact analysis prepared by the Holding Company including completeness of lease<br>contracts and application of practical expedients.<br>• Tested the accuracy of the revised lease agreements entered for a sample of leases through the inspection of lease documentation.<br>• 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.<br>• Evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements with respect to Lease liability, Right of Use Assets and application of practical expedient, in conformity with the Ind AS 116 (Leases).<br><br>Obtained written representations from management on the completeness of lease data and application of practical expedient. |

**Other Information**

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's Report, Business Responsibility and Sustainability Report and Corporate Governance Report, including Annexures, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.



SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

The other information 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.
When we read the other information, 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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:

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

- 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 with reference to consolidated financial statements, 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 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 (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) 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.

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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, 2025 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**

1. We did not audit the financial statements of one subsidiary, whose financial statements include total assets of Rs. 6,964.00 lakhs as at March 31, 2025, revenues from operations of Rs. 20,381.82 lakhs, total net profit after tax of Rs. 39.98 lakhs, total comprehensive income of Rs. 37.23 lakhs, for the year ended on that date, and net cash outflows of Rs. 177.85 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 in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

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 matter with respect to our reliance on the work done and the report 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 in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor 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 for 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 auditor, except that the backups of books of account maintained by the Holding Company in electronic mode has not been maintained on daily basis and for the possible effects of the matters described in Basis for Qualified Opinion section and paragraph 2(B)(f) below reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules 2014;

   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;



SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

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 at March 31, 2025 taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditor of its subsidiary company incorporated in India, none of the Directors of the Group company incorporated in India is disqualified as at March 31, 2025 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, paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

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;

B. 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:

a. 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;

b. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts;

c. The Group did not have any amounts required to be transferred, to the Investor Education and Protection Fund.

d.

i. The respective managements of the Holding Company and its subsidiary incorporated in India, whose financial statements have been audited under the Act, have represented that to us and to the other auditor of such subsidiary, that to the best of their knowledge and belief, as disclosed in the Note 49(vii) 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 Holding Company or subsidiary 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 respective managements of the Holding Company and its subsidiary incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the Note 49(viii) to the consolidated financial statements, no funds have been received by the Holding Company or subsidiary or 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.

iii. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor notice that has caused us or the auditors to believe that the representations under sub-clause (i) and (ii) of rule 11(e) as provided under i. and ii. above, contain any material misstatement.

e. The Holding company and its subsidiary company, have not declared or paid any dividend during the year ended March 31, 2025.

f. Based on our examination which included test checks, and as communicated by the auditor of subsidiary incorporated in India , except for the instances mentioned below, the Holding Company and its subsidiary company have used accounting Softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all transactions recorded in the respective Softwares and the audit trail feature has not been tampered with and the audit trail of prior year has been preserved by the holding Company, to the extent enabled, as per the statutory requirements for record retention except:

i. In case of the Holding Company incorporated in India, that audit trail feature is not enabled in certain access right at application level for changes in backend tables in SAP and direct changes to data when using certain access rights at database level.

ii. Further, the Holding Company has also other accounting softwares for invoicing to customers and processing payroll which is maintained by third party software service provider. In the absence of supporting evidences for audit trail configurations, we are unable to comment on whether these softwares have feature of recording audit trail (edit log) facility at application level and database level to any direct data change in these softwares and operated throughout the year and whether there was any audit trail feature has been tempered with the audit trail of prior year has been preserved as per the statutory requirements for record retention.

iii. In case of the subsidiary Company incorporated in india, that audit trail was not enabled at the application level to log any direct data changes. In the absence of supporting evidences for audit trail configuration change logs and samples, we are unable to comment on whether the audit trail was operated at database level throughout the year and whether there was any audit trail feature has been tempered with. Further, we are unable to comment regarding preservation of untampered audit trail by the subsidiary company throughout the year



C. In our opinion and based on the reports of the statutory auditors of subsidiary company incorporated in India, the remuneration paid or 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.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

Bimal Kumar Sipani
Partner
Membership No. 088926
UDIN: 25088926BMJHFL7569

Place: Noida (Delhi-NCR)
Date: May 27, 2025

**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, 2025 (refer to in paragraph 1 of our report on other legal and regulatory requirements)**

Based on the audit report submitted by the auditor of following company included in the consolidated financial statements, there have been adverse remarks in the following clause by respective auditor 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) & (ii) (b) |
| 2. | V2 Smart Manufacturing Private Limited | U18209DL2019PTC356730 | Subsidiary | (iv)-(c),(d),(e)&(f) |

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

Bimal Kumar Sipani
Partner
Membership No. 088926
UDIN: 25088926BMJHFL7569

Place: Noida (Delhi-NCR)
Date: May 27, 2025

**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, 2025 (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 consolidated financial statements 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, 2025 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 as audit of internal financial controls. 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.



**Meaning of Internal Financial Controls with reference to consolidated financial statements**

A Company's internal financial control over with reference to consolidated 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 consolidated 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 consolidated financial statements**

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**

In our opinion to the best of our information and according to the information and explanations given to us and based on the consideration of the report of the other auditor referred to in the" Other Matters" paragraph below, the Holding Company and its subsidiary company incorporated in India, the following material weaknesses have been identified in the operating effectiveness of the Holding's internal financial controls with reference to consolidated financial statements as at 31 March 2025:

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 consolidated 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 Group has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025 except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, based on the criteria for internal control with reference to consolidated financial statements established by the Holding 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. However, Information technology general controls in the Holding Company need to be further strengthened by incorporating more controls relating to user access management, periodic user access reviews, change management and Disaster Recovery/Business Continuity Plan.

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

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 Holding Company as at and for the year ended March 31, 2025, and these material weaknesses mentioned above paragraphs have affected our opinion on the consolidated financial statements of the Holding Company and we have issued a qualified opinion on the consolidated financial statements.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiary company incorporated in India, is based solely on the corresponding reports of the auditors of such subsidiary company. Our opinion is not modified in respect of the above matters.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E




Bimal Kumar Sipani
Partner
Membership No. 088926
UDIN: 25088926BMJHFL7569

Place: Noida (Delhi-NCR)
Date: May 27, 2025

V2 Retail Limited
Standalone Balance Sheet as at 31 March 2025
*(All amounts in Rs. in lakh unless otherwise stated)*

| Particulars | Note | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 2 (i) | 19,255.31 | 9,516.70 |
| Capital work-in-progress | 2 (ii) | 415.00 | 22.55 |
| Right of use assets (ROU) | 3 (i) | 64,914.03 | 35,225.32 |
| Other Intangible assets | 3(ii) | 26.17 | 151.55 |
| Intangible assets under development | | - | - |
| Financial assets | | | |
| Investment in subsidiary | 4 | 1,500.00 | 1,500.00 |
| Other financial assets | 5 | 1,321.38 | 877.76 |
| Deferred tax assets (net) | 6 | 3,035.65 | 2,787.30 |
| Other non-current assets | 7 | 2,672.25 | 2,029.99 |
| Income tax assets (net) | 8 | - | 61.44 |
| **Total non-current assets** | | **93,139.79** | **52,172.61** |
| **Current assets** | | | |
| Inventories | 9 | 52,617.63 | 35,996.77 |
| Financial assets | | | |
| Trade Receivables | 10 | 1.18 | 5.54 |
| Cash and cash equivalents | 11 | 755.50 | 621.09 |
| Other bank balances | 12 | 38.98 | 44.10 |
| Other financial assets | 13 | 1,022.96 | 806.08 |
| Other current assets | 14 | 10,136.54 | 6,963.42 |
| **Total current assets** | | **64,572.79** | **44,437.00** |
| **Total assets** | | **1,57,712.58** | **96,609.61** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | 15 | 3,458.93 | 3,458.93 |
| Other equity | 16 | 31,041.48 | 23,994.07 |
| **Total equity** | | **34,500.41** | **27,453.00** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 17 | 1,268.65 | 387.03 |
| Lease Liabilities | 3 (i) | 67,077.27 | 38,097.74 |
| Provisions | 18 | 811.92 | 599.60 |
| **Total non-current liabilities** | | **69,157.84** | **39,084.37** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 19 | 9,564.08 | 7,354.70 |
| Lease Liabilities | 3 (i) | 6,002.61 | 4,382.43 |
| Trade payables | 20 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | 3,946.78 | 3,858.13 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 27,773.63 | 12,056.11 |
| Other financial liabilities | 21 | 5,420.74 | 1,750.08 |
| Provisions | 22 | 389.28 | 303.73 |
| Liabilities for current tax (net) | 23 | 371.17 | - |
| Other current liabilities | 24 | 586.04 | 367.06 |
| **Total current liabilities** | | **54,054.33** | **30,072.24** |
| **Total liabilities** | | **1,57,712.58** | **96,609.61** |

Material Accounting Policies and other notes to standalone financial statements 1 to 53
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

Place: Noida (Delhi-NCR)
Date: 27 May 2025

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

**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

**Akash Agarwal**
Chief Executive Officer
DIN: 03194632

**Pratik Adukia**
Chief Financial Officer

**Shivam Aggarwal**
Company Secretary
M.No. A55785

V2 RETAIL LIMITED NEW DELHI

Place: Gurgaon
Date: 27 May 2025

V2 Retail Limited
Consolidated Balance Sheet as at 31 March 2025
*(All amounts in Rs. in lakh unless otherwise stated)*

| Particulars | Note | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 2 (i) | 21,009.05 | 11,607.80 |
| Capital work-in-progress | 2 (ii) | 415.00 | 22.55 |
| Right of use assets (ROU) | 3 (i) | 65,241.56 | 36,151.15 |
| Other Intangible assets | 3 (ii) | 55.97 | 205.64 |
| Intangible assets under development | 3 (iii) | - | - |
| Financial assets | | | |
| Loans | 4 | 141.12 | - |
| Other financial assets | 4A | 1,535.19 | 1,094.90 |
| Investment in subsidiary | | - | - |
| Deferred tax assets (net) | 5 | 3,065.47 | 2,846.44 |
| Other non-current assets | 6 | 2,712.05 | 2,050.93 |
| Income tax assets (net) | 7 | 21.34 | 90.64 |
| **Total non-current assets** | | **94,196.75** | **54,070.05** |
| **Current assets** | | | |
| Inventories | 8 | 55,823.80 | 41,886.88 |
| Financial assets | | | |
| Trade receivables | 9 | 9.65 | 5.54 |
| Cash and cash equivalents | 10 | 901.38 | 944.83 |
| Other bank balances | 11 | 38.98 | 44.10 |
| Other financial assets | 12 | 1,014.81 | 606.41 |
| Other current assets | 13 | 7,921.57 | 5,156.44 |
| **Total current assets** | | **65,710.19** | **48,644.20** |
| **Total assets** | | **1,59,906.94** | **1,02,714.25** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | 14 | 3,458.93 | 3,458.93 |
| Other equity | 15 | 31,170.76 | 24,012.43 |
| **Total equity** | | **34,629.69** | **27,471.36** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 16 | 1,891.99 | 1,635.95 |
| Lease Liabilities | 3 (i) | 67,422.22 | 38,872.81 |
| Other financial liabilities | | - | - |
| Provisions | 17 | 829.90 | 631.69 |
| **Total non-current liabilities** | | **70,144.11** | **41,140.45** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 18 | 9,666.20 | 7,448.31 |
| Lease Liabilities | 3 (i) | 6,014.77 | 4,590.06 |
| Trade payables | 19 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | 3,970.79 | 5,463.16 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 28,568.24 | 13,862.03 |
| Other financial liabilities | 20 | 5,529.81 | 2,021.50 |
| Provisions | 21 | 391.00 | 312.86 |
| Current Tax Liabilities | 22 | 377.30 | - |
| Other current liabilities | 23 | 615.03 | 404.52 |
| **Total current liabilities** | | **55,133.14** | **34,102.44** |
| **Total liabilities** | | **1,59,906.94** | **1,02,714.25** |

Material Accounting Policy and other notes to consolidated financial statements 1 to 53
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

Place: Noida (Delhi-NCR)
Date: 27 May 2025

**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

**Akash Agarwal**
Chief Executive Officer
DIN: 03194632

**Pratik Adukia**
Chief Financial Officer

**Shivam Agarwal**
Company Secretary
M.No. A55785

Place: Gurgaon
Date: 27 May 2025

**V2 Retail Limited**
**Consolidated Statement of Profit and Loss for the year ended 31 March 2025**
***(All amounts in Rs. in lakh unless otherwise stated)***

| Particulars | Note | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| **I. Income** | | | |
| Revenue from operations | 24 | 1,88,449.52 | 1,16,472.71 |
| Other income | 25 | 696.01 | 748.84 |
| **Total income (I)** | | **1,89,145.53** | **1,17,221.55** |
| **II. Expenses** | | | |
| Purchase of stock-in-trade | 26 | 1,32,928.33 | 77,745.82 |
| Cost of raw material consumed | 27 | 10,517.86 | 11,829.40 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 28 | (14,918.87) | (12,895.82) |
| Job work charges | | 4,331.23 | 4,428.18 |
| Printing, washing and other direct charges | | 465.63 | 764.83 |
| Employee benefits expense | 29 | 15,919.59 | 10,547.50 |
| Finance costs | 30 | 6,790.98 | 4,721.88 |
| Depreciation and amortization expense | 31 | 9,864.98 | 7,671.34 |
| Other expenses | 32 | 13,423.91 | 9,271.14 |
| **Total expenses (II)** | | **1,79,323.64** | **1,14,084.27** |
| **III.Profit/(Loss) before exceptional items and tax (I-II)** | | **9,821.89** | **3,137.28** |
| IV. Exceptional item | | - | - |
| **V. Profit/(Loss) before tax (III-IV)** | | **9,821.89** | **3,137.28** |
| VI. Tax expense: | 5 | | |
| Current tax | | 2,782.29 | - |
| Tax expense of earlier years | | 40.64 | 0.96 |
| Deferred tax (income)/charge | | (204.28) | 355.25 |
| **Total tax expense** | | **2,618.66** | **356.21** |
| **Profit/(Loss) for the year (V-VI)** | | **7,203.23** | **2,781.07** |
| **VIII. Other comprehensive Income** | | | |
| **Items that will not be reclassified to profit and loss** | | | |
| Remeasurement gain/(loss) of defined employee benefit plans | | (59.67) | (35.61) |
| Income tax relating to items that will not be reclassified to profit or loss | | 14.75 | 8.53 |
| **Items that will be reclassified to profit and loss** | | - | - |
| **Other comprehensive Income for the year** | | **(44.92)** | **(27.08)** |
| **IX. Total comprehensive Income for the year (VII+VIII)** | | **7,158.31** | **2,753.99** |
| **Earnings per share (face value of Rs. 10 each)** | | | |
| Basic (Rs.) | 34 | 20.82 | 8.04 |
| Diluted (Rs.) | | 20.82 | 8.04 |

Material Accounting Policy and other notes to consolidated financial statements 1 to 53
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

Place: Noida (Delhi-NCR)
Date: 27 May 2025

**For and on behalf of the Board of Directors of V2 Retail Limited**

| | | |
|---|---|---|
| **Ram Chandra Agarwal** | **Uma Agarwal** | **Akash Agarwal** |
| Chairman and Managing Director | Whole Time Director | Chief Executive Officer |
| DIN: 00491885 | DIN: 00495945 | DIN: 03194632 |
| **Pratik Adukia** | | **Shivam Agarwal** |
| Chief Financial Officer | | Company Secretary |
| | | M.No. A55785 |

Place: Gurgaon
Date: 27 May 2025

V2 Retail Limited
Consolidated Statement of Cash flows for the year ended 31 March 2025
*(All amounts in Rs. in lakh unless otherwise stated)*

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| Profit / (Loss) before tax | 9,821.89 | 3,137.28 |
| **Adjustments for:** | | |
| Depreciation and amortisation expense | 9,864.98 | 7,671.34 |
| Finance cost | 6,790.98 | 4,721.88 |
| Interest income | (132.95) | (91.27) |
| (Gain) / Loss on derecognition of lease liabilities including security deposits | (208.14) | (330.27) |
| Intangible assets under development written-off | - | 29.94 |
| Sundry balances written back | - | (141.01) |
| Provision no longer required written back | (268.81) | (58.80) |
| (Profit) / loss on sale of property, plant and equipment (net) | 55.09 | (9.04) |
| Provision against inventory | (372.04) | 1,646.50 |
| Sundry balances written off | - | 191.84 |
| Share based payments expense | - | 13.17 |
| **Operating profit before working capital changes** | **25,551.00** | **16,781.56** |
| Movement in trade payables | 13,437.23 | 8,878.77 |
| Movement in trade receivables | (4.11) | 1.16 |
| Movement in provisions | 216.68 | 228.41 |
| Movement in other liabilities | 210.49 | 254.50 |
| Movement in other financial liabilities | 2,778.70 | 800.50 |
| Movement in inventories | (13,564.89) | (15,645.22) |
| Movement in other financial assets | (706.12) | (486.07) |
| Movement in other assets | (3,134.66) | (1,421.50) |
| **Cash flows generated from/(used in) operating activities post working capital changes** | **24,784.32** | **9,392.11** |
| Income taxes (paid) / refund (net) | (2,484.97) | (74.76) |
| **Net cash flow generated from/(used in) operating activities (A)** | **22,299.35** | **9,317.35** |
| **B. Cash flows from investing activities** | | |
| Purchase of property, plant and equipment and right of use assets (including capital work-in-progress and payable towards property, plant and equipment) | (13,439.41) | (3,899.62) |
| Sale of property, plant and equipment | 499.65 | 200.69 |
| Loan given to related parties | (138.00) | - |
| Purchase of intangible assets including intangible assets under development | (6.36) | (26.17) |
| Movement in fixed deposits (net) | 5.45 | (186.41) |
| Interest received | 5.96 | 6.77 |
| **Net cash flows generated from/(used in) investing activities (B)** | **(13,072.71)** | **(3,904.74)** |
| **C. Cash flows from financing activities** | | |
| Proceeds from issuance of equity shares | - | 20.00 |
| (Repayment of) / proceeds from current borrowings (net) | 2,036.14 | 2,625.30 |
| Proceeds from non current borrowings | 1,986.75 | 2,459.40 |
| (Repayment of) non current borrowings | (1,550.23) | (1,370.19) |
| Payment of lease liabilities | (5,123.25) | (3,975.33) |
| Interest paid | (6,619.50) | (4,718.98) |
| **Net cash flows generated from/(used in) financing activities (C)** | **(9,270.09)** | **(4,959.80)** |
| Net Increase/decrease in cash and cash equivalents (A+B+C) | (43.45) | 452.81 |
| Cash and cash equivalents at the beginning of the year | 944.83 | 492.02 |
| **Cash and cash equivalents at the end of the year** | **901.38** | **944.83** |
| **Components of cash and cash equivalents at the end of the year** | | |
| Cash on hand | 709.44 | 488.35 |
| Balance with banks: | | |
| -in current accounts | 191.94 | 456.48 |
| **Total** | **901.38** | **944.83** |

**Note:**
1. The cash flow has been prepared under the "Indirect method", as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.
2. Additional disclosure required under Ind AS 7 (Refer note 18d)

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

Place: Noida (Delhi-NCR)
Date: 27 May 2025

**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

**Akash Agarwal**
Chief Executive Officer
DIN: 03194632

**Pratik Adukia**
Chief Financial Officer

**Shivam Agarwal**
Company Secretary
M.No. A55785

Place: Gurgaon
Date: 27 May 2025

**V2 Retail Limited**
**Consolidated Statement of changes in equity for the year ended 31 March 2025**
***(All amounts in Rs. in lakh unless otherwise stated)***

**A Equity share capital**

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Opening Balance** | 3,458.93 | 3,438.93 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the year | 3,458.93 | 3,438.93 |
| Changes in equity share capital during the year | - | 20.00 |
| **Closing Balance** | **3,458.93** | **3,458.93** |

**B Other equity**

| Particulars | Attributable to owners of the Company | | | | Total |
|---|---|---|---|---|---|
| | Reserves and surplus | | | | |
| | Retained earnings | Securities premium reserve | Capital reserve | Share options outstanding account | |
| **Balance as at 1 April 2024** | (67,264.83) | 30,233.70 | 61,043.56 | - | 24,012.43 |
| Profit/(Loss) for the year | 7,203.23 | - | - | - | 7,203.23 |
| Other comprehensive income for the year (net of tax) | (44.92) | - | - | - | (44.92) |
| **Total comprehensive income for the year** | **7,158.31** | - | - | - | **7,158.31** |
| Employee stock options charge for the year (refer note 29) | - | - | - | - | - |
| Employee stock options exercised during the year | - | - | - | - | - |
| Employee stock options lapsed during the year | - | - | - | - | - |
| ESOP reserve reversal due to non exercising of option (net of tax) | - | - | - | - | - |
| **Balance as at 31 March 2025** | **(60,106.50)** | **30,233.70** | **61,043.56** | - | **31,170.76** |
| **Balance as at 1 April 2023** | (70,043.37) | 29,971.38 | 61,043.56 | 281.94 | 21,253.51 |
| Profit/(Loss) for the year | 2,781.07 | - | - | - | 2,781.07 |
| Other comprehensive income for the year (net of tax) | (27.08) | - | - | - | (27.08) |
| **Total comprehensive income for the year** | **2,754.00** | - | - | - | **2,754.00** |
| Employee stock options charge for the year (refer note 29) | - | - | - | 13.17 | 13.17 |
| Employee stock options exercised during the year | - | 262.32 | - | (262.32) | - |
| Employee stock options lapsed during the year | | | | (32.79) | (32.79) |
| ESOP reserve reversal due to non exercising of option (net of tax) | 24.54 | | | | 24.54 |
| **Balance as at 31 March 2024** | **(67,264.83)** | **30,233.70** | **61,043.56** | - | **24,012.43** |

There are no changes in other equity due to prior period errors in above.

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

Place: Noida (Delhi-NCR)
Date: 27 May 2025

**For and on behalf of the Board of Directors of V2 Retail Limited**
**V2 Retail Limited**

**Ram Chandra Agarwal**
Chairman and Managing Director
DIN: 00491885

**Pratik Adukia**
Chief Financial Officer

Place: Gurgaon
Date: 27 May 2025

**Uma Agarwal**
Whole Time Director
DIN: 00495945

**Akash Agarwal**
Chief Executive Officer
DIN: 03194632

**Shivam Agarwal**
Company Secretary
M.No. A55785

## 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 from 12 November 2019.

The Consolidated Financial Statements of the Company for the year ended March 31, 2025 were approved for issue by board of directors on May 27, 2025. 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 2025, 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 2025.

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 and subsequently carried at amortised cost (refer accounting policy regarding financial instruments); and
- Defined benefit obligation 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 2024.

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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.

Subsidiary is entity 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 its subsidiary, 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 subsidiary (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 subsidiary that are not, directly or indirectly, owned or controlled by the Group, are excluded.

The Consolidation of the financial statements of subsidiary begins on the date control is established.

The financial statements of the subsidiary are combined on a line-by–line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with IND AS 110 –'Consolidated Financial Statements' notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time.

**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) Material 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*

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- 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.

**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 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 |
| Retail Accessories | Not Specified | 3 Years |
| Vehicles-Motor Cycle | 10 Years | 10 Years |
| Vehicles-Motor cars an trucks | 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.

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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**

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.

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**e) 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.

**f) Functional and presentation currency**

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency.

**g) Leases**

**(i) 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). 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 in the statement of profit and loss, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed..

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 the remeasurement of the lease liability in case of partial or full termination of the lease for lease modification by decreasing the carrying amount of the right-of-use asset to reflect 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.

**h) 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 within 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.

**i) Trade receivables**

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost less provision for impairment.

**j) 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.

**k) Revenue recognition**

V2 RETAIL LIMITED NEW DELHI

SINGHI & CO. NOIDA DELHI Chartered Accountants

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.

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 7 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 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).

**l) 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

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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:

- 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.

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**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.

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

**Supplier finance arrangement**

The Company has existing established supplier finance arrangements. The Company evaluates whether financial liabilities covering such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Company classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the company is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank and/or another party (iv) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are not met, the Company derecognises its original liability toward the supplier and recognise a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Company (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

Cash flows related to liabilities arising from supplier finance arrangements that continue to be classified in trade payables in the balance sheet are included in operating activities in the statement of cash flows, when the Company finally settles the liability.
In cases, where the Company has derecognised its original liability toward the supplier and recognise a new liability toward the bank, the Company has assessed that the bank is acting as its agent in making payment to the supplier. Accordingly, the Company presents operating cash outflow and financing cash inflow, when bank makes payment to the supplier. The payment made by the Company to the bank toward interest, if any, as well as on settlement is presented as financing cash outflow.

**m) 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**

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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.

**n) 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.

**o) 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.

**p) 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.

**q) 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.

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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.

**r) 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'.

**s) 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.

**t) 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.

**u) 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.

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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. Provision for income tax - Determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

vi. **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.

vii. **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.

viii. **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.

ix. **Fair values hierarchy**– Assessment of reliability of inputs considered for fair valuation of financial assets and liabilities falls under hierarchy Level 3.

## v) 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. During the year ended March 31, 2025, MCA has not notified any new standards or amendments to existing standards, but not yet effective as of March 31, 2025.






**V2 Retail Limited**
**Notes annexed to forming part of consolidated financial statements for the year ended 31 March 2025**
***(All amounts in Rs. in lakh unless otherwise stated)***

**2 Property, plant and equipment**

| Particulars | Leasehold improvements | Vehicle | Office equipments | Plant and machinery | Air conditioner | Generator Set | Electrical equipments | Furniture and fixture | Computer hardware | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying value** | | | | | | | | | | |
| **As at 1 April 2024** | **654.82** | **757.66** | **3,487.15** | **3,712.46** | **3.47** | **70.08** | **4,396.62** | **8,261.91** | **2,769.31** | **24,113.49** |
| Additions | 38.70 | 1,290.65 | 3,298.09 | 293.04 | 1.77 | 25.13 | 2,135.72 | 3,882.99 | 1,672.78 | 12,638.87 |
| Disposals | (33.35) | (45.95) | (93.44) | (559.88) | - | (42.25) | (13.65) | (17.02) | (4.85) | (810.37) |
| **As at 31 Mar 2025** | **660.17** | **2,002.36** | **6,691.81** | **3,445.63** | **5.24** | **52.96** | **6,518.68** | **12,127.89** | **4,437.25** | **35,942.00** |
| **As at 1 April 2023** | **631.47** | **377.54** | **2,915.27** | **3,099.88** | **1.76** | **29.37** | **3,727.22** | **7,293.26** | **2,348.05** | **20,423.82** |
| Additions | 24.89 | 561.46 | 584.90 | 614.48 | 1.71 | 40.71 | 713.64 | 1,046.37 | 446.26 | 4,034.42 |
| Disposals | (1.54) | (181.34) | (13.02) | (1.90) | - | - | (44.24) | (77.72) | (25.00) | (344.76) |
| **As at 31 March 2024** | **654.82** | **757.66** | **3,487.15** | **3,712.46** | **3.47** | **70.08** | **4,396.62** | **8,261.91** | **2,769.31** | **24,113.49** |
| **Accumulated depreciation** | | | | | | | | | | |
| **As at 1 April 2024** | **325.75** | **165.89** | **2,104.49** | **838.23** | **0.48** | **5.28** | **2,137.73** | **4,886.41** | **2,041.41** | **12,505.68** |
| Charged for the year | 64.56 | 118.17 | 512.79 | 160.34 | 0.51 | 3.90 | 467.99 | 893.67 | 460.16 | 2,682.09 |
| **As at 31 Mar 2025** | **381.13** | **246.32** | **2,553.14** | **863.18** | **0.99** | **6.25** | **2,605.13** | **5,776.79** | **2,500.00** | **14,932.94** |
| **As at 1 April 2023** | **246.76** | **186.72** | **1,751.95** | **694.05** | **0.23** | **2.22** | **1,789.62** | **4,117.03** | **1,775.49** | **10,564.08** |
| Charge for the year | 79.22 | 65.41 | 359.01 | 144.19 | 0.25 | 3.06 | 349.07 | 818.50 | 275.99 | 2,094.71 |
| Disposals | (0.24) | (86.25) | (6.47) | (0.02) | - | - | (0.96) | (49.11) | (10.07) | (153.11) |
| **As at 31 March 2024** | **325.75** | **165.89** | **2,104.49** | **838.23** | **0.48** | **5.28** | **2,137.73** | **4,886.41** | **2,041.41** | **12,505.68** |
| **Net block as at 31 March 2025** | **279.04** | **1,756.04** | **4,138.67** | **2,582.45** | **4.24** | **46.71** | **3,913.55** | **6,351.10** | **1,937.25** | **21,009.05** |
| **Net block as at 31 March 2024** | **329.06** | **591.77** | **1,382.66** | **2,874.24** | **2.99** | **64.79** | **2,258.88** | **3,375.50** | **727.90** | **11,607.80** |

**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 Group has not capitalised any borrowing costs during the year ended 31 March 2025 and 31 March 2024.

c. Refer Note 16(a) for vehicle hypothecated against borrowings.

d. Refer Note 18(a) for security given.

**2 (ii) Capital work-in-progress**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Capital work-in-progress | 415.00 | 22.55 |
| | **415.00** | **22.55** |

**Movement in capital work in progress:**

| Particulars | Amount |
|---|---|
| **Capital work-in-progress as at 1 April 2024** | **22.55** |
| Add: Additions during the year | 924.99 |
| Less: Capitalisation during the year | 532.54 |
| **Capital work-in-progress as at 31 March 2025** | **415.00** |
| **Capital work-in-progress as at 1 April 2023** | 10.98 |
| **Add: Additions during the year** | 745.43 |
| Less: Capitalisation during the year | (733.86) |
| **Capital work-in-progress as at 31 March 2024** | **22.55** |

#Capital work-in-progress include office equipment and furniture & fixtures amounting to Rs. 415.00 lakhs (31 March 2024: Rs. 22.55 Lakhs ) lakhs which are pending for capitalisation.

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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 | Buildings |
|---|---|
| **(a) Right-of-use assets** | |
| **Cost** | |
| **Balance as at 1 April 2024** | **57,073.86** |
| Add: Additions during the year | 37,490.43 |
| Less: Deletion / modification during the year | (3,440.25) |
| **Balance as at 31 March 2025** | **91,124.05** |
| | |
| **Balance as on 1 April 2023** | **46,830.76** |
| Add: Additions during the year | 13,002.09 |
| Less: Deletion / modification during the year | (2,758.99) |
| **Balance as at 31 March 2024** | **57,073.86** |
| | |
| **Accumulated amortisation** | |
| **Balance as at 1 April 2024** | **20,922.71** |
| Add: Amortisation for the year (refer note 31) | 7,026.87 |
| Less: Disposal during the year | (2,067.08) |
| **Balance as at 31 March 2025** | **25,882.49** |
| | |
| **Balance as at 1 April 2023** | **16,247.23** |
| Add: Amortisation for the year (refer note 31) | 5,387.64 |
| Less: Deletion / modification during the year | (712.16) |
| **Balance as at 31 March 2024** | **20,922.71** |
| | |
| **Net carrying amount** | |
| **Balance as at 31 March 2025** | **65,241.56** |
| **Balance as at 31 March 2024** | **36,151.15** |

**(b) Lease liabilities**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Opening Balance** | 43,462.87 | 37,003.84 |
| Add: Addition in lease liabilities during the year | 36,653.17 | 12,782.37 |
| Add: Deletion in lease liabilities during the year | (1,556.21) | (2,348.02) |
| Add: Interest on lease liabilities | 5,429.83 | 3,974.20 |
| Less: Rent concession on lease rentals | - | - |
| Less: Lease liabilities paid | (10,552.67) | (7,949.52) |
| **Closing balance** | **73,436.99** | **43,462.87** |
| **Current** | **6,014.77** | **4,590.06** |
| **Non-current** | **67,422.22** | **38,872.81** |

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3 (ii) **Intangible assets**

| Particulars | Computer software | Total |
|---|---|---|
| **Gross carrying value** | | |
| **As at 1 April 2024** | **947.36** | **947.36** |
| Additions during the year | 6.36 | 6.36 |
| Disposals | - | - |
| **As at 31 Mar 2025** | **953.72** | **953.72** |
| **As at 1 April 2023** | **921.17** | **921.17** |
| Additions | 26.19 | 26.19 |
| Disposals | - | - |
| **As at 31 March 2024** | **947.36** | **947.36** |
| **Accumulated amortization** | | |
| **As at 1 April 2024** | **741.73** | **741.73** |
| Amortisation during the year | 156.02 | 156.02 |
| Disposals | - | - |
| **As at 31 Mar 2025** | **897.75** | **897.75** |
| **As at 1 April 2023** | **552.72** | **552.72** |
| Amortisation during the year | 188.99 | 188.99 |
| Disposals | - | - |
| **As at 31 March 2024** | **741.73** | **741.73** |
| **Net block as at 31 March 2025** | **55.97** | **55.97** |
| **Net block as at 31 March 2024** | **205.64** | **205.64** |

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| 4 Loans | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured, considered good (carried at amortised cost)** | | |
| Loan to related party | 141.12 | - |
| | 141.12 | - |

Refer Note 41 for related party dislcosures.
Refer note 42 for disclosure of fair values in respect of financial assets measured at amortised cost.
The carrying values are considered to be a reasonable approximate of their fair values.

| 4A Other financial assets | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Fixed deposits having maturity of more than 12 months * | 223.02 | 214.07 |
| Security deposits | 1,312.17 | 880.83 |
| | 1,535.19 | 1,094.90 |

*Fixed deposits amounting to Rs 223.02 lakhs (31 Mar 2024: Rs 214.07 lakhs) are held as margin money and security against bank guarantees and overdraft facilities and term loan, respectively.

| 5 (i) Deferred tax assets (net) | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Deferred tax asset arising on account of:** | | |
| Property, plant and equipment | 224.12 | 270.04 |
| Disallowance under Income Tax Act, 1961 | 10.12 | |
| Provision for employee benefits | 355.24 | 272.22 |
| Provision for doubtful and obsolescence | 31.64 | 31.64 |
| Carried forward losses including depreciation | 38.31 | 256.46 |
| Lease liabilities | 18,454.03 | 10,860.04 |
| Fair valuation of interest free security deposits | 345.77 | 180.42 |
| | 19,459.24 | 11,870.82 |
| **Deferred tax liability arising on account of:** | | |
| Right of use assets | 16,393.77 | 9,024.38 |
| Others | | |
| | 16,393.77 | 9,024.38 |
| Net deferred tax assets | 3,065.47 | 2,846.44 |

Notes:

(a) **Movement in deferred tax assets/(liabilities) for the year ended 31 March 2025 is as follows:**

| Description | Opening Balance | Recognised / (reversed) through profit and loss | Recognised / (reversed) in other comprehensive income | Recognised / (reversed) retained earnings | Closing Balance |
|---|---|---|---|---|---|
| **Deferred tax assets in relation to:** | | | | | |
| Property, plant and equipment | 270.04 | (45.92) | - | | 224.12 |
| Provision for employee benefits | 272.22 | 68.27 | 14.75 | - | 355.24 |
| Disallowance under Income Tax Act, 1961 | - | 10.12 | - | - | 10.12 |
| Provision for doubtful and obsolescence | 31.64 | - | - | - | 31.64 |
| Carried forward losses including depreciation | 256.46 | (218.14) | - | - | 38.31 |
| Lease liabilities | 10,860.04 | 7,593.99 | - | - | 18,454.03 |
| Fair valuation of interest free security deposits | 180.42 | 165.35 | - | - | 345.77 |
| **Sub-total (a)** | **11,870.82** | **7,573.67** | **14.75** | **-** | **19,459.24** |
| **Deferred tax liabilities in relation to:** | | | | | |
| Right of use assets | 9,024.38 | 7,369.39 | - | - | 16,393.77 |
| Others | - | - | - | - | - |
| **Sub-total (b)** | **9,024.38** | **7,369.39** | **-** | **-** | **16,393.77** |
| **Total (a-b)** | **2,846.44** | **204.28** | **14.75** | **-** | **3,065.47** |

(b) **Movement in deferred tax assets/(liabilities) for the year ended 31 March 2024 is as follows:**

| Description | Opening Balance | Recognised / (reversed) through profit and loss | Recognised / (reversed) in other comprehensive income | Recognised / (reversed) retained earnings | Closing Balance |
|---|---|---|---|---|---|
| **Deferred tax assets in relation to:** | | | | | |
| Property, plant and equipment | 164.95 | 105.09 | - | - | 270.04 |
| Provision for employee benefits | 194.61 | 77.34 | 8.53 | (8.25) | 272.22 |
| Provision for doubtful and obsolescence | 37.47 | (5.83) | - | - | 31.64 |
| Carried forward losses including depreciation | 1,103.24 | (846.78) | - | - | 256.46 |
| Lease liabilities | 9,264.80 | 1,595.23 | - | - | 10,860.04 |
| Fair valuation of interest free security deposits | 146.10 | 34.33 | - | - | 180.42 |
| **Sub-total (a)** | **10,911.17** | **959.37** | **8.53** | **(8.25)** | **11,870.82** |
| **Deferred tax liabilities in relation to:** | | | | | |
| Right of use assets | 7,652.88 | 1,371.50 | - | - | 9,024.38 |
| Others | 56.88 | (56.88) | | | - |
| **Sub-total (b)** | **7,709.76** | **1,314.62** | **-** | **-** | **9,024.38** |
| **Total (a-b)** | **3,201.41** | **(355.25)** | **8.53** | **(8.25)** | **2,846.44** |

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| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **(ii) Tax expense** | | |
| The income tax expense consists of the following: | | |
| **Recognised in profit and loss** | | |
| Current tax expense | 2,782.29 | - |
| Tax expense of earlier years | 40.64 | 0.96 |
| Deferred tax expense/ (credit) | (204.28) | 355.25 |
| **Total income tax expense** | **2,618.66** | **356.21** |

| | | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|---|
| (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:** | | |
| | Profit before income tax | **9,821.89** | **3,137.28** |
| | Income tax using the Company's domestic tax rate * | 25.17% | 25.17% |
| | **Expected tax expense [A]** | **2,471.97** | **789.59** |
| | Expenses/incomes not considered in determining taxable profit | | |
| | **Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense** | | |
| | Tax expense of earlier years | 40.64 | - |
| | Items of permanent difference on which deferred tax not created | 76.30 | 31.56 |
| | Tax effect of unabsorbed depreciation adjusted against taxable income for the current year | - | (223.24) |
| | Deferred tax assets created during the year on brought forward unabsorbed depreciation | - | (183.22) |
| | Impact of change in tax rate | (4.09) | (2.76) |
| | Others | 33.83 | (55.71) |
| | **Total adjustments [B]** | 146.69 | (433.37) |
| | **Actual tax expense [C=A+B]** | **2,618.66** | **356.22** |
| | Tax expense recognised in consolidated statement of profit and loss | **2,618.66** | **356.21** |
| | * 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% |
| (b) | **Unused tax losses and credits on which deferred tax assets has not been recognised** | | |
| | **Long Term Capital Loss** | | |
| | 2017-2018 (2025-26*) | - | 1127.49 |
| | 2020-2021 (2028-29*) | 175.18 | 175.18 |
| | | **175.18** | **1302.67** |

(c) In the previous year, the holding company has brought forward unabsorbed depreciation of Rs.1614.99 lakhs on which deferred tax assets was not created in earlier years, out of which Rs. 886.98 lakhs has been adjusted against the taxable income for that year and on balance brought forward unabsorbed depreciation of Rs.728.01 lakhs, deferred tax assets of Rs.183.22 lakhs created during financial year 2023-24 and which has been utilised during the financial year 2024-25.

| 6 **Other non-current assets** | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Advance for services (refer note 44) | 1,494.23 | 1,553.48 |
| Prepaid expenses | 38.81 | - |
| Deposits paid under protest for various matters | 777.76 | 387.79 |
| Capital Advance | 401.25 | 109.66 |
| | **2,712.05** | **2,050.93** |

| 7 **Income tax assets (net)** | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Advance tax (net of provision of tax) | 21.34 | 90.64 |
| | **21.34** | **90.64** |

| 8 **Inventories (refer note 37)** | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| (Valued at lower of cost and net realisable value, unless otherwise stated) | | |
| Raw Materials | 2,481.50 | 3,465.97 |
| Work-in-process | 865.19 | 2,611.19 |
| Finished goods | 11.51 | 65.97 |
| Stock-in-trade | 52,463.08 | 35,743.75 |
| Stores and consumables | 2.55 | - |
| | **55,823.80** | **41,886.88** |

Refer note 18(a) for security given.

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| | | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| 9 | **Trade receivables** | | |
| | Unsecured | | |
| | Considered good | 9.65 | 5.54 |
| | | 9.65 | 5.54 |

(a) Refer note 18(a) for security given.
(b) For details of receivable from related parties, Refer note 41, Related party disclosures.
(c) Trade receivable ageing is as follow:

| Particulars | As at 31 March 2025 Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed Trade receivables – considered good | 9.65 | - | - | - | - | 9.65 |
| Total | 9.65 | - | - | - | - | 9.65 |

| Particulars | As at 31 March 2024 Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed Trade receivables – considered good | 4.11 | - | 1.43 | - | - | 5.54 |
| Total | 4.11 | - | 1.43 | - | - | 5.54 |

| | | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| 10 | **Cash and cash equivalents** | | |
| | Cash on hand | 709.44 | 488.35 |
| | Balance with banks: | | |
| | -in current accounts | 191.94 | 456.48 |
| | | 901.38 | 944.83 |

| | | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| 11 | **Other bank balances** | | |
| | Fixed deposits having maturity of more than 3 months but less than 12 months* | 38.98 | 44.10 |
| | | 38.98 | 44.10 |

* Fixed deposits amounting to Rs. 38.98 lakh (31 March 2024: Rs 44.10 lakh) are held as margin money towards bank guarantees.

| | | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| 12 | **Other financial assets** | | |
| | **Current** | | |
| | Credit card receivables against sales | 726.47 | 427.58 |
| | Security Deposits | 288.34 | 178.83 |
| | | 1,014.81 | 606.41 |

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 2025 | As at 31 March 2024 |
|---|---|---|---|
| 13 | **Other current assets** | | |
| | Prepaid expenses | 48.55 | 72.10 |
| | Advances recoverable in kind or value to be received | 30.75 | 50.27 |
| | Advance to suppliers | 536.27 | 215.80 |
| | Advance to employees | 36.71 | 38.54 |
| | Balance with statutory authorities (Input tax Credit) | 7,158.50 | 4,660.05 |
| | Others* | 110.79 | 119.68 |
| | | 7,921.57 | 5,156.44 |

* Recoverable from vendors for non availing of GST input credit on accounts of non-filing of GST returns.

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| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **14 Equity share capital** | | |
| **Authorised** | | |
| 40,000,000 equity shares of Rs. 10 each (31 March 2024: 40,000,000 equity shares of Rs. 10 each) | 4,000.00 | 4,000.00 |
| 400,000 preference shares of Rs. 146 each (31 March 2024: 3400,000 preference shares of Rs. 146 each) | 584.00 | 584.00 |
| **Issued, subscribed and fully paid-up** | | |
| 34,589,341 equity shares of Rs. 10 each (31 March 2024: 34,389,341 equity shares of Rs. 10 each) | 3,458.93 | 3,458.93 |
| | **3,458.93** | **3,458.93** |

| | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| **(a) Reconciliation of number of shares** | | | | |
| **Equity shares at the beginning of the year** | **3,45,89,341** | **3,458.93** | **3,43,89,341** | **3,438.93** |
| Changes during the year* | - | - | 2,00,000 | 20.00 |
| **Equity shares at the end of the year** | **3,45,89,341** | **3,458.93** | **3,45,89,341** | **3,458.93** |

**(b) Terms/rights attached to equity shares/warrants**

The holding company has only one class of equity shares having par value of Rs. 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. Dividend, if any, proposed by the board of Directors is subject to approval of shareholders in an annual general meeting except in the case of interim dividend. 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 2024, the holding company had allotted of 200,000 equity shares at Rs 10 per equity share to the eligible employees upon exercise of option under the employee stock option scheme.

| **(c) Details of shareholders holding more than 5% shares in the holding company** | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | No of shares | % holding | No of shares | % holding |
| **Name of Shareholders:** | | | | |
| Ricon Commodities Private Limited | 1,28,62,710 | 37.19% | 1,28,62,710 | 37.19% |
| Mr. Ram Chandra Agarwal | 18,83,962 | 5.45% | 32,07,908 | 9.27% |
| India 2020 Fund II, Limited | - | 0.00% | 22,00,000 | 6.36% |
| Motilal Oswal Large And Midcap Fund | 20,31,734 | 5.87% | - | - |
| | **1,67,78,406** | | **1,82,70,618** | |

| **(d) Details of promoters share holding in the holding company as on 31 March 2025** | Shareholding as on 01 April 2024 | Purchase/Acquisition during the year | Sales/transfer during the year | Shareholding as on 31 March 2025 | % Change in shareholding |
|---|---|---|---|---|---|
| **Name of Promoters:** | | | | | |
| Ram Chandra Agarwal | 32,07,908 | - | 13,23,946 | **18,83,962** | -41.27% |
| Uma Agarwal | 1,44,000 | - | - | **1,44,000** | - |
| Ramchandra Agarwal (HUF) | 1,55,000 | - | - | **1,55,000** | - |
| Akash Agarwal | 3,39,779 | 13,00,000 | 1,000 | **16,38,779** | 382.60% |
| Ricon Commodities Private Limited | 1,28,62,710 | - | - | **1,28,62,710** | - |
| Vishal Waterworld Private Limited | 14,31,968 | 7,082 | - | **14,39,050** | 0.49% |
| V2 Conglomerate Limited | 6,32,582 | - | - | **6,32,582** | - |
| Shreya Agarwal | - | 4,681 | - | **4,681** | 100.00% |
| **Total** | **1,87,73,947** | **13,11,763** | **13,24,946** | **1,87,60,764** | |

| **Details of promoters share holding in the holding company as on 31 March 2024** | Shareholding as on 01 April 2023 | Purchase/Acquisition during the year | Sales/transfer during the year | Shareholding as on 31 March 2024 | % Change in shareholding |
|---|---|---|---|---|---|
| **Name of Promoters:** | | | | | |
| Ram Chandra Agarwal | 32,07,911 | - | 3 | **32,07,908** | - |
| Uma Agarwal | 3,44,000 | - | 2,00,000 | **1,44,000** | -58.14% |
| Ramchandra Agarwal (HUF) | 1,55,000 | - | - | **1,55,000** | - |
| Akash Agarwal | 1,33,480 | 2,06,299 | - | **3,39,779** | 154.55% |
| Ricon Commodities Private Limited | 1,28,62,710 | - | - | **1,28,62,710** | - |
| Vishal Waterworld Private Limited | 10,84,134 | 3,47,834 | - | **14,31,968** | 32.08% |
| V2 Conglomerate Limited | 6,32,582 | - | - | **6,32,582** | - |
| **Total** | **1,84,19,817** | **5,54,133** | **2,00,003** | **1,87,73,947** | |

**(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.

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| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **15 Other equity** | | |
| **Securities premium account** | | |
| Opening balance | 30,233.70 | 29,971.38 |
| Change during the year | - | |
| ESOP reserve reversal due to exercising of option | | 262.32 |
| | **30,233.70** | **30,233.70** |
| **Capital reserve [refer note (a) below]** | | |
| Opening balance | 61,043.56 | 61,043.56 |
| Change during the year | - | - |
| | **61,043.56** | **61,043.56** |
| **Employees' stock option outstanding account** | | |
| Opening balance | - | 281.94 |
| Charge for the year | - | 13.17 |
| Employee stock options exercised and lapsed during the year | - | (295.11) |
| | - | - |
| **Retained earnings** | | |
| Opening balance | (67,264.83) | (70,043.37) |
| Net profit/(loss) for the year | 7,203.23 | 2,781.07 |
| ESOP reserve reversal due to non exercising of options (net of tax) | - | 24.54 |
| Remeasurement benefit of defined benefit plans (net of tax) | (44.92) | (27.08) |
| | **(60,106.50)** | **(67,264.83)** |
| | **31,170.76** | **24,012.43** |

(a) The Holding 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. In view of very old matter, probability of reconciliation is remote and also being amount not material in comparison to total capital reserve, the Company, as conservative measure, has decided to carry the same under Capital Reserve. The management believes that there is no impact of the same on statement of profit and loss.

**Nature and purpose of other reserves**

**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.

**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.

**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.

**Retained earnings**
Retained earnings comprise of the Company's accumulated undistributed profits/(losses) after taxes.

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| 16 Non-current borrowings | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Term loan** | | |
| **Secured** | | |
| Vehicle(Car) loans from Banks | 810.31 | 206.55 |
| Commercial vehicle loans from a Bank | 713.37 | 262.27 |
| Term loan from SIDBI | 390.46 | 482.82 |
| **Unsecured** | | |
| (i) Loan from directors and their relatives | - | 2.00 |
| (ii) Loan from group companies | - | 0.53 |
| Loan from others | | |
| (i) Loan from others | 334.99 | 857.18 |
| | **2,249.13** | **1,811.35** |
| Less: Current maturities of long-term borrowings (refer note18) | 357.15 | 175.40 |
| | **1,891.98** | **1,635.95** |

**Notes:**

**(a)** Vehicle loan of Rs. 150.00 lakhs from ICICI Bank Limited against which outstanding Rs. 127.77 lakhs (31 March 2024: Rs. 143.92 lakhs) carries an interest @ 10.25% per annum and repayable in 84 EMI (remaining EMIs 67). The loan is secured against hypothecation of vehicle.

Vehicle loan of Rs. 71.68 lakhs from Axis Bank Limited against which outstanding Rs. 49.86 lakhs (31 March 2024: Rs. 62.63 lakhs) carries an interest @ 8.75% per annum and repayable in 60 EMIs (remaining EMIs 39). The loan is secured against hypothecation of vehicle.

Commercial vehicle loans of Rs. 299.18 lakhs from HDFC Bank Limited against which outstanding Rs. 209.41 lakhs (31 March 2024: Rs. 262.27 lakhs) carries an interest @ 8.56% to 9.17% per annum and each loan repayable in 60 EMIs (remaining EMIs 38-39). The loans are secured against hypothecation of respective vehicles.

Vehicle loan of Rs. 638.00 lakhs from PNB Bank against which outstanding Rs. 632.68 lakhs (31 March 2024: Rs. Nil) carries an interest @ 8.55% per annum and repayable in 84 EMI (remaining EMIs 83). The loan is secured against hypothecation of vehicle.

Commercial vehicle loans of Rs. 548.75 lakhs from HDFC Bank Limited against which outstanding Rs. 503.96 lakhs (31 March 2024: Rs. Nil) carries an interest @ 9.00% per annum and each loan repayable in 60 EMIs (remaining EMIs 54). The loans are secured against hypothecation of respective vehicles.

**(b)** Term loan from SIDBI: The subsidiary company has availed term loan of Rs. 485 lakhs against which outstanding Rs. 390.46 lakhs (31 March 2024: Rs. 482.82 Lakhs) from Small Industrial Development Bank of India (SIDBI). The loan is secured by:

**(i)** First charge by way of hypothecation in favour of SIDBI of the plant, machinery, equipment, tools, spares, accessories and all other assets (both present and future) which have been or proposed to be acquired at the factory premises at Muzaffarpur Industrial Area; and

**(ii)** Bank deposits of Rs. 145 lakhs together with interest accrued thereon.

Further, the said loan is also guaranteed by irrevocable, unconditional joint and several personal guarantees of Mr. Ram Chandra Agarwal and Mr. Akash Agarwal and corporate guarantee from V2 Retail Limited (holding company).
The loan is repayable in 57 monthly instalments with interest payable at the rate of 0.50% above SIDBI's one year marginal cost of funds based lending rate (MCLR) presently being 8.20%

**(c)** **Loan from others:** The loans from other parties are unsecured and payable one year from the date of demand made by lenders for repayment. The loan bear interest at the rate of 9% per annum.

**(d)** Refer note 42 and 42(a) for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

| 17 Provisions | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Non-current** | | |
| **Provision for employee benefits** | | |
| Provision for gratuity | 474.07 | 368.00 |
| Provision for compensated absences | 355.83 | 263.69 |
| | **829.90** | **631.69** |

Refer note 38 for disclosures on gratuity.

| 18 Short-term borrowings | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Secured** | | |
| Working capital facility from a Bank (refer note a below) | 8,249.05 | 7,272.91 |
| Current maturities of long-term borrowings (refer note 16) | 357.15 | 175.40 |
| **Unsecured** | | |
| Loan from body corporates (b) | 700.00 | - |
| Loan from a related party (c) | 360.00 | - |
| | **9,666.20** | **7,448.31** |

Working capital facility sanctioned of Rs. 8,250.00 lakhs from a bank carries an interest rate based upon MCLR @ 8.80% per annum. This facility is secured against stock and book debts of the Company and first charge on existing Block of assets (Property, Plant and Equipments) excluding vehicles on which separate charge has been created. Further secured by corporate guarantee and hypothecation/mortgage of block of assets/immoveable properties given by a related party (Vishal Water World Private Limited) and personal guarantees given by Mr. Ram Chandra Agarwal & Ms. Uma Agarwal, directors of the holding Company.

**(b)** **Term of repayment and rate of interest of unsecured loan from body corporates taken by the Company:**

| Particulars | Interest Rate | Tenure | As on 31 March 2025 | As on 31 March 2024 |
|---|---|---|---|---|
| Shatakshi Mudra Investment | 13% per annum | Repayable on Demand | 100.00 | - |
| Infinia Lifestyle Pvt.Ltd. | 13% per annum | | 100.00 | - |
| Halan Properties Pvt Ltd | 8% per annum | | 400.00 | - |
| Prompt Barter Pvt.Ltd. | 13% per annum | | 100.00 | - |

**(c)** Interest free loan of Rs. 360.00 lakhs received from Mr. Ram Chandra Agarwal, Director/Equity Shareholder of the Company. The Loan is repayable on demand.

**(d)** **Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:**

| Particulars | As at 1 April 2024 | Cash Out flows | Non cash changes | | | As at 31 March 2025 |
|---|---|---|---|---|---|---|
| | | | Lease additions | Impact of rent concession & leases closed | Interest expenses* | |
| Non Current borrowings (net)^ | 1,811.35 | 436.52 | - | - | 1.25 | 2,249.13 |
| Lease liabilities (including current maturities) | 43,462.87 | (5,123.25) | 36,653.17 | (1,555.79) | - | 73,437.00 |
| Current borrowings (net) | 7,272.91 | 2,036.14 | - | - | - | 9,309.05 |
| Interest accrued | 3.05 | (6,619.50) | - | - | 6,628.71 | 12.26 |
| **Total liabilities from financial activities** | 52,550.20 | (9,270.09) | 36,653.17 | (1,555.79) | 6,629.96 | 85,007.44 |

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| Particulars | As at 1 April 2023 | Cash Out flows | Non cash changes | | | As at 31 March 2024 |
|---|---|---|---|---|---|---|
| | | | Lease additions | Impact of rent concession & leases closed | Interest expenses* | |
| Non Current borrowings (net)^ | 722.13 | 1,089.21 | - | - | - | 1,811.35 |
| Lease liabilities (including current maturities) | 37,003.84 | (3,975.33) | 12,782.37 | (2,348.02) | - | 43,462.87 |
| Current borrowings (net) | 4,647.62 | 2,625.30 | - | - | - | 7,272.91 |
| Interest accrued | - | (4,718.98) | - | - | 4,722.03 | 3.05 |
| **Total liabilities from financial activities** | **42,373.59** | **(4,979.80)** | **12,782.37** | **(2,348.02)** | **4,722.03** | **52,550.18** |

*Including Current maturities of long-term borrowings
*Considered of financing activity

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **19 Trade payables** | | |
| i. Total outstanding dues of micro enterprises and small enterprises | 3,970.79 | 5,463.16 |
| ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | 28,568.24 | 13,862.03 |
| Total | 32,539.03 | 19,325.19 |

**(a) Trade payables ageing is as follows:**

| Particulars | As at 31 March 2025 | | | | | |
|---|---|---|---|---|---|---|
| | 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 | 3,688.66 | 276.60 | 0.60 | 4.93 | - | 3,970.79 |
| (ii) Undisputed- Others | 28,039.81 | 432.09 | 53.12 | 11.66 | 31.56 | 28,568.24 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | - | - |
| **Total** | **31,728.47** | **708.69** | **53.72** | **16.59** | **31.56** | **32,539.03** |

*Includes unbilled amount of Rs. 690.30 Lakhs

| Particulars | As at 31 March 2024 | | | | | |
|---|---|---|---|---|---|---|
| | 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 | 4,941.71 | 514.05 | 4.16 | 0.85 | 2.39 | 5,463.16 |
| (ii) Undisputed- Others | 13,339.24 | 463.38 | 14.79 | 21.22 | 23.40 | 13,862.03 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | - | - |
| **Total** | **18,280.94** | **977.43** | **18.95** | **22.08** | **25.79** | **19,325.19** |

*Includes unbilled amount of Rs. 456.12 Lakhs

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **20 Other financial liabilities** | | |
| **Current** | | |
| Interest accrued but not due on borrowings | 5.82 | 3.05 |
| Supplier financing facilities | 2,146.09 | - |
| Interest payable on supplier financing facilities | 6.45 | - |
| Other Liabilities - Financial guarantee - current | 3.73 | - |
| Employee related payables | 1,749.41 | 1,125.45 |
| Creditors for capital purchases | 1,587.69 | 867.30 |
| Security deposits* | 24.73 | 12.88 |
| Other Payable | 5.89 | 12.82 |
| *related to security deposits received from shop-in-shop customers. | 5,529.81 | 2,021.50 |

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **21 Provisions** | | |
| **Current** | | |
| Provision for gratuity | 198.95 | 165.47 |
| Provision for compensated absences | 192.05 | 147.39 |
| For disclosures on gratuity, refer note 38. | 391.00 | 312.86 |

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **22 Liabilities for current tax (net)** | | |
| Provision for Income Tax (Net of advance tax of Rs. 2518.61 lakhs) | 377.30 | - |
| | 377.30 | - |

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **23 Other current liabilities** | | |
| Statutory liabilities | 427.25 | 300.49 |
| Contract liability (refer note 40) | 187.78 | 104.03 |
| | 615.03 | 404.52 |

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| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **24 Revenue from operations** | | |
| **Operating revenue** | | |
| Traded goods* | 1,87,966.49 | 1,16,068.92 |
| **Other operating revenue** | | |
| Scrap sales | 246.30 | 207.29 |
| Display income | 236.73 | 196.50 |
| | **1,88,449.52** | **1,16,472.71** |
| *** Details of sale of traded goods** | | |
| Apparels | 1,75,517.08 | 1,05,885.89 |
| Non-apparels | 12,449.41 | 10,183.03 |
| | **1,87,966.49** | **1,16,068.92** |
| **Detail of Operating revenue by Geographical locations** | | |
| In India | 1,87,966.49 | 1,16,068.92 |
| Outside India | - | - |
| **Total** | **1,87,966.49** | **1,16,068.92** |

Refer note 40 for additional disclosures required under Ind AS 115.

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **25 Other income** | | |
| **Interest Income on:** | | |
| -Bank deposits | 16.26 | 6.77 |
| -Other financial assets carried at amortised cost | 108.49 | 84.49 |
| -Income tax refund | 4.73 | 0.01 |
| -loan to related parties | 3.47 | - |
| Gain on derecognition of lease liabilities including security deposits | 208.14 | 330.27 |
| Profit on sale of property, plant and equipment (net) | - | 9.04 |
| Insurance claim received | 2.47 | 4.57 |
| Sales of consumables | 19.00 | 11.03 |
| Sundry balances written back | - | 141.01 |
| Provision no longer required written back | 268.81 | 58.80 |
| Miscellaneous income | 64.64 | 102.85 |
| | **696.01** | **748.84** |

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **26 Purchase of stock-in-trade** | | |
| Purchase of stock-in-trade (refer note below) | 1,32,928.33 | 77,745.82 |
| | **1,32,928.33** | **77,745.82** |
| **Details of purchase of stock-in-trade** | | |
| Apparels | 1,20,824.49 | 66,054.28 |
| Non-apparels | 12,103.84 | 11,691.54 |
| | **1,32,928.33** | **77,745.82** |

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **27 Cost of Raw Material Consumed** | | |
| Raw Material Inventory at the beginning of the year | 3,465.98 | 2,363.07 |
| Add: Purchases during the year | 9,533.38 | 12,932.31 |
| Less: Raw Material Inventory at the end of the year | 2,481.50 | 3,465.98 |
| | **10,517.86** | **11,829.40** |

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| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **28 Changes in inventories of finished goods, work-in-progress and stock-in-trade** | | |
| Opening Stock | | |
| Work-in-process | 2,611.19 | 1,195.83 |
| Finished goods | 65.97 | 49.98 |
| Traded goods | 35,743.75 | 24,279.28 |
| | 38,420.91 | 25,525.09 |
| Closing Stock | | |
| Work-in-process | 865.19 | 2,611.19 |
| Finished goods | 11.51 | 65.97 |
| Traded goods | 52,463.08 | 35,743.75 |
| | 53,339.78 | 38,420.91 |
| | (14,918.87) | (12,895.82) |
| **a. Details of closing stock** | | |
| Apparels | 49,720.79 | 34,008 93 |
| Non-apparel | 3,618.99 | 4,411.98 |
| | **53,339.78** | **38,420.91** |

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **29 Employee benefit expense** | | |
| Salaries, wages and bonus | 14,254.85 | 9,543.68 |
| Gratuity (refer note 38) | 140.29 | 117.43 |
| Contribution to provident and other funds | 1,147.13 | 591.34 |
| Share based payments to employees (refer note 39) | - | 13.17 |
| Staff welfare | 377.32 | 281.88 |
| | **15,919.59** | **10,547.50** |

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **30 Finance costs** | | |
| Interest on | | |
| -Term loans | 114.31 | 40.25 |
| -Unsecured loans | 15.69 | - |
| -Unsecured loans from related parties | 69.08 | 15.05 |
| -Working capital loans | 769.32 | 543.34 |
| -Delayed payment to MSME vendors | 171.92 | 132.95 |
| -Supplier financing facilities | 94.14 | - |
| -Income tax | 113.72 | 4.39 |
| Lease liabilities | 5,429.83 | 3,974.20 |
| Other borrowing cost | 12.97 | 11.70 |
| | **6,790.98** | **4,721.88** |

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **31 Depreciation and amortisation** | | |
| Depreciation on property, plant and equipment | 2,682.09 | 2,094.71 |
| Amortization of intangible assets | 156.02 | 188.99 |
| Depreciation on right of use assets | 7,026.87 | 5,387.64 |
| | **9,864.98** | **7,671.34** |

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V2 RETAIL LIMITED NEW DELHI

| | Year ended 31 March 2025 | | Year ended 31 March 2024 |
|---|---|---|---|
| **32 Other expenses** | | | |
| Power, fuel and electricity | 4,238.78 | | 3,042.44 |
| Water charges | 24.26 | | 16.60 |
| Repair and maintenance | | | |
| - Building | 143.81 | | 83.27 |
| - Plant and machinery | 32.80 | | 65.00 |
| - Others | 468.27 | | 415.28 |
| Rent (refer note 45) | 178.29 | | 85.89 |
| Insurance charges | 35.39 | | 33.22 |
| Rates and taxes | 288.58 | | 124.18 |
| Bank charges | 40.61 | | 42.99 |
| Legal and professional | 805.97 | | 539.31 |
| Bad debts | | 38.21 | |
| Less: Provision for expected credit loss | | (38.21) | - |
| Advance written off | | 234.31 | |
| Less: Provision against above | | (42.47) | 191.84 |
| Motor vehicle expenses | 63.82 | | 35.30 |
| Printing and stationery | 79.69 | | 107.90 |
| Packing materials & expenses | 1,101.07 | | 1,076.38 |
| Security service charges | 556.12 | | 353.47 |
| Housekeeping expenses | 384.29 | | 223.99 |
| Telephone expenses | 96.85 | | 62.24 |
| E-Commerce expenses | - | | 0.74 |
| Traveling and conveyance | 485.13 | | 268.53 |
| Travelling Expense-Foreign | 33.75 | | - |
| Postage and telephones | 10.54 | | 7.07 |
| Payment to auditors | 32.00 | | - |
| Credit cards charges | 151.89 | | 89.20 |
| Advertisement & sales promotion | 937.39 | | 421.38 |
| Commission charges | 12.09 | | 3.05 |
| Transportation charges | 2,858.52 | | 1,841.86 |
| Loss on sale of assets | 55.09 | | - |
| Intangible assets under development written-off | - | | 29.94 |
| Miscellaneous expenses | 308.91 | | 110.27 |
| | **13,423.91** | | **9,271.14** |

33 The Company has no obligations under Section 135 of the Companies Act, 2013 towards corporate social responsibility.

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| 34 Earnings per share | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| Profit/(Loss) attributable to equity shareholders before exceptional items (A) | 7,203.23 | 2,781.07 |
| Nominal value per share | 10.00 | 10.00 |
| **Weighted-average number of ordinary shares (basic)** | | |
| Numbers of weighted average equity share outstanding at the beginning | 3,45,89,341 | 3,43,89,341 |
| Issued ordinary shares | - | 1,81,967 |
| Weighted average number of equity shares outstanding during the year (B) | **3,45,89,341** | **3,45,71,308** |

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Average price of the share | - | - |
| Face Value | 10 | 10 |
| Exercise price | N.A. | 10 |
| Diluted shares (nos.) | - | **1,81,967** |
| **Weighted average number of equity shares adjusted for the effect of dilution (C)** | 3,45,89,341 | 3,45,71,308 |
| **Basic earning/(loss) per equity share (Amount in Rs.) (A/B)** | 20.82 | 8.04 |
| ***Diluted earning/(loss) per equity share (Amount in Rs.) (A/C)** | 20.82 | 8.04 |

**35 Contingencies and commitments**

| **(a) Contingent liabilities (to the extend quantify by government authorities)** | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Claims against the Holding Company not acknowledged as debt [refer note (i) below] | 1,586.94 | 1,579.67 |
| Dispute under sales tax law (matters under appeal) [refer note (ii) below] | 1,071.23 | 2,953.20 |
| Dispute under service tax law (matters under appeal) [refer note (iii) below] | 302.08 | 302.08 |
| Disputes under income tax law | 67.37 | 1,042.54 |

(i) The Holding Company has certain cases /disputes aggregating to Rs. 1,586.94 lakhs (31 March 2024: Rs. 1579.67 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.

(ii) The Group has certain litigations related to Sales tax and Values added tax (VAT) pending under West Bengal Value Added Tax Act, 2003 aggregating to Rs. 11.97 lakhs (31 March 2024 : Rs. 2,250 lakhs), The Assam Value Added Tax Act, 2003 aggregating to Nil (31 March 2024? Rs. Nil), The Uttar Pradesh Value Added Tax Act, 2008 aggregating to Rs. 668.71 lakhs (31 March 2024 Rs. 261.72 Lakhs), The Haryana Value Added Tax Act, 2003 aggregating to Rs. 390.55 lakhs( 31 March 2024 Rs. 59.79 lakhs) and The Bihar Value Added Tax Act, 2005 Rs. Nil (31 March 2024 Rs. 381.69 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 Group has reasonably good chances of succeeding and accordingly, no provision has been recognised in these consolidated financial statements.

(iii) The Holding Company has pending litigation related to service tax under Finance Act, 1994 amounting to Rs. 302.08 lakhs (31 March 2024: Rs. 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) **Commitments**

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| i) Estimated amount of contracts remaining to be executed by Holding company on capital account and not provided for (net of advance) | 2,050.35 | 532.54 |

ii) The Holding Company has entered into lease arrangements during the year for which company is liable to pay rent of Rs. 3,663.61 Lakhs (31 March 2024: Rs. 1,362.53 lakhs) on commencement of store for non cancellable period subject to compliance of terms and conditions of lease agreements.

**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. The Group's operations are confined only to India and there are no customers accounting for more than 10% of its revenue.

37 a) During the year provision of Rs. 1,841.10 lakhs (31 March 2024: Rs. 1,646.50 lakhs) on account of written down of inventories has been charged to Statement of Profit and Loss and included in change of inventories of stock in trade.

b) The Holding company carries a provision of Rs. 1,969.55 lakhs as at 31 March 2025 (31 March 2024: Rs. 2,343.16 lakhs) in view of management this provision is adequate to meet future realisation loss on sale of old inventories.

c) In the normal course of business, due to the nature and volume of operations, certain inventory items experienced barcode damage. Such items were subsequently either sold under newly generated barcodes or disposed of through bulk scrap sales. This resulted in mismatches between the item-level inventory records, which were identified through physical verification of inventories and subsequent reconciliation with the item-level inventory. The variances have been appropriately adjusted in the books of account (including inventory records) against the provision of Rs. 2,214.73 lakhs for inventories, which had been created in earlier years based on consistent practice followed by the holding Company.

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## 38 Post employment benefit plans

| Description | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Gratuity | 198.95 | 474.07 | 165.47 | 368.00 |
| | **198.95** | **474.07** | **165.47** | **368.00** |

### 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 2025 | 31 March 2024 |
|---|---|---|
| Current service cost | 102.84 | 87.76 |
| Interest cost | 37.45 | 29.67 |
| **Amount recognised in the consolidated statement of profit and loss** | **140.29** | **117.43** |

**(ii) Changes in the present value of the defined benefit obligation are as follows :**

| Description | | |
|---|---|---|
| **Present value of defined benefit obligation as at the start of the year** | **533.47** | **421.36** |
| Current service cost | 102.84 | 87.76 |
| Interest cost | 37.45 | 29.67 |
| Actuarial loss/(gain) recognised during the year | 59.67 | 35.61 |
| Benefits paid | (60.41) | (40.92) |
| **Present value of defined benefit obligation as at the end of the year** | **673.02** | **533.47** |

**(iii) Amount recognised in Other comprehensive income is as under:**

| Description | | |
|---|---|---|
| Actuarial loss on arising from change in demographic assumption | - | - |
| Actuarial (gain)/loss on arising from change in financial assumption | 9.43 | 0.27 |
| Actuarial loss on arising from experience adjustment | 50.24 | 35.34 |
| **Total actuarial loss** | **59.67** | **35.61** |

**(iv) The principal assumptions used in determining gratuity benefit obligations for the Group are shown below**

| Description | | |
|---|---|---|
| Discount rate | 6.49% | 7.02% |
| 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% |

**(v) Sensitivity analysis for gratuity liability**

| Description | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Impact of the change in discount rate** | | |
| Present value of obligation at the end of the year | **673.02** | **533.47** |
| - Impact due to increase of 0.50 % | (9.24) | (6.84) |
| - Impact due to decrease of 0.50 % | 9.55 | 7.07 |
| **Impact of the change in salary increase** | | |
| Present value of obligation at the end of the year | **673.02** | **533.47** |
| - Impact due to increase of 0.50 % | 8.21 | 6.15 |
| - Impact due to decrease of 0.50 % | (8.07) | (6.04) |

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 materially compared to prior period.

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| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Expected expense for next reporting year** | 173.52 | 126.94 |

(vi) **Maturity profile of defined benefit obligation (Discounted)**

| **Description** | | |
|---|---|---|
| Within next 12 months | 198.97 | 165.47 |
| Between 2-5 years | 377.11 | 277.74 |
| Beyond 5 years | 96.94 | 90.26 |

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.

**B Defined contribution scheme**

The Group's state governed provident fund scheme and employee state insurance scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the consolidated 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 Group to employees' provident fund and employee state insurance is Rs. 938.30 lakhs and Rs. 208.82 lakhs, respectively (31 March 2024: Rs. 474.43 lakhs and Rs. 116.91 lakhs).

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## 39 Share based payment (ESOP)

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. In the Annual General Meeting held on 30 September 2016, the share holders has approved V2 R-Employee Stock Option Scheme 2016 ('ESOP 2016') and grant of options to the eligible employee of the company under the Scheme.

**Employee stock option scheme :**

**a) The Holding Company have the following ESOP options:**

| Particulars | ESOP Scheme | Method of Settlement | Vesting period | Grant Date | No. of Options granted | Exercise price per share (Rs.) | Market price on the date of granting of option (Rs.) |
|---|---|---|---|---|---|---|---|
| Tranche -I-2021 | Scheme 2016 | Equity | 22 Months | 28 June 2021 | 2,25,000 | 10 | 128.55 |
| The granted options can be exercised at any time before the expiry of 3 months from vesting date. | | | | | | | |

During the previous year, the Hodling company issued 200,000 equity shares to eligible employee on exercise of their options and balance 25,000 ESOP has lapsed due to non exercise of options. The Hodling company had also recognised Rs. 13.17 lakhs under Employees benefits expense in previous year. Average price was Rs. 82.00 per equity share on the date of exercise of options.

As on 31, March 2024, the Company does not have any outstanding ESOP options. In Current year, there is no movement in ESOP options hence, no financial impact thereof.

**b) Movement of option granted**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| | Number of options | Number of options |
| Options Outstanding at the beginning of the year | - | 2,25,000 |
| Granted during the year (net of lapsed) | - | - |
| Exercised during the year | - | 2,00,000 |
| Forfeited/lapsed during the year | - | 25,000 |
| Options outstanding during the year | - | - |
| Options unvested at the end of the year | - | - |
| Option exercisable at the end of the year | - | - |

**Fair Valuation:**

The fair valuation of the options used to compute performa 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 (Rs.) |
|---|---|---|---|---|---|
| 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.

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## 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 2025 | | As at 31 March 2024 | |
|---|---|---|---|---|
| | Non-current | Current | Non-current | Current |
| **Contract liabilities related to sale of goods** | | | | |
| Contractual liability | - | 187.78 | - | 104.03 |
| **Contract receivables related to sale of goods** | | | | |
| Trade receivables | - | 9.65 | - | 5.54 |

**Significant changes in contract assets and liabilities**

There has been no significant changes in contact 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 7 days.

**Revenue recognised in relation to contract liabilities:**

**Movement of contract liability:**

| Description | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| Opening balance | 104.03 | 11.91 |
| Addition during the year | 187.78 | 104.03 |
| Revenue recognised during the year | (104.03) | (11.91) |
| Closing balance | **187.78** | **104.03** |

**Disaggregation of revenue**

Revenue arises mainly from the sale of traded goods:

| Description | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| **(A) Sale of goods** | | |
| Revenue from sale of goods | 1,87,966.49 | 1,16,068.92 |
| **(B) Other ancillary revenue** | | |
| Scrap sales | 246.30 | 207.29 |
| Display income | 236.73 | 196.50 |
| | **1,88,449.52** | **1,16,472.71** |

**Reconciliation of revenue recognised with contract price**

| Description | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| Contract Price | 1,87,966.49 | 1,16,068.92 |
| Less: Rebate and Discount* | - | - |
| Revenue from contracts with customers | 1,87,966.49 | 1,16,068.92 |

*The Company do not offer any rebate or discount for sale of the goods.

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## 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 Non-executive director w.e.f. 12 August 2023 and appointed as Whole Time Director w.e.f 12 August 2023 and then appointed as Chief Executive Officer w.e.f 27 May 2025
Ms. Archana Surendra Yadav (Independent Director)
Dr. Arun Kumar Roopanwal (Independent Director)
Mr. M.S. Anand (Independent Director) (w.e.f. 10th February, 2023)
Mr. Manshu Tandon (Chief Executive Officer) (upto 28 April, 2025)
Mr. Sudhir Kumar (Company Secretary and Compliance Officer) (up to 9th April 2024)
Mr. Shivam Agarwal (Company Secretary and Compliance Officer) (w.e.f. 11th May, 2024)
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) Summary of transactions with related parties:**

| S. No. | Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|---|
| 1 | **Interest expense on loans taken** | | |
| | Vishal Water World Private Limited | 6.40 | 15.05 |
| 2 | **Interest income on loans given** | | |
| | Vishal Water World Private Limited | 3.47 | - |
| 3 | **Remuneration** | | |
| | Mr. Ram Chandra Agarwal | - | 60.00 |
| | Mrs. Uma Agarwal | - | 60.00 |
| | Mr. Akash Agarwal | 60.00 | 38.23 |
| | Mr. Manshu Tandon* | 88.09 | 234.42 |
| | Mr. Sudhir Kumar | 0.33 | 25.36 |
| | Mr. Pratik Adukia | 73.05 | 114.48 |
| | Mr. Shivam Agarwal | 10.60 | |
| 4 | **Sitting fees** | | |
| | Ms. Archana Surendra Yadav | 3.00 | 3.00 |
| | Dr. Arun Kumar Roopanwal | 3.00 | 3.00 |
| | Mr. M S Anand | 3.00 | 3.00 |
| 5 | **Employee Higher Education Sponsorship Program Expenses** | | |
| | Mr. Akash Agarwal | - | 31.32 |
| 6 | **Loans accepted** | | |
| | Vishal Water World Private Limited | 200.00 | 250.00 |
| | Ram Chandra Agarwal | 360.00 | 285.00 |
| | Uma Agarwal | - | 50.00 |
| 7 | **Loans repaid** | | |
| | Vishal Water World Private Limited | 200.53 | 484.19 |
| | Ram Chandra Agarwal | - | 785.96 |
| | Uma Agarwal | 2.00 | 48.00 |
| 8 | **Loan Given** | | |
| | Vishal Water World Private Limited | 158.00 | - |
| 9 | **Repayment of Loan Given** | | |
| | Vishal Water World Private Limited | 20.00 | - |
| 10 | **Balance outstanding as at the year end:** | | |
| | **Remuneration Payable** | | |
| | Mrs. Uma Agarwal | - | 4.50 |
| | Mr. Akash Agarwal | 7.48 | 8.08 |
| | Mr. Ram Chandra Agarwal | - | 5.00 |
| | Mr. Manshu Tandon* | 1.29 | 2.20 |
| | Mr. Shivam Agarwal | 0.89 | 0.95 |
| | Mr. Pratik Adukia | 2.66 | 2.79 |
| | **Loan Payable** | | |
| | Vishal Water World Private Limited | - | 0.53 |
| | Mr. Ram Chandra Agarwal | 360.00 | - |
| | Mrs. Uma Agarwal | - | 2.00 |
| | **Loan Receivables** | | |
| | Vishal Water World Private Limited | 138.00 | - |
| | **Interest Receivables** | | |
| | Vishal Water World Private Limited | 3.12 | - |
| | **Trade Receivables** | | |
| | Vishal Water World Private Limited | - | 1.43 |

**For guarantee and security given by related parties (refer note 16 and 18)**

**Summary of payment made to KMP*#**

| | | |
|---|---|---|
| Short term employee benefit | 244.12 | 397.80 |
| Other long term benefit | - | - |
| Share based payment (Perquisite value as per income tax act) | - | 143.70 |
| Post employment benefit | - | - |

#Certain KMPs also participate in post employment benefit plans provided by the Holding 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 Holding Company.

*excludes the amount charged/reversed on grant/forfeiture of employee stock options. It is disclosed based on options exercised by the employee of the Holding Company.

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## 42 Fair value disclosures

### A Financial instruments by category

| Particulars | 31 March 2025 | | | 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | FVOCI | FVTPL | Amortised cost | FVOCI | FVTPL | Amortised cost |
| **Financial assets measured at amortised cost** | | | | | | |
| Security deposits | | | | | | |
| Current | - | - | 288.34 | - | - | 178.83 |
| Non-current | - | - | 1,312.17 | - | - | 880.83 |
| Cash and cash equivalents | - | - | 940.36 | - | - | 988.93 |
| Trade receivables (Current) | - | - | 9.65 | - | - | 5.54 |
| Loans | | | 141.12 | | | |
| Other financial assets | | | | | | |
| Current | - | - | 726.47 | - | - | 427.58 |
| Non-current | - | - | 223.03 | - | - | 214.08 |
| Total | - | - | 3,641.13 | - | - | 2,695.79 |
| **Financial liabilities measured at amortised cost** | | | | | | |
| Borrowings | | | | | | |
| Current | - | - | 9,309.05 | - | - | 7,272.91 |
| Non-current (Including Current maturities of long-term borrowings) | - | - | 2,249.13 | - | - | 1,811.35 |
| Lease liabilities | | | | | | |
| Current | - | - | 6,014.77 | - | - | 4,590.06 |
| Non-current | - | - | 67,422.22 | - | - | 38,872.81 |
| Trade payable (Current) | - | - | 32,539.03 | - | - | 19,325.19 |
| Other financial liabilities | | | | | | |
| Current | - | - | 5,529.81 | - | - | 2,021.50 |
| Non-current | - | - | - | - | - | - |
| Total | - | - | 1,23,064.00 | - | - | 73,893.82 |

### 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 | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Carrying value | Fair value | Carrying value | Fair value |
| Security deposits given | 1,600.51 | 1,600.51 | 1,059.66 | 1,059.66 |
| | 1,600.51 | 1,600.51 | 1,059.66 | 1,059.66 |

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 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 | Group is in the process of reducing the debt component to reduce the interest rate risk |

### ) 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. 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 2025 | 31 March 2024 |
|---|---|---|---|
| A: Low | Security deposits | 1,600.51 | 1,059.66 |
| | Other financial assets | 949.50 | 641.66 |
| | Trade receivables | 9.65 | 5.54 |
| | Loans | 141.12 | - |
| | Bank Balance and deposits | 230.92 | 500.58 |

**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.

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**Trade receivable, loans and other financial assets measured at amortised cost**

Other financial assets measured at amortized cost includes trade receivable, 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 Holding Company's trade receivables does not have any expected credit loss as the Holding Company sells products once the entire payment is received.

| Particulars | As at 31 March 2025 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 | 9.65 | - | - | - | - | 9.65 |
| Specific provision (Expected Credit Loss) | - | - | - | - | - | - |
| Carrying amount | 9.65 | - | - | - | - | 9.65 |

| Particulars | As at 31 March 2024 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 | 4.11 | - | 1.43 | - | - | 5.54 |
| Specific provision (Expected Credit Loss) | - | - | - | - | - | - |
| Carrying amount | 4.11 | - | 1.43 | - | - | 5.54 |

**Reconciliation of loss allowance provision - Trade receivables:**

| Particular | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Opening Balance | - | 38.21 |
| Change in loss allowance | - | (38.21) |
| Closing Balance | - | - |

**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 2025 | 'On Demand | Less than 1 year | 1-3 year | More than 3 years | Total |
|---|---|---|---|---|---|
| Borrowings | 1,060.00 | 8,608.02 | 1,049.95 | 840.21 | 11,558.18 |
| Trade payable | - | 32,539.03 | - | - | 32,539.03 |
| Lease liabilities | - | 12,781.90 | 24,653.88 | 76,675.78 | 1,14,111.56 |
| Other financial liabilities | - | 5,529.81 | - | - | 5,529.81 |
| **Total** | **1,060.00** | **59,458.75** | **25,703.83** | **77,515.99** | **1,63,738.58** |

| 31 March 2024 | 'On Demand | Less than 1 year | 1-3 year | More than 3 years | Total |
|---|---|---|---|---|---|
| Borrowings | | 7,461.52 | 399.19 | 1,223.55 | 9,084.26 |
| Trade payable | | 19,325.19 | - | - | 19,325.19 |
| Lease liabilities | | 8,552.23 | 23,368.23 | 32,179.91 | 64,100.37 |
| Other financial liabilities | | 2,021.50 | - | - | 2,021.50 |
| **Total** | - | **37,360.45** | **23,767.42** | **33,403.46** | **94,531.32** |

**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**

**Liabilities**

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31 March 2025, 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 2025 | 31 March 2024 |
|---|---|---|
| Variable rate borrowing | 8,249.05 | 7,272.91 |
| Fixed rate borrowing | 2,949.13 | 1,811.35 |
| Interest free borrowing | 360.00 | - |
| **Total borrowings** | **11,558.18** | **9,084.26** |

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Interest sensitivity*** | | |
| Interest rates – increase by 100 basis points | 82.49 | 72.73 |
| Interest rates – decrease by 100 basis points | 82.49 | 72.73 |

* Holding all other variables constant

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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.

**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 2025 and 31 March 2024 are as follows:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Total borrowings (including current maturity) | 11,558.18 | 9,084.26 |
| Less: cash and bank balances (including fixed deposits) | 1,163.38 | 1,203.00 |
| **Net debt** | **10,394.80** | **7,881.26** |
| Total equity | 34,629.69 | 27,471.36 |
| **Adjusted net debt to adjusted equity ratio** | **30.02%** | **28.69%** |

**44 Advertising advance to Bennett, Coleman and Company Limited (BCCL)**

The Holding 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 credit facility of Rs. 3,250 lakhs to be utilized in accordance with the terms of aforesaid agreement. The total commitment was reduced to Rs. 2,500 lakhs and the credit amount was reduced to Rs. 1,625 lakhs vide 1st amendment agreement dated 17 July 2022. The aforesaid agreement was extended five times for a term of one year each and the management is confident of its renewal beyond July 7, 2025 basis its ongoing discussion with BCCL and past practice. The Company has paid Rs. 1,494.23 lakhs till year ended 31 March 2025 (outstanding since April, 2019,) pursuant to this contract and disclosed this amount under "other non-current assets" as at 31 March 2025. Further, the management is confident of utilising the above advance with in extended contractual period and therefore, has considered the aforesaid advance as good and recoverable.

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**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 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 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 2025 | 31 March 2024 |
|---|---|---|
| Expenses relating to short term leases (included in other expenses) | 178.29 | 85.89 |
| **Total** | **178.29** | **85.89** |

**B The table below describes the nature of the Group'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 | 1 | 1.00 Years | 1.00 Years |
| Residential Flat | 1 | 2.00 - 2.00 Years | 2 Years |
| Stores | 191 | 0.77 - 15.76 Years | 8.27 Years |
| Warehouse | 2 | 0.50 - 4.48 Years | 2.49 Years |
| Factory | 1 | 13.16 Years | 13.16 Years |
| Staff Quarters | 1 | 13.43 years | 13.43 years |

**C The following are amounts recognised in statement of profit and loss:**

| Particulars | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|---|---|
| Amortisation expense of right-of-use assets | 7,026.87 | 5,387.64 |
| Interest expense on lease liabilities | 5,429.83 | 3,974.20 |
| Rent expense (Short term lease) | 178.29 | 85.89 |
| **Total** | **12,634.99** | **9,447.73** |

For movement of lease liability refer note 3(i)(b) and for maturity profile of lease liability refer note 42(a).

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*(This space has been intentionally left blank)*

46 The Holding 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 holding Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the holding Company. The management does not expect any adjustment 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:

(a) As at and for the year ended 31 March, 2025

| 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.) |
| Holding | | | | | | | | |
| V2 Retail Limited | 99.63% | 34,500.41 | 98.42% | 7,089.58 | 93.87% | (42.17) | 98.45% | 7,047.41 |
| Indian subsidiary | | | | | | | | |
| V2 Smart Manufacturing Private Limited | 5.04% | 1,745.87 | 0.56% | 39.98 | 6.13% | (2.75) | 0.52% | 37.23 |
| | | 36,246.28 | | 7,129.56 | | (44.92) | | 7,084.64 |
| Consolidation adjustments and eliminations | -4.67% | (1,616.59) | 1.02% | 73.67 | 0.00% | - | 1.03% | 73.67 |
| Total | 100.00% | 34,629.69 | 100.00% | 7,203.23 | 100.00% | (44.92) | 100.00% | 7,158.31 |

(b) As at and for the year ended 31 March, 2024

| 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.) |
| Holding | | | | | | | | |
| V2 Retail Limited | 99.93% | 27,453.00 | 98.11% | 2,728.61 | 83.40% | (22.58) | 98.26% | 2,706.03 |
| Indian subsidiary | | | | | | | | |
| V2 Smart Manufacturing Private Limited | 6.22% | 1,708.66 | -1.16% | (32.27) | 16.62% | (4.50) | -1.34% | (36.77) |
| | | 29,161.66 | | 2,696.34 | | (27.08) | | 2,669.26 |
| Consolidation adjustments and eliminations | -6.15% | (1,690.30) | 3.05% | 84.73 | 0.00% | - | 3.08% | 84.73 |
| Total | 100.00% | 27,471.36 | 100.00% | 2,781.07 | 100.00% | (27.08) | 100.00% | 2,753.99 |

48 No adjusting or significant non-adjusting events have occurred between 31 March 2025 reporting date and the date of authorisation.

49 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 did not have any transactions with struck off companies during the current year and the previous year, except for transactions with one company during the year. The details of the outstanding balance with the struck off company are as follows:

| Name of struck off Company | Nature of transactions with struck off company | Balance outstanding | Relationship with the struck off company, if any, to be disclosed |
|---|---|---|---|
| Lotus Trades Private Limited | Trade Payables | 55.29 | N.A |

(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 current and previous financial year .

(vii) The Group has not advanced or loaned or invested funds during the current and previous year to any other person(s) or entity(ies), including
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or onbehalf 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)during the current and previous year, 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 onbehalf 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 current and previous 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 current and previous year by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(xi) The Holding Company has been sanctioned working capital limit from bank on the basis of security of current assets. There are following differences between books of account of the respective quarters and latest quarterly returns/ statements filed by the Holding Company with the bank:

| Quarter | Particulars of Securities Provided | Amount as per books of account | Amount as reported in quarterly statement | Amount of difference | Reason |
|---|---|---|---|---|---|
| September-24 | Inventories | 46,658.56 | 46,656.15 | 2.41 | Provisional returns/statements submitted with bank |
| December-24 | Inventories | 47,038.58 | 46,614.01 | 424.57 | |
| March-25 | Inventories | 52,617.63 | 54,232.46 | (1,614.83) | |
| | Creditor | 33,169.64 | 37,638.99 | (4,469.35) | |

50 The subsidiary Company has taken a decision to shut down its two manufacturing units due to persistent labour related challenges and the overall adverse industrial environment prevailing in the state of Uttar Pradesh, India.

51 **Disclosure relating to amount outstanding at year end and maximum outstanding during the year of loans required under schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and details of such loans given covered under section 186(4) of the Companies Act, 2013 is given below:**

| Particulars | Outstanding as at March 31, 2025 | Maximum Amount Outstanding during the year ended March 31, 2025 | Outstanding as at March 31, 2024 | Maximum Amount Outstanding during the year ended March 31, 2024 |
|---|---|---|---|---|
| Loans given<br>- Vishal Water World Private Limited* | 138.00 | 158.00 | - | - |

*Above loan has been given by the subsidiary Company for general business purposes @ 13.00% p.a and without specifying any terms or period of repayment.

52 The Board of Directors of the Holding Company has not declared any dividend during the current and previous year.

53 Previous year's figures has been regrouped and/or reclassified wherever necessary to conform to the current year's groupings and classifications, however, the regrouping is not material therefore, details are not given.

As per our report of even date attached

**For Singhi & Co.**
Chartered Accountants
Firm Registration Number: 302049E

Bimal Kumar Sipani
Partner
Membership No. 088926

Place: Noida (Delhi-NCR)
Date: 27 May 2025

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

**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

Akash Agarwal
Chief Executive Officer
DIN: 03194632

Pratik Adukia
Chief Financial Officer

Shivani Agarwal
Company Secretary
M.No. A55785

Place: Gurgaon
Date: 27 May 2025

V2 RETAIL LIMITED NEW DELHI

Singhi & Co.
Chartered Accountants

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## 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 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, 2024, 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 material 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, and based on the consideration of report of the other auditor on separate financial statements of the subsidiary and other financial information of the subsidiary referred to in the "Other Matters" section below, 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, 2024, the consolidated profit including other 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 45 to the accompanying consolidated financial statements, the Holding 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 Holding Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the Holding 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, 2024. Our opinion on the consolidated financial statements for the year ended March 31, 2024 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 Act . Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' 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 we have obtained 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 43 of the accompanying consolidated financial statements, which describes that an advance amounting to Rs. 1,553.48 lakhs 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, 2024. 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, 2024. 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 auditor of component 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. | **Existence and valuation of Inventories**<br><br>Refer note 1(vi)(i) for material accounting policy, note 8 and note 36 for the financial statement disclosure.<br>At the end of each reporting period, management of the Holding Company assesses whether there is adequate provision for inventory losses on account of lower net realizable value and obsolete inventory.<br><br>The management applies judgement in determining appropriate provisions for inventory losses which include:<br>a) Applying specific identification process to ascertain slow moving and obsolete inventory.<br>b) Assessing the net realizable value of such slow moving and obsolete inventory.<br><br>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.<br><br>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. | **How our audit addressed the key audit matter:**<br>Our audit included, but was not limited to, the following audit procedures over inventory existence and valuation:<br>• Understood the management process for cyclical physical counts, identification of slow moving, nonmoving or obsolete inventories and determining net realisable value, and evaluated whether such processes are consistently followed.<br>• Evaluated design and tested the operating effectiveness of controls implemented around above mentioned processes throughout the year.<br><br>**Cyclical physical counts and physical count performed subsequent to year end:**<br>• Inspected management's inventory count records and observed physical inventory verification for locations selected based on materiality and risk considerations.<br>• 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;<br><br>• Tested the adjustment made in the books of accounts basis the results of the physical counts performed by the management.<br><br>**Slow-moving/obsolete inventory provisions:**<br>• Tested inventory ageing obtained through system reports, where applicable.<br>• Obtained from management the list of slow and non-moving inventories identified as at March 31, 2024 and their corresponding expected sales in future periods. |



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| S.N. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | | • 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.<br>• Tested the net realizable value of traded goods inventory on a sample basis to recent selling prices.<br>• 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.<br><br>Obtained written representations from management on the completeness and adequacy of inventory allowance as at the year end. |
| 2. | **Accounting of Leases Under Ind AS 116-(Leases) :**<br>Leases Refer note 1(vi)(f) for material accounting policy and note 44 for the financial statement disclosure.<br>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. | **How our audit addressed the key audit matter:**<br>Our audit included, but was not limited to, the following audit procedures:<br>• Understood the management process for identification of leasing arrangements for accounting of leases by applying the practical expedient.<br>• Evaluated design and tested the operating effectiveness of controls implemented around above mentioned process throughout the year.<br>• Reviewed the overall impact analysis prepared by the Holding Company including completeness of lease<br>contracts and application of practical expedients.<br>• Tested the accuracy of the revised lease agreements entered for a sample of leases through the inspection of lease documentation.<br>• 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.<br>• 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).<br><br>Obtained written representations from management on the completeness of lease data and application of practical expedient. |

**Other Information**

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's Report and Corporate Governance Report, including Annexures, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.
The other information 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 other information, 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 with reference to consolidated financial statements, 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 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 (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) 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, 2024 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**

We did not audit the financial statements of one subsidiary, whose financial statements include total assets of Rs. 10,893.17 lakhs as at March 31, 2024, revenues from operations of Rs. 18,111.15 lakhs, total net profit/(loss) after tax of Rs. (32.27) lakhs, total comprehensive income of Rs. (36.78) lakhs, for the year ended on that date, and net cash inflows of Rs. 25.38 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 in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

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 matter with respect to our reliance on the work done and the report 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 in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor 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 for 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 auditor, except that the backups of books of account maintained by the Holding Company in electronic mode has not been maintained on daily basis and for the possible effects of the matters described in Basis for Qualified Opinion section and paragraph 2(B)(f) below reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules 2014;

   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;



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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 at March 31, 2024 taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditor of its subsidiary company incorporated in India, none of the Directors of the Group company incorporated in India is disqualified as at March 31, 2024 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, paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

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;

B. 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:

a. 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 34 to the consolidated financial statements;

b. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts;

c. The Group did not have any amounts required to be transferred, to the Investor Education and Protection Fund.

d.

i. The respective managements of the Holding Company and its subsidiary incorporated in India, whose financial statements have been audited under the Act, have represented that to us and to the other auditor of such subsidiary, that to the best of their knowledge and belief, as disclosed in the Note 48(vii) 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 Holding Company or subsidiary 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 respective managements of the Holding Company and its subsidiary incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the Note 48(viii) to the consolidated financial statements, no funds have been received by the Holding Company or subsidiary or 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.

iii. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor notice that has caused us or the auditors to believe that the representations under sub-clause (i) and (ii) of rule 11(e) as provided under i. and ii. above, contain any material misstatement.

e. The Holding company and its subsidiary company, have not declared or paid any dividend during the year ended March 31, 2024.

f. Based on our examination which included test checks, and as communicated by the auditor of subsidiary incorporated in India , except for the instances mentioned below, the Holding Company and its subsidiary company have used accounting Softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all transactions recorded in the respective Softwares and the audit trail feature has not been tampered with except:

i. In case of the Holding Company incorporated in India, that audit trail was not enabled at the application level to log any direct data changes. In the absence of supporting evidences for audit trail configuration change logs and samples, we are unable to comment on whether the audit trail was operated at database level throughout the year and whether there was any audit trail feature has been tempered with.

ii. Further, the Holding Company has also other accounting softwares for invoicing to customers and processing payroll which is maintained by third party software service provider. In the absence of supporting evidences for audit trail configurations, we are unable to comment on whether these softwares have feature of recording audit trail (edit log) facility at application level and database level to any direct data change in these softwares and operated throughout the year and whether there was any audit trail feature has been tempered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

C. 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.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

Bimal Kumar Sipani
Partner
Membership No. 088926
UDIN: 24088926BKELYH4645

Place: Noida (Delhi-NCR)
Date: May 30, 2024

**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, 2024 (refer to in paragraph 1 of our report on other legal and regulatory requirements)**

Based on the audit report submitted by the auditor of following company included in the consolidated financial statements, there have been adverse remarks in the following clause by respective auditor 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) & (ii) (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, 2024 (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 consolidated financial statements 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, 2024 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 as audit of internal financial controls. 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.



**Meaning of Internal Financial Controls with reference to consolidated financial statements**

A Company's internal financial control over with reference to consolidated 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 consolidated 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 consolidated financial statements**

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**

In our opinion to the best of our information and according to the information and explanations given to us and based on the consideration of the report of the other auditor referred to in the" Other Matters" paragraph below, the Holding Company and its subsidiary company incorporated in India, the following material weaknesses have been identified in the operating effectiveness of the Holding's internal financial controls with reference to consolidated financial statements as at 31 March 2024:

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 consolidated 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, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024 except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, based on the criteria for internal control with reference to consolidated financial statements 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.



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, 2024, 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 report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiary company incorporated in India, is based solely on the corresponding reports of the auditors of such subsidiary company. Our opinion is not modified in respect of the above matters.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E




Bimal Kumar Sipani
Partner
Membership No. 088926
UDIN: 24088926BKELYH4645

Place: Noida (Delhi-NCR)
Date: May 30, 2024

**V2 Retail Limited**
**Consolidated Balance Sheet as at 31 March 2024**
***(All amounts in Rs. in lakh unless otherwise stated)***

| | Note | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 2 (i) | 11,607.80 | 9,859.75 |
| Capital work-in-progress | 2 (ii) | 22.55 | 10.98 |
| Right of use assets (ROU) | 3 (i) | 36,151.15 | 30,583.52 |
| Other Intangible assets | 3 (ii) | 205.64 | 368.46 |
| Intangible assets under development | 3 (iii) | - | 29.94 |
| Financial assets | | | |
| Other financial assets | 4 | 1,058.34 | 828.55 |
| Deferred tax assets (net) | 5 | 2,846.44 | 3,201.41 |
| Other non-current assets | 6 | 2,087.49 | 1,800.18 |
| Income tax assets (net) | 7 | 90.64 | 57.72 |
| **Total non-current assets** | | **54,070.05** | **46,740.51** |
| **Current assets** | | | |
| Inventories | 8 | 41,886.88 | 27,888.16 |
| Financial assets | | | |
| Trade receivables | 9 | 5.54 | 6.70 |
| Cash and cash equivalents | 10 | 944.83 | 492.02 |
| Other bank balances | 11 | 44.10 | 21.54 |
| Other financial assets | 12 | 606.41 | 109.28 |
| Other current assets | 13 | 5,156.44 | 4,069.95 |
| **Total current assets** | | **48,644.20** | **32,587.65** |
| **Total assets** | | **1,02,714.25** | **79,328.16** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | 14 | 3,458.93 | 3,438.93 |
| Other equity | 15 | 24,012.43 | 21,253.50 |
| **Total equity** | | **27,471.36** | **24,692.43** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 16 | 1,729.56 | 722.13 |
| Lease Liabilities | 3 (i) | 38,872.81 | 33,025.85 |
| Other financial liabilities | | - | - |
| Provisions | 17 | 631.69 | 443.64 |
| **Total non-current liabilities** | | **41,234.06** | **34,191.62** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 18 | 7,354.70 | 4,647.62 |
| Lease Liabilities | 3 (i) | 4,590.06 | 3,977.99 |
| Trade payables | 19 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | 5,463.16 | 481.92 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 13,887.13 | 10,164.33 |
| Other financial liabilities | 20 | 1,996.40 | 744.29 |
| Provisions | 21 | 312.86 | 237.05 |
| Current Tax Liabilities | 22 | - | 40.89 |
| Other current liabilities | 23 | 404.52 | 150.02 |
| **Total current liabilities** | | **34,008.83** | **20,444.11** |
| **Total liabilities** | | **1,02,714.25** | **79,328.16** |

Material Accounting Policy and other notes to consolidated financial statements 1 to 50
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

Place: Noida
Date: 30 May 2024

**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

**Pratik Adukia**
Chief Financial Officer

**Manshu Tandon**
Chief Executive Officer

**Shivam Agarwal**
Company Secretary
M.No. A55785

Place: Delhi
Date: 30 May 2024

**V2 Retail Limited**
**Consolidated Statement of Profit and Loss for the year ended 31 March 2024**
***(All amounts in Rs. in lakh unless otherwise stated)***

| Particular | Note | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **I. Income** | | | |
| Revenue from operations | 24 | 1,16,472.71 | 83,888.30 |
| Other income | 25 | 748.84 | 666.90 |
| **Total income (I)** | | **1,17,221.55** | **84,555.20** |
| | | | |
| **II. Expenses** | | | |
| Purchase of stock-in-trade | 26 | 77,745.82 | 48,137.23 |
| Cost of raw material consumed | 27 | 11,829.40 | 5,383.95 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 28 | (12,895.82) | 1,816.56 |
| Job work charges | | 4,428.18 | 2,101.64 |
| Printing, washing and other direct charges | | 764.83 | 439.91 |
| Employee benefits expense | 29 | 10,547.50 | 8,860.99 |
| Finance costs | 30 | 4,721.88 | 4,055.31 |
| Depreciation and amortization expense | 31 | 7,671.34 | 6,705.41 |
| Other expenses | 32 | 9,271.14 | 8,749.39 |
| **Total expenses (II)** | | **1,14,084.27** | **86,250.39** |
| | | | |
| **III.Profit/(Loss) before exceptional items and tax (I-II)** | | **3,137.28** | **(1,695.19)** |
| IV. Exceptional item | | - | - |
| **V. Profit/(Loss) before tax (III-IV)** | | **3,137.28** | **(1,695.19)** |
| VI. Tax expense: | 5 | | |
| Current tax | | - | 48.63 |
| Tax expense of earlier years | | 0.96 | (7.85) |
| Deferred tax (income)/charge | | 355.25 | (454.30) |
| **Total tax expense** | | **356.21** | **(413.52)** |
| **VII. Profit/(Loss) for the year (V-VI)** | | **2,781.07** | **(1,281.67)** |
| | | | |
| **VIII. Other comprehensive income** | | | |
| **Items that will not be reclassified to profit and loss** | | | |
| Re-measurement gain/(loss) of defined employee benefit plans | | (35.61) | (23.96) |
| Income tax relating to items that will not be reclassified to profit or loss | | 8.53 | 5.84 |
| **Items that will be reclassified to profit and loss** | | - | - |
| **Other comprehensive income for the year** | | **(27.08)** | **(18.12)** |
| | | | |
| **IX. Total comprehensive income for the year (VII+VIII)** | | **2,753.99** | **(1,299.79)** |
| | | | |
| **Earnings per share (face value of Rs. 10 each)** | | | |
| Basic (Rs.) | 33 | 8.04 | (3.73) |
| Diluted (Rs.) | | 8.04 | (3.73) |

Material Accounting Policy and other notes to consolidated financial statements 1 to 50
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

Place: Noida
Date: 30 May 2024

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

**Shivam Agarwal**
Company Secretary
M.No. A55785

Place: Delhi
Date: 30 May 2024

**V2 Retail Limited**
**Consolidated Statement of Cash flows for the year ended 31 March 2024**
***(All amounts in Rs. in lakh unless otherwise stated)***

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| Profit / (Loss) before tax | 3,137.28 | (1,695.19) |
| **Adjustments for:** | | |
| Depreciation and amortisation expense | 7,671.34 | 6,705.41 |
| Interest income | (91.27) | (99.32) |
| (Gain) / Loss on derecognition of lease liabilities including security deposits | (330.27) | (400.55) |
| Intangible assets under development written-off | 29.94 | - |
| Rent concession on lease rentals | - | (30.27) |
| Finance cost | 4,721.88 | 4,055.31 |
| Sundry balances written back | (141.01) | - |
| Provision no longer required written back | (58.80) | - |
| (Profit) / loss on sale of property, plant and equipment (net) | (9.04) | (5.61) |
| Provision against inventory | 1,646.50 | 689.34 |
| Provision against doubtful advances | - | 42.47 |
| Provision for expected credit losses | - | 38.21 |
| Sundry balances written off | 191.84 | - |
| Share based payments expense | 13.17 | 172.38 |
| **Operating profit before working capital changes** | **16,781.56** | **9,472.21** |
| **Movement in working capital** | | |
| Movement in trade payables | 8,903.87 | (1,307.78) |
| Movement in trade receivables | 1.16 | 87.44 |
| Movement in provisions | 228.41 | 27.88 |
| Movement in other liabilities | 254.50 | (22.35) |
| Movement in other financial liabilities | 800.50 | (271.83) |
| Movement in inventories | (15,645.22) | 500.13 |
| Movement in other financial assets | (449.51) | 1.64 |
| Movement in other assets | (1,458.06) | 42.04 |
| **Cash flows generated from/(used in) operating activities post working capital changes** | **9,417.21** | **8,529.42** |
| Income taxes (paid) / refund (net) | (74.76) | 106.27 |
| **Net cash flow generated from/(used in) operating activities (A)** | **9,342.45** | **8,635.69** |
| **B. Cash flows from investing activities** | | |
| Purchase of property, plant and equipment and right of use assets (including capital work-in-progress and payable towards property, plant and equipment) | (3,924.72) | (1,197.58) |
| Sale of property, plant and equipment | 200.69 | 20.28 |
| Purchase of intangible assets including intangible assets under development | (26.17) | (110.51) |
| Movement in fixed deposits (net) | (186.41) | 53.46 |
| Interest received | 6.77 | 7.00 |
| **Net cash flows generated from/(used in) investing activities (B)** | **(3,929.84)** | **(1,227.34)** |
| **C. Cash flows from financing activities** | | |
| Proceeds from issuance of equity shares | 20.00 | - |
| (Repayment of) / proceeds from current borrowings (net) | 2,625.30 | (245.00) |
| Proceeds from non current borrowings | 2,459.40 | 334.25 |
| (Repayment of) non current borrowings | (1,370.19) | (172.93) |
| Payment of lease liabilities | (3,975.33) | (3,431.18) |
| Interest paid | (4,718.98) | (4,055.31) |
| **Net cash flows generated from/(used in) financing activities (C)** | **(4,959.80)** | **(7,570.17)** |
| Net increase/decrease in cash and cash equivalents (A+B+C) | 452.81 | (161.84) |
| Cash and cash equivalents at the beginning of the year | 492.02 | 653.86 |
| **Cash and cash equivalents at the end of the year** | **944.83** | **492.02** |
| **Components of cash and cash equivalents at the end of the year** | | |
| Cash on hand | 488.35 | 137.31 |
| Balance with banks | | |
| -in current accounts | 456.48 | 354.71 |
| **Total** | **944.83** | **492.02** |

**Note:**
1. The cash flow has been prepared under the "Indirect method", as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.
2. Additional disclosure required under Ind AS 7 (Refer note 18b)

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

Place: Noida
Date: 30 May 2024

**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

**Shivam Agarwal**
Company Secretary
M.No. A55785

Place: Delhi
Date: 30 May 2024

**V2 Retail Limited**
**Consolidated Statement of changes in equity for the year ended 31 March 2024**
***(All amounts in Rs. in lakh unless otherwise stated)***

**A Equity share capital**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Opening Balance** | 3,438.93 | 3,438.93 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the year | 3,438.93 | 3,438.93 |
| Changes in equity share capital during the year | 20.00 | - |
| **Closing Balance** | **3,458.93** | **3,438.93** |

**B Other equity**

| Particulars | Attributable to owners of the Company | | | | Total |
|---|---|---|---|---|---|
| | Reserves and surplus | | | | |
| | Retained earnings | Securities premium reserve | Capital reserve | Share options outstanding account | |
| **Balance as at 1 April 2023** | (70,043.37) | 29,971.38 | 61,043.56 | 281.94 | 21,253.51 |
| Profit/(Loss) for the year | 2,781.07 | - | - | - | 2,781.07 |
| Other comprehensive income for the year (net of tax) | (27.08) | - | - | - | (27.08) |
| ESOP reserve reversal due to non exercising of option (net of tax) | | | | | - |
| **Total comprehensive income for the year** | **2,754.00** | **-** | **-** | **-** | **2,754.00** |
| Employee stock options charge for the year (refer note 29) | - | - | - | 13.17 | 13.17 |
| Employee stock options exercised during the year | - | 262.32 | - | (262.32) | - |
| Employee stock options lapsed during the year | - | - | - | (32.79) | (32.79) |
| ESOP reserve reversal due to non exercising of option (net of tax) | 24.54 | - | - | - | 24.54 |
| **Balance as at 31 March 2024** | **(67,264.83)** | **30,233.70** | **61,043.56** | **-** | **24,012.43** |
| **Balance as at 1 April 2022** | (68,743.58) | 29,971.38 | 61,043.56 | 109.56 | 22,380.92 |
| Profit/(Loss) for the year | (1,281.67) | - | - | - | (1,281.67) |
| Other comprehensive income for the year (net of tax) | (18.12) | - | - | - | (18.12) |
| **Total comprehensive income for the year** | **(1,299.79)** | **-** | **-** | **-** | **(1,299.79)** |
| Employee stock options charge for the year (refer note 29) | - | - | - | 172.38 | 172.38 |
| Employee stock options exercised during the year | - | - | - | - | - |
| **Balance as at 31 March 2023** | **(70,043.37)** | **29,971.38** | **61,043.56** | **281.94** | **21,253.50** |

There are no changes in other equity due to prior period errors in above.

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

Place: Noida
Date: 30 May 2024

**For and on behalf of the Board of Directors of V2 Retail Limited**
**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

**Shivam Agarwal**
Company Secretary
M.No. A55785

Place: Delhi
Date: 30 May 2024

2 Property, plant and equipment

| Description | Leasehold improvements | Vehicle | Office equipments | Plant and machinery | Air conditioner | Generator Set | Electrical equipments | Furniture and fixture | Computer hardware | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying value** | | | | | | | | | | |
| As at 1 April 2022 | 569.62 | 352.49 | 2,738.05 | 2,846.08 | 0.88 | 29.37 | 3,497.61 | 6,910.45 | 2,085.83 | 19,030.37 |
| Additions | 61.85 | 25.05 | 189.56 | 253.80 | 0.88 | - | 229.93 | 393.89 | 264.67 | 1,419.62 |
| Disposals | - | - | (12.34) | - | - | - | (0.31) | (11.07) | (2.45) | (26.17) |
| **As at 31 March 2023** | **631.47** | **377.54** | **2,915.27** | **3,099.88** | **1.76** | **29.37** | **3,727.22** | **7,293.26** | **2,348.05** | **20,423.82** |
| Additions | 24.89 | 561.46 | 564.90 | 614.48 | 1.71 | 40.71 | 713.64 | 1,046.37 | 446.26 | 4,034.42 |
| Disposals | (1.54) | (181.34) | (13.02) | (1.90) | - | - | (44.24) | (77.72) | (25.00) | (344.76) |
| **As at 31 March 2024** | **654.82** | **757.66** | **3,467.15** | **3,712.46** | **3.47** | **70.08** | **4,396.62** | **8,261.91** | **2,769.31** | **24,113.49** |
| **Accumulated depreciation** | | | | | | | | | | |
| As at 1 April 2022 | 181.84 | 144.73 | 1,386.17 | 567.43 | 0.06 | 0.36 | 1,460.03 | 3,454.28 | 1,545.26 | 8,740.15 |
| Charge 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) | (11.50) |
| **As at 31 March 2023** | **246.76** | **186.72** | **1,751.95** | **694.05** | **0.23** | **2.22** | **1,789.62** | **4,117.03** | **1,775.49** | **10,564.08** |
| Charged for the year | 79.22 | 65.41 | 359.01 | 144.19 | 0.25 | 3.06 | 349.07 | 818.50 | 275.99 | 2,094.71 |
| Disposals | (0.24) | (86.25) | (6.47) | (0.02) | - | - | (0.96) | (49.11) | (10.07) | (153.11) |
| **As at 31 March 2024** | **325.75** | **165.89** | **2,104.49** | **838.23** | **0.48** | **5.28** | **2,137.73** | **4,886.41** | **2,041.41** | **12,505.68** |
| **Net block as at 31 March 2023** | **384.71** | **190.81** | **1,163.32** | **2,405.83** | **1.53** | **27.15** | **1,937.60** | **3,176.24** | **572.56** | **9,859.75** |
| **Net block as at 31 March 2024** | **329.06** | **591.77** | **1,382.66** | **2,874.24** | **2.99** | **64.79** | **2,258.88** | **3,375.50** | **727.90** | **11,607.80** |

Notes:

a. **Contractual obligations**
Refer note 34(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

b. **Capitalised borrowing cost**
The Group has not capitalised any borrowing costs during the year ended 31 March 2024 and 31 March 2023.

c. Refer note 16(a) for vehicle hypothecated against borrowings.

d. Refer note 16(b) and 18(a) for security given.

2 (ii) **Capital work-in-progress**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Capital work-in-progress | 22.55 | 10.98 |
| | **22.55** | **10.98** |

**Movement in capital work in progress:**

| Particulars | Amount |
|---|---|
| **Capital work-in-progress as at 1 April 2022** | - |
| Add: Additions during the year | 24.44 |
| Less: Capitalisation during the year | (13.46) |
| **Capital work-in-progress as at 31 March 2023** | **10.98** |
| Add: Additions during the year | 745.43 |
| Less: Capitalisation during the year | 733.86 |
| **Capital work-in-progress as at 31 March 2024** | **22.55** |

Capital work-in-progress include office equipment and furniture & fixtures amounting to Rs. 22.55 lakhs (31 Mar 2023: Rs. 10.98 lakhs) which are pending for Capitalisation.

Uma Agarwal

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

V2 RETAIL LIMITED NEW DELHI

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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 |
|---|---|
| **(a) Right-of-use assets** | |
| **Cost** | |
| **Balance as at 31 March 2022** | **48,229.58** |
| Add: Additions during the year | 8,938.16 |
| Less: Deletion/modification during the year | (10,482.04) |
| **Balance as at 31 March 2023** | **46,685.70** |
| Add: Additions during the year | 13,002.09 |
| Less: Deletion/modification during the year | (2,758.99) |
| **Balance as at 31 March 2024** | **56,928.80** |
| | |
| **Accumulated amortisation** | |
| **Balance as at 31 March 2022** | **19,591.42** |
| Add: Amortisation for the year (refer note 31) | 4,703.05 |
| Less: Deletion/modification during the year | (8,192.29) |
| **Balance as at 31 March 2023** | **16,102.18** |
| Add: Amortisation for the year (refer note 31) | 5,387.64 |
| Less: Deletion/modification during the year | (712.16) |
| **Balance as at 31 March 2024** | **20,777.65** |
| | |
| **Net carrying amount** | |
| **Balance as at 31 March 2023** | **30,583.52** |
| **Balance as at 31 March 2024** | **36,151.15** |

**(b) Lease liabilities**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Opening Balance** | 37,003.84 | 34,306.72 |
| Add: Addition in lease liabilities during the year | 12,782.37 | 8,800.56 |
| Add: Deletion in lease liabilities during the year | (2,348.02) | (2,641.99) |
| Add: Interest on lease liabilities | 3,974.20 | 3,580.86 |
| Less: Rent concession on lease rentals | - | (30.27) |
| Less: Lease liabilities paid | (7,949.52) | (7,012.04) |
| **Closing balance** | **43,462.87** | **37,003.84** |
| **Current** | **4,590.06** | **3,977.99** |
| **Non-current** | **38,872.81** | **33,025.85** |

3 (ii) **Other Intangible assets**

| Description | Computer software | Total |
|---|---|---|
| **Gross carrying value** | | |
| As at 1 April 2022 | 840.60 | 840.60 |
| Additions | 80.57 | 80.57 |
| Disposals | - | - |
| **As at 31 March 2023** | **921.17** | **921.17** |
| Additions during the year | 26.19 | 26.19 |
| Disposals | - | - |
| **As at 31 March 2024** | **947.36** | **947.36** |
| | | |
| **Accumulated amortization** | | |
| As at 1 April 2022 | 385.78 | 385.78 |
| Amortisation during the year | 166.94 | 166.94 |
| Disposals | - | - |
| **As at 31 March 2023** | **552.72** | **552.72** |
| Amortisation during the year | 188.99 | 188.99 |
| Disposals | - | - |
| **As at 31 March 2024** | **741.73** | **741.73** |
| | | |
| **Net block as at 31 March 2023** | **368.46** | **368.45** |
| **Net block as at 31 March 2024** | **205.64** | **205.64** |

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

V2 RETAIL LIMITED NEW DELHI

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 3 (iii) | **Intangible assets under development** | | |
| | Intangible assets under development | - | 29.94 |
| | | - | **29.94** |

| Particulars | Amount |
|---|---|
| **Intangible assets under development as at 1 April 2022** | - |
| Add: Additions during the year | 29.94 |
| Less: Capitalisation during the year | - |
| Less: Charged to Profit and Loss account | |
| **Intangible assets under development as at 31 March 2023** | **29.94** |
| Add: Additions during the year | - |
| Less: Capitalisation during the year | - |
| Less: Charged to Profit and Loss account | (29.94) |
| **Intangible assets under development as at 31 March 2024** | - |

**Intangible assets under development ageing schedule as on 31 March 2024**

| 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 | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

**Intangible assets under development ageing schedule as on 31 March 2023**

| 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 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 29.94 | - | - | - | 29.94 |

Uma Agarwal

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

V2 RETAIL LIMITED NEW DELHI

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| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 4 | **Other financial assets** | | |
| | Fixed deposits having maturity of more than 12 months * | 214.07 | 50.23 |
| | Security deposits | 844.27 | 778.32 |
| | | 1,058.34 | 828.55 |

*Fixed deposits amounting to Rs 214.07 lakhs ( 31 Mar 2023: Rs 50.23 lakhs) are held as margin money towards bank guarantees and term loan facility (Refer note 15).

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 5 | **(i) Deferred tax assets (net)** | | |
| | **Deferred tax asset arising on account of:** | | |
| | Property, plant and equipment | 270.04 | 164.95 |
| | Provision for employee benefits | 272.22 | 194.61 |
| | Provision for doubtful and obsolescence | 31.64 | 37.47 |
| | Unabsorbed business losses | 256.46 | 1,103.24 |
| | Lease liabilities | 10,860.04 | 9,264.80 |
| | Fair valuation of interest free security deposits | 180.42 | 146.10 |
| | | 11,870.82 | 10,911.17 |
| | **Deferred tax liability arising on account of:** | | |
| | Right of use assets | 9,024.38 | 7,652.88 |
| | Others | | 56.88 |
| | | 9,024.38 | 7,709.76 |
| | **Net deferred tax assets** | 2,846.44 | 3,201.41 |

Notes:

(a) **Movement in deferred tax assets/(liabilities) for the year ended 31 March 2024 is as follows:**

| Description | Opening Balance | Recognised / (reversed) through profit and loss | Recognised / (reversed) in other comprehensive income | Recognised / (reversed) retained earnings | Closing Balance |
|---|---|---|---|---|---|
| **Deferred tax assets in relation to:** | | | | | |
| Property, plant and equipment | 164.95 | 105.09 | - | | 270.04 |
| Provision for employee benefits | 194.61 | 77.34 | 8.53 | (8.25) | 272.22 |
| Provision for doubtful and obsolescence | 37.47 | (5.83) | - | - | 31.64 |
| Unabsorbed business losses | 1,103.24 | (846.78) | - | - | 256.46 |
| Lease liabilities | 9,264.80 | 1,595.23 | - | - | 10,860.04 |
| Fair valuation of interest free security deposits | 146.10 | 34.33 | - | - | 180.42 |
| Sub-total (a) | 10,911.17 | 959.37 | 8.53 | (8.25) | 11,870.82 |
| **Deferred tax liabilities in relation to:** | | | | | |
| Right of use assets | 7,652.88 | 1,371.50 | - | - | 9,024.38 |
| Others | 56.88 | (56.88) | - | - | - |
| Sub-total (b) | 7,709.76 | 1,314.62 | - | - | 9,024.38 |
| Total (a-b) | 3,201.41 | (355.25) | 8.53 | (8.25) | 2,846.44 |

(b) **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 | Recognised / (reversed) retained earnings | Closing Balance |
|---|---|---|---|---|---|
| **Deferred tax assets in relation to:** | | | | | |
| Property, plant and equipment | 98.28 | 66.67 | - | - | 164.95 |
| Provision for employee benefits | 222.54 | (33.76) | 5.84 | - | 194.61 |
| Provision for doubtful and obsolescence | 172.56 | (135.09) | - | - | 37.47 |
| Unabsorbed business losses | 688.94 | 414.30 | - | - | 1,103.24 |
| Lease liabilities | 8,567.72 | 697.09 | - | - | 9,264.80 |
| Fair valuation of interest free security deposits | 135.98 | 10.13 | - | - | 146.10 |
| Sub-tota (a) | 9,886.02 | 1,019.34 | 5.84 | - | 10,911.17 |
| **Deferred tax liabilities in relation to:** | | | | | |
| Right of use assets | 7,144.72 | 508.16 | - | - | 7,652.88 |
| Others | - | 56.88 | | | 56.88 |
| Sub-tota (b) | 7,144.72 | 565.04 | - | - | 7,709.76 |
| | 2,741.30 | 454.30 | 5.84 | - | 3,201.41 |

| | | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|
| | **(ii) Tax expense** | | |
| | The income tax expense consists of the following: | | |
| | **Recognised in profit and loss** | | |
| | Current tax expense | - | 48.63 |
| | Tax expense of earlier years | 0.96 | (7.85) |
| | Deferred tax expense/ (credit) | 355.25 | (454.30) |
| | **Total income tax expense** | 356.21 | (413.52) |

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| | | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|
| (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:** | | |
| | Profit before income tax | 3,137.28 | (1,695.19) |
| | Income tax using the Company's domestic tax rate * | 25.17% | 25.17% |
| | **Expected tax expense [A]** | 789.59 | (426.65) |
| | Expenses/incomes not considered in determining taxable profit | | |
| | **Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense** | | |
| | Tax expense of earlier years | - | (7.65) |
| | Items of permanent difference on which deferred tax not created | 31.56 | 2.51 |
| | Tax effect of unabsorbed depreciation adjusted against taxable income for the current year | 223.24 | |
| | Deferred tax assets created during the year on brought forward unabsorbed depreciation | 183.22 | - |
| | Impact of change in tax rate | (2.76) | (25.94) |
| | Others | (1.88) | 44.41 |
| | **Total adjustments [B]** | 433.38 | 13.13 |
| | **Actual tax expense [C=A+B]** | 356.21 | (413.52) |
| | Tax expense recognised in consolidated statement of profit and loss | 356.21 | (413.52) |
| | * 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% |
| (b) | **Unused tax losses and credits on which deferred tax assets has not been recognised** | | |
| | **Long Term Capital Loss** | | |
| | 2017-2018 (2025-26*) | 1127.49 | 1127.49 |
| | 2020-2021 (2028-29*) | 175.18 | 175.18 |
| | | 1302.67 | 1302.67 |
| | * Assessment year of expiry | | |
| | Unabsorbed Depreciation on which Deferred tax assets has not been recognised | - | 1,615.00 |
| | Total tax losses and unabsorbed depreciation | 1,302.67 | 2,917.67 |

(c) The holding Company has brought forward unabsorbed depreciation of Rs.1614.99 lakhs on which deferred tax assets was not created in earlier years, out of which Rs. 886.98 lakhs has been adjusted against the current year taxable income and on balance brought forward unabsorbed depreciation of Rs.728.01 lakhs, deferred tax assets of Rs.183.22 lakhs created during the year.

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 6 | **Other non-current assets** | | |
| | Advance for services (refer note 43) | 1,553.48 | 1,557.65 |
| | Deposits paid under protest for various matters | 387.79 | 217.06 |
| | Capital Advance | 109.66 | 2.09 |
| | Security deposit with suppliers (IGL) | 36.56 | 23.38 |
| | | 2,087.49 | 1,800.18 |

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 7 | **Income tax assets (net)** | | |
| | Advance tax (net of provision of tax) | 90.64 | 57.72 |
| | | 90.64 | 57.72 |

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 8 | **Inventories (refer note 36)** | | |
| | (Valued at lower of cost and net realisable value, unless otherwise stated) | | |
| | Raw Materials | 3,465.97 | 2,363.07 |
| | Work-in-process | 2,611.19 | 1,195.83 |
| | Finished goods | 65.97 | 49.98 |
| | Stock-in-trade | 35,743.75 | 24,279.28 |
| | | 41,886.88 | 27,888.16 |
| | Refer note 18(a) for security given. | | |

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 9 | **Trade receivables** | | |
| | Unsecured | | |
| | Considered good | 5.54 | 6.70 |
| | Have Significant increase in Credit Risk | - | 38.21 |
| | Less: Expected credit loss | - | (38.21) |
| | | 5.54 | 6.70 |

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(a) Refer note 18(a) for security given.
(b) For details of receivable from related parties, Refer note 40, Related party disclosures.
(c) Trade receivable ageing is as follow:

| Particulars | As at 31 March 2024<br>Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed Trade receivables – considered good | 4.11 | - | 1.43 | - | - | 5.54 |
| Have Significant increase in Credit Risk | - | - | - | - | - | - |
| Less: Expected credit loss | - | - | - | - | - | - |
| Total | 4.11 | - | 1.43 | - | - | 5.54 |

| Particulars | As at 31 March 2023<br>Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 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) |
| Total | - | 3.72 | 2.98 | - | - | 6.70 |

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **10 Cash and cash equivalents** | | |
| Cash on hand | 488.35 | 137.31 |
| Balance with banks: | | |
| -in current accounts | 456.48 | 354.71 |
| | 944.83 | 492.02 |

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **11 Other bank balances** | | |
| Fixed deposits having maturity of more than 3 months but less than 12 months* | 44.10 | 21.54 |
| | 44.10 | 21.54 |

* Fixed deposits amounting to Rs. 44.10 lakh (Rs 21.54 lakh) are held as margin money towards bank guarantees.

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **12 Other financial assets** | | |
| **Current** | | |
| Credit card receivables against sales | 427.58 | 70.53 |
| Security Deposits | 178.83 | 38.75 |
| | 606.41 | 109.28 |

The carrying values are considered to be a reasonable approximation of fair value.
Refer note 41 for disclosure of fair values in respect of financial assets measured at amortised cost.

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **13 Other current assets** | | |
| Prepaid expenses | 72.10 | 13.02 |
| Advances recoverable in kind or value to be received | 50.27 | 16.02 |
| Advance to suppliers | 215.80 | 311.82 |
| Advance to employees | 38.54 | 18.07 |
| Balance with statutory authorities (Input tax Credit) | 4,660.05 | 3,710.22 |
| Others* | 119.68 | - |
| | 5,156.44 | 4,069.95 |

* Recoverable from vendors for non availing of GST input credit on accounts of non-filing of GST returns.

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| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **14 Equity share capital** | | |
| **Authorised** | | |
| 40,000,000 equity shares of Rs. 10 each (31 March 2023: 40,000,000 equity shares of Rs. 10 each) | 4,000.00 | 4,000.00 |
| 400,000 preference shares of Rs. 146 each (31 March 2023: 3400,000 preference shares of Rs. 146 each) | 584.00 | 584.00 |
| **Issued, subscribed and fully paid-up** | | |
| 34,589,341 equity shares of Rs. 10 each (31 March 2023: 34,389,341 equity shares of Rs. 10 each) | 3,458.93 | 3,438.93 |
| | **3,458.93** | **3,438.93** |

| | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| **(a) Reconciliation of number of shares** | | | | |
| **Equity shares at the beginning of the year** | **3,43,89,341** | **3,438.93** | **3,43,89,341** | **3,438.93** |
| Changes during the year* | 2,00,000 | 20.00 | - | - |
| **Equity shares at the end of the year** | **3,45,89,341** | **3,458.93** | **3,43,89,341** | **3,438.93** |

**(b) Terms/rights attached to equity shares/warrants**

The holding company has only one class of equity shares having par value of Rs. 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. Dividend, if any, proposed by the board of Directors is subject to approval of shareholders in an annual general meeting except in the case of interim dividend.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 2024, the holding Company has made allotment of 200,000 equity shares at Rs 10 per equity share to the eligible employees on exercise of employee stock option scheme.

| | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | No of shares | % holding | No of shares | % holding |
| **(c) Details of shareholders holding more than 5% shares in the holding company** | | | | |
| Ricon Commodities Private Limited | 1,28,62,710 | 37.19% | 1,28,62,710 | 37.19% |
| Mr. Ram Chandra Agarwal | 32,07,908 | 9.27% | 32,07,911 | 9.27% |
| India 2020 Fund II, Limited | 22,00,000 | 6.36% | 22,00,000 | 6.36% |
| | **1,82,70,618** | | **1,82,70,621** | |

| **(d) Details of promoters share holding in the holding company as on 31 March 2024** | Shareholding as on 01 April 2023 | Purchase/Acquisition during the year | Sales/transfer during the year | Shareholding as on 31 March 2024 | % Change in shareholding |
|---|---|---|---|---|---|
| **Details of promoters share holding in the holding company** | | | | | |
| Ram Chandra Agarwal | 32,07,911 | - | 3 | **32,07,908** | 0.00% |
| Uma Agarwal | 3,44,000 | - | 2,00,000 | **1,44,000** | -58.14% |
| Ramchandra Agarwal (HUF) | 1,55,000 | - | - | **1,55,000** | 0.00% |
| Akash Agarwal | 1,33,480 | 2,06,299 | - | **3,39,779** | 154.55% |
| Ricon Commodities Private Limited | 1,28,62,710 | - | - | **1,28,62,710** | 0.00% |
| Unicon Marketing Private Limited | - | - | - | - | 0.00% |
| Vishal Waterworld Private Limited | 10,84,134 | 3,47,834 | - | **14,31,968** | 32.08% |
| V2 Conglomerate Limited | 6,32,582 | - | - | **6,32,582** | 0.00% |
| Sunita Fashion Private Limited | - | - | - | - | 0.00% |
| **Total** | **1,84,19,817** | **5,54,133** | **2,00,003** | **1,87,73,947** | |

| **(d) Details of promoters share holding in the holding company as on 31 March 2023** | 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 |
|---|---|---|---|---|---|
| **Details of promoters share holding in the holding company** | | | | | |
| 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% |
| **Total** | **1,84,19,817** | **56,92,710** | **56,92,710** | **1,84,19,817** | |

**(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.

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| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 15 | **Other equity** | | |
| | **Securities premium account** | | |
| | Opening balance | 29,971.38 | 29,971.38 |
| | Change during the year | - | - |
| | ESOP reserve reversal due to exercising of option | 262.32 | |
| | | 30,233.70 | 29,971.38 |
| | **Capital reserve [refer note (a) below]** | | |
| | Opening balance | 61,043.56 | 61,043.56 |
| | Change during the year | - | - |
| | | 61,043.56 | 61,043.56 |
| | **Employees' stock option outstanding account** | | |
| | Opening balance | 281.94 | 109.55 |
| | Charge for the year | 13.17 | 172.38 |
| | Employee stock options exercised and lapsed during the year | (295.11) | - |
| | | - | 281.94 |
| | **Retained earnings** | | |
| | Opening balance | (70,043.37) | (68,743.58) |
| | Net profit/(loss) for the year | 2,781.07 | (1,281.67) |
| | ESOP reserve reversal due to non exercising of options (net of tax) | 24.54 | - |
| | Remeasurement benefit of defined benefit plans (net of tax) | (27.08) | (18.12) |
| | | (67,264.83) | (70,043.37) |
| | | 24,012.43 | 21,253.50 |

(a) The Holding 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. In view of very old matter, probability of reconciliation is remote and also being amount not material in comparison to total capital reserve, the Company, as conservative measure, has decided to carry the same under Capital Reserve. The management believes that there is no impact of the same on statement of profit and loss.

**Nature and purpose of other reserves**

**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.

**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.

**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.

**Retained earnings**
Retained earnings comprise of the Company's accumulated undistributed profits/(losses) after taxes.

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| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **16 Non-current borrowings** | | |
| **Term loan** | | |
| **Secured** | | |
| Vehicle(Car) loans from Banks | 206.55 | - |
| Commericial vehicle loans from a Bank | 262.27 | - |
| Term loan from SIDBI | 482.82 | - |
| **Unsecured** | | |
| (i) Loan from directors and their relatives | 2.00 | 500.96 |
| (ii) Loan from group companies | 0.53 | 221.17 |
| Loan from others | | |
| (i) Loan from others | 857.18 | - |
| | 1,811.35 | 722.13 |
| Less: Current maturities of long-term borrowings (refer note18) | 81.79 | - |
| | 1,729.56 | 722.13 |

**Notes:**

(a) Vehicle loan of Rs. 150.00 lakhs from ICICI Bank Limited against which outstanding Rs. 143.92 lakhs (31 March 2023: Rs. Nil) carries an interest @ 10.25% per annum and repayable in 84 EMI (remaining EMIs 79). The loan is secured against hypothecation of vehicle.

Vehicle loan of Rs. 71.68 lakhs from Axis Bank Limited against outstanding Rs. 62.63 lakhs (31 March 2023: Rs. Nil) carries an interest @ 8.75% per annum repayable in 60 EMIs (remaining EMIs 51). The loan is secured against hypothecation of vehicle.

Commercial vehicle loans of Rs. 299.18 lakhs from HDFC Bank Limited against outstanding Rs. 262.27 lakhs (31 March 2023: Rs. Nil) carries an interest @ 8.56% to 9.17% per annum, each loan repayable in 60 EMIs (remaining EMIs 50-51). The loans are secured against hypothecation of respective vehicles.

(b) **Term loan from SIDBI:** The subsidiary company has availed term loan of Rs. 485 lakhs which outstanding Rs. 482.82 lakhs (31 March 2023: Rs. Nil) from Small Industrial Development Bank of India (SIDBI). The loan is secured by:

(i) First charge by way of hypothecation in favour of SIDBI of the plant, machinery, equipment, tools, spares, accessories and all other assets (both present and future) which have been or proposed to be acquired at the factory premises at Muzaffarpur Industrial Area; and

(ii) Bank deposits of Rs. 145 lakhs together with interest accrued thereon.

Further, the said loan is also guaranteed by irrevocable, unconditional joint and several petsonal guarantees of Mr. Ram Chandra Agarwal and Mr. Akash Agarwal and corporate guarante from V2 Retail Limited (holding company).
The loan is repayable in 57 monthly installments with interest payable at the rate of 0.50% above SIDBI's one year marginal cost of funds based lending rate (MCLR) presently being 8.20%

(c) **Loan from directors and relatives**:- The loan from directors and relatives are unsecured and payable one year from the date of demand made by lenders for repayment. The loans bear interest rate of 7% per annum.

(d) **Loan from other related parties**:- The loan from other related parties are unsecured and payable one year from the date of demand made by lenders for repayment. The loan bear interest rate of 7% per annum.

(e) **Loan from others:** The loans from other parties are unsecured and payable one year from the date of demand made by lenders for repayment. The loan bear interest at the rate of 9% per annum.

(f) Refer note 41 and 41(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 2024 | As at 31 March 2023 |
|---|---|---|
| **17 Provisions** | | |
| **Non-current** | | |
| **Provision for employee benefits** | | |
| Provision for gratuity | 368.00 | 284.30 |
| Provision for compensated absences | 263.69 | 159.34 |
| | 631.69 | 443.64 |

Refer note 37 for disclosures on gratuity.

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **18 Short-term borrowings** | | |
| **Secured** | | |
| Working capital facility from a Bank (refer note a below) | 7,272.91 | 4,647.62 |
| Current maturities of long-term borrowings (refer note 16) | 81.79 | - |
| | 7,354.70 | 4,647.62 |

(a) Working capital facility sanctioned of Rs. 7500 lakhs from a bank carries an interest rate based upon MCLR @ 8.50% per annum. This facility is secured against stock and book debts of the Company and first charge on existing Block of assets (Property, Plant and Equipment) excluding vehicles on which separate charge has been created. Futher secured by corporate guarantee given by a related party (Vishal Water World Private Limited) and personal guarantees given by Mr. Ram Chandra Agarwal & Ms. Uma Agarwal, directors of the Holding Company.

**(b) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:**

| Particulars | As at 1 April 2023 | Cash Out flows | Non cash changes | | | As at 31 March 2024 |
|---|---|---|---|---|---|---|
| | | | Lease additions | Impact of rent concession & leases closed | Interest expenses | |
| Non Current borrowings | 722.13 | 1,089.21 | - | - | - | 1,811.35 |
| Lease liabilities (including current maturities) | 37,003.84 | (3,975.33) | 12,782.37 | (2,348.02) | - | 43,462.87 |
| Current borrowings (net) | 4,647.62 | 2,625.30 | - | - | - | 7,272.91 |
| Interest accrued | - | (4,718.98) | - | - | 4,722.03 | 3.05 |
| **Total liabilities from financial activities** | 42,373.59 | (4,979.80) | 12,782.37 | (2,348.02) | 4,722.03 | 52,550.18 |

| 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) | 4,892.62 | (245.00) | - | - | - | 4,647.62 |
| Interest accrued | - | (4,055.31) | - | - | 4,055.31 | - |
| **Total liabilities from financial activities** | 39,760.15 | (7,570.17) | 8,800.58 | (2,672.26) | 4,055.31 | 42,373.59 |

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| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **19 Trade payables** | | |
| I.Total outstanding dues of micro enterprises and small enterprises | 5,463.16 | 481.92 |
| ii.Total outstanding dues of creditors other than micro enterprises and small enterprises | 13,887.13 | 10,164.33 |
| **Total** | **19,350.29** | **10,646.25** |

**(a) Due to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006**

| | Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| 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 | 5,330.21 | 481.92 |
| | 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 along with amount paid to the suppliers beyond the respective due date. | - | |
| iii) | 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. | 132.95 | - |
| iv) | Amount of interest accrued and remaining unpaid at the end of accounting period. | 132.95 | - |
| v) | 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. | 132.95 | - |

**(b) Trade payables ageing is as follows:**

| Particulars | As at 31 March 2024 | | | | | |
|---|---|---|---|---|---|---|
| | 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 | 4,941.71 | 514.05 | 4.16 | 0.85 | 2.39 | **5,463.16** |
| (ii) Undisputed- Others | 13,339.27 | 463.38 | 14.79 | 21.22 | 23.40 | **13,862.06** |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | 25.07 | **25.07** |
| **Total** | **18,280.97** | **977.43** | **18.95** | **22.08** | **50.86** | **19,350.29** |

*Includes unbilled amount of Rs. 456.12 Lakhs

| 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 | 6,538.29 | 3,384.81 | 111.80 | 48.44 | 55.92 | 10,139.26 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | 25.07 | 25.07 |
| **Total** | **6,878.39** | **3,526.63** | **111.80** | **48.44** | **80.99** | **10,646.25** |

*Includes unbilled amount of Rs. 739.44 Lakhs

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **20 Other financial liabilities** | | |
| **Current** | | |
| Interest accrued but not due on borrowings | 3.05 | - |
| Employee related payables | 1,125.45 | 318.49 |
| Creditors for capital purchases | 842.20 | 393.64 |
| Security deposits* | 12.88 | 22.78 |
| Other Payable | 12.82 | 9.39 |
| * The above amount includes security deposits received from shop-in-shop vendors. | **1,996.40** | **744.29** |

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **21 Provisions** | | |
| **Current** | | |
| Provision for gratuity | 165.47 | 137.06 |
| Provision for compensated absences | 147.39 | 99.99 |
| | **312.86** | **237.05** |
| For disclosures on gratuity, refer note 37. | | |

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **22 Current Tax Liabilities** | | |
| Provision for Income Tax | - | 40.89 |
| | **-** | **40.89** |

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **23 Other current liabilities** | | |
| Statutory liabilities | 300.49 | 138.11 |
| Contract liability (refer note 39) | 104.03 | 11.91 |
| | **404.52** | **150.02** |

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| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **24 Revenue from operations** | | |
| **Operating revenue** | | |
| Traded goods* | 1,16,068.92 | 83,612.62 |
| **Other operating revenue** | | |
| Scrap sales | 207.29 | 164.96 |
| Display income | 196.50 | 110.72 |
| | **1,16,472.71** | **83,888.30** |
| *** Details of sale of traded goods** | | |
| Apparels | 1,05,885.89 | 80,611.44 |
| Non-apparels | 10,183.03 | 3,001.18 |
| | **1,16,068.92** | **83,612.62** |
| **Detail of Operating revenue by Geographical locations** | | |
| In India | 1,16,068.92 | 83,612.62 |
| Outside India | - | - |
| **Total** | **1,16,068.92** | **83,612.62** |

Refer note 39 for additional disclosures required under Ind AS 115.

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **25 Other income** | | |
| **Interest Income on:** | | |
| -Bank deposits | 6.77 | 7.00 |
| -Other financial assets carried at amortised cost | 84.49 | 70.32 |
| -Interest on Income tax refund | 0.01 | 22.00 |
| Gain on derecognition of lease liabilities including security deposits | 330.27 | 400.55 |
| Rent concession received from landlords | - | 30.27 |
| Gain on sale of assets (net) | 9.04 | 5.61 |
| Insurance claim received | 4.57 | 8.08 |
| Sales of consumables | 11.03 | 3.89 |
| Creditors written back | 141.01 | - |
| Provision no longer required | 58.80 | - |
| Miscellaneous income | 102.85 | 119.18 |
| | **748.84** | **666.90** |

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **26 Purchase of stock-in-trade** | | |
| Purchase of stock-in-trade (refer note below) | 77,745.82 | 48,137.23 |
| | **77,745.82** | **48,137.23** |
| **a. Details of purchase of stock-in-trade** | | |
| Apparels | 66,054.28 | 38,864.71 |
| Non-apparels | 11,691.54 | 9,272.52 |
| | **77,745.82** | **48,137.23** |

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **27 Cost of Raw Material Consumed** | | |
| Raw Material Inventory at the beginning of the year | 2,363.07 | 1,664.83 |
| Add: Purchases during the year | 12,932.31 | 6,082.19 |
| Less: Raw Material Inventory at the end of the year | 3,465.98 | 2,363.07 |
| | 11,829.40 | 5,383.95 |

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| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **28 Changes in inventories of finished goods, work-in-progress and stock-in-trade** | | |
| Opening Stock | | |
| Work-in-process | 1,195.83 | 869.90 |
| Finished goods | 49.98 | 41.07 |
| Traded goods | 24,279.28 | 26,430.68 |
| | 25,525.09 | 27,341.65 |
| Closing Stock | | |
| Work-in-process | 2,611.19 | 1,195.83 |
| Finished goods | 65.97 | 49.98 |
| Traded goods | 35,743.75 | 24,279.28 |
| | 38,420.91 | 25,525.09 |
| | (12,895.82) | 1,816.56 |
| **a. Details of closing stock** | | |
| Apparels | 34,008.93 | 21,619.55 |
| Non-apparel | 4,411.98 | 3,905.54 |
| | **38,420.91** | **25,525.09** |

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **29 Employee benefit expense** | | |
| Salaries, wages and bonus | 9,543.68 | 7,829.25 |
| Gratuity (refer note 37) | 117.43 | 89.65 |
| Contribution to provident and other funds | 591.34 | 394.48 |
| Share based payments to employees (refer note 38) | 13.17 | 172.38 |
| Staff welfare | 281.88 | 375.23 |
| | **10,547.50** | **8,860.99** |

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **30 Finance costs** | | |
| Interest on | | |
| Term loans | 40.25 | 0.49 |
| Unsecured loans from related parties | 15.05 | 10.28 |
| Working capital loans | 543.34 | 449.92 |
| Delayed payment to MSME vendors | 132.95 | - |
| Income tax | 4.39 | - |
| Lease liabilities | 3,974.20 | 3,580.86 |
| Other borrowing cost | 11.70 | 13.75 |
| | **4,721.88** | **4,055.31** |

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **31 Depreciation and amortisation** | | |
| Depreciation on property, plant and equipment | 2,094.71 | 1,835.42 |
| Amortization of intangible assets | 188.99 | 166.94 |
| Depreciation on right of use assets | 5,387.64 | 4,703.05 |
| | **7,671.34** | **6,705.41** |

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| | | | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|---|
| **32** | **Other expenses** | | | |
| | Power, fuel and electricity | | 3,042.44 | 2,645.61 |
| | Water charges | | 16.60 | 17.69 |
| | Repair and maintenance | | | |
| | - Building | | 83.27 | 53.48 |
| | - Plant and machinery | | 65.00 | 39.77 |
| | - Others | | 415.28 | 306.60 |
| | Rent (refer note 44) | | 85.89 | 189.88 |
| | Insurance charges | | 33.22 | 41.84 |
| | Rates and taxes | | 124.18 | 191.38 |
| | Bank charges | | 42.99 | 66.29 |
| | Legal and professional | | 539.31 | 595.28 |
| | Provision for expected credit loss | | - | 38.21 |
| | Provision against doubtful advances | | - | 42.47 |
| | Bad debts | 38.21 | | |
| | Less: Provision for expected credit loss | (38.21) | - | - |
| | Advance written off | 234.31 | | |
| | Less: Provision against above | (42.47) | 191.84 | - |
| | Motor vehicle expenses | | 35.30 | 29.91 |
| | Printing and stationery | | 107.90 | 59.26 |
| | Packing materials & expenses | | 1,076.38 | 1,044.71 |
| | Provision for inventory obsolescence | | - | 100.00 |
| | Security service charges | | 353.47 | 314.64 |
| | Housekeeping expenses | | 223.99 | 208.21 |
| | Telephone expenses | | 62.24 | 94.59 |
| | E-Commerce expenses | | 0.74 | 76.90 |
| | Traveling and conveyance | | 268.53 | 245.98 |
| | Postage and telephones | | 7.07 | 4.20 |
| | Credit cards charges | | 89.20 | 80.34 |
| | Advertisement & sales promotion | | 421.38 | 555.85 |
| | Commission charges | | 3.05 | 2.53 |
| | Compensation to landlord | | - | 85.70 |
| | Transportation charges | | 1,841.86 | 1,467.30 |
| | Intangible assets under development written-off | | 29.94 | - |
| | Miscellaneous expenses | | 110.27 | 150.77 |
| | | | **9,271.14** | **8,749.39** |

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33 **Earnings per share**

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Profit/(Loss) attributable to equity shareholders before exceptional items (A) | 2,781.07 | (1,281.67) |
| Nominal value per share | 10.00 | 10.00 |
| **Weighted-average number of ordinary shares (basic)** | | |
| Numbers of weighted average equity share outstanding at the beginning | 3,43,89,341 | 3,43,89,341 |
| Issued ordinary shares | 1,81,967 | - |
| Weighted average number of equity shares outstanding during the year (B) | **3,45,71,308** | **3,43,89,341** |

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Average price of the share | - | 108.95 |
| Face Value | 10 | 10 |
| Exercise price | 10 | 10 |
| Diluted shares (nos.) | - | **2,04,348** |
| **Weighted average number of equity shares adjusted for the effect of dilution (C)** | 3,45,71,308 | 3,45,93,689 |
| **Basic earning/(loss) per equity share (Amount in Rs.) (A/B)** | 8.04 | (3.73) |
| ***Diluted earning/(loss) per equity share (Amount in Rs.) (A/C)** | 8.04 | (3.73) |

*The effect of potential equity shares was anti dilutive in nature accordingly not considered for the purpose of arriving at dilutive earning per share for the year ended March 2023.

34 **Contingencies and commitments**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **(a) Contingent liabilities (to the extend quantify by government authorities)** | | |
| Claims against the Holding Company not acknowledged as debt [refer note (i) below] | 1,579.67 | 1,597.17 |
| Dispute under sales tax law (matters under appeal) [refer note (ii) below] | 2,953.20 | 2,520.94 |
| Dispute under service tax law (matters under appeal) [refer note (iii) below] | 302.08 | 302.08 |
| Disputes under income tax law | 1,042.54 | 1014.34 |

(i) The Holding Company has certain cases/disputes aggregating to Rs. 1,579.67 lakhs (31 March 2023: Rs. 1597.17 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.

(ii) The Holding Company has certain litigations related to Sales tax and Values added tax (VAT) pending under West Bengal Value Added Tax Act, 2003 aggregating to Rs. 2,250 lakhs ( 31 March 2023 Rs. 2,250 lakhs), The Assam Value Added Tax Act, 2003 aggregating to Nil (31 March 2023 Rs. 7.20 lakhs), The Uttar Pradesh Value Added Tax Act, 2008 aggregating to Rs. 261.72 lakhs (31 March 2023 Rs. 24.46 Lakhs), The Haryana Value Added Tax Act, 2003 aggregating to Rs. 59.79 lakhs( 31 March 2023 Rs. 59.79 lakhs) and The Bihar Value Added Tax Act, 2005 Rs. 381.69 lakhs (31 March 2023 Rs. 179.49 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.

(iii) The Holding Company has pending litigation related to service tax under Finance Act, 1994 amounting to Rs. 302.08 lakhs (31 March 2023: Rs. 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) **Commitments**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| i) Estimated amount of contracts remaining to be executed by Holding company on capital account and not provided for (net of advance) | 532.54 | 207.77 |

ii) The Holding Company has entered into lease arrangements during the year for which company is liable to pay rent of Rs. 1,362.53 lakhs on commencement of store for non cancellable period subject to compliance of terms and conditions of lease agreements.

35 **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 seprate reportable segments as per Ind AS 108. The Group's operations are confined only to India and there are no customers accounting for more than 10% of its revenue.

36 a) During the year provision of Rs. 1646.50 lakhs (31 March 2023: Rs. 669.34 lakhs) on account of written down of inventories has been charged to Statement of Profit and Loss on account and included in change of inventories of stock in trade.
b) The Company carries a provision of Rs. 2343.16 lakhs as at 31 March 2024 ( 31 March 2023: Rs. 696.66 lakhs) in view of management this provision is adequate to meet future realisation loss on sale of old inventories.
c) Based on the physical verification, the Company has written-off inventory Rs. 634.46 lakhs in previous year which has been adjusted against the provision created in earlier years.

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## 37 Gratuity and other post employment benefit plans

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Gratuity | 165.47 | 368.00 | 137.06 | 284.30 |
| | **165.47** | **368.00** | **137.06** | **284.30** |

### 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 2024 | 31 March 2023 |
|---|---|---|
| Current service cost | 87.76 | 71.50 |
| Interest cost | 29.67 | 18.15 |
| **Amount recognised in the consolidated statement of profit and loss** | **117.43** | **89.65** |

**(ii) Changes in the present value of the defined benefit obligation are as follows :**

| Description | | |
|---|---|---|
| **Present value of defined benefit obligation as at the start of the year** | **421.36** | **365.11** |
| Current service cost | 87.76 | 71.50 |
| Interest cost | 29.67 | 18.15 |
| Actuarial loss/(gain) recognised during the year | 35.61 | 23.96 |
| Benefits paid | (40.92) | (57.36) |
| **Present value of defined benefit obligation as at the end of the year** | **533.47** | **421.36** |

**(iii) Amount recognised in Other comprehensive income is as under:**

| Description | | |
|---|---|---|
| Actuarial loss on arising from change in demographic assumption | - | - |
| Actuarial (gain)/loss on arising from change in financial assumption | 0.27 | (23.11) |
| Actuarial loss on arising from experience adjustment | 35.34 | 47.07 |
| **Total actuarial loss** | **35.61** | **23.96** |

**(iv) The principal assumptions used in determining gratuity benefit obligations for the Group are shown below**

| Description | | |
|---|---|---|
| Discount rate | 7.02% | 7.04% |
| 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% |

**(v) Sensitivity analysis for gratuity liability**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Impact of the change in discount rate** | | |
| Present value of obligation at the end of the year | **533.47** | **421.36** |
| - Impact due to increase of 0.50 % | (6.84) | (5.24) |
| - Impact due to decrease of 0.50 % | 7.07 | 5.41 |
| **Impact of the change in salary increase** | | |
| Present value of obligation at the end of the year | **533.47** | **421.36** |
| - Impact due to increase of 0.50 % | 6.15 | 4.70 |
| - Impact due to decrease of 0.50 % | (6.04) | (4.62) |

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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 materially compared to prior period.

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Expected expense for next reporting year** | 126.94 | 96.23 |

(vi) **Maturity profile of defined benefit obligation**

| **Description** | | |
|---|---|---|
| Within next 12 months | 165.47 | 137.03 |
| Between 2-5 years | 277.74 | 215.93 |
| Beyond 5 years | 90.26 | 68.40 |

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.

**B Defined contribution scheme**

The Group's state governed provident fund scheme and employee state insurance scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the consolidated 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 Group to employees' provident fund and employee state insurance is Rs. 474.43 lakhs and Rs. 116.91 lakhs, respectively (31 March 2023: Rs. 302.92 lakhs and Rs. 91.56 lakhs).

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**38 Share based payment**

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. In the Annual General Meeting held on 30 September 2016, the share holders has approved V2 R-Employee Stock Option Scheme 2016 ('ESOP 2016') and grant of options to the eligible employee of the company under the Scheme.

**Employee stock option scheme :**

**a) 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 (Rs.) | Market price on the date of granting of option (Rs.) |
|---|---|---|---|---|---|---|---|
| Tranche -I-2021 | Scheme 2016 | Equity | 22 Months | 28 June 2021 | 2,25,000 | 10 | 128.55 |
| The granted options can be exercised at any time before the expiry of 3 months from vesting date. | | | | | | | |

Employees benefits expense includes Rs. 13.17 lakhs (31 March 2023: Rs. 172.38 lakhs) towards proportionate cost of ESOP options granted. During the current year the Holding Company has issued 200,000 equity shares to eligible employee on exercise of their options and balance 25,000 ESOP has lapsed due to non exercise of options. Average price was Rs. 82.00 per equity share on the date of exercise of options.

**B) Movement of option granted**

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| | Number of options | Number of options |
| Options Outstanding at the beginning of the year | 2,25,000 | 2,25,000 |
| Granted during the year (net of lapsed) | - | - |
| Exercised during the year | 2,00,000 | - |
| Forfeited/lapsed during the year | 25,000 | - |
| Options outstanding during the year | - | 2,25,000 |
| Options unvested at the end of the year | - | 2,25,000 |
| Option exercisable at the end of the year | - | - |

**Fair Valuation:**

The fair valuation of the options used to compute performa 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 (Rs.) |
|---|---|---|---|---|---|
| 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.

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## 39 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 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Non-current | Current | Non-current | Current |
| **Contract liabilities related to sale of goods** | | | | |
| Contractual liability | - | 104.03 | - | 11.91 |
| **Contract receivables related to sale of goods** | | | | |
| Trade receivables | - | 5.54 | - | 6.70 |

**Significant changes in contract assets and liabilities**

There has been no significant changes in contact 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 7 days.

**Revenue recognised in relation to contract liabilities:**

| Movement of contract liability: | | |
|---|---|---|
| **Description** | **Year ended 31 March 2024** | **Year ended 31 March 2023** |
| Opening balance | 11.91 | 12.69 |
| Addition during the year | 104.03 | 11.91 |
| Revenue recognised during the year | (11.91) | (12.69) |
| Closing balance | **104.03** | **11.91** |

**Disaggregation of revenue**

Revenue arises mainly from the sale of traded goods:

| Description | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **(A) Sale of goods** | | |
| Revenue from sale of goods | 1,16,068.92 | 83,612.62 |
| **(B) Other ancillary revenue** | | |
| Scrap sales | 207.29 | 164.96 |
| Display income | 196.50 | 110.72 |
| | **1,16,472.71** | **83,888.30** |

| Reconciliation of revenue recognised with contract price | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Contract Price | 1,16,068.92 | 83,612.62 |
| Less: Rebate and Discount* | - | - |
| Revenue from contracts with customers | 1,16,068.92 | 83,612.62 |

*The Company do not offer any rebate or discount for sale of the goods.

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V2 RETAIL LIMITED NEW DELHI

## 40 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. 03rd September 2022 and appointed as Non-executive director w.e.f. 03rd September 2022 upto 11 August 2023 and appointed as Whole Time Director w.e.f 12th August 2023
Ms. Archana Surendra Yadav (Independent Director)
Dr. Arun Kumar Roopanwal (Independent Director)
Mrs. Rochelle Susanna Dsouza (Non-executive Director) (upto 11th 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) (up to 9th April 2024)
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) Summary of transactions with related parties:**

| S. No. | Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| 1 | **Interest expense on loans taken** | | |
| | Vishal Water World Private Limited | 13.54 | 10.28 |
| 2 | **Remuneration** | | |
| | Mr. Ram Chandra Agarwal | 60.00 | 60.00 |
| | Mrs. Uma Agarwal | 60.00 | 60.00 |
| | Mr. Akash Agarwal | 38.23 | 25.00 |
| | Mr. Manshu Tandon* | 234.42 | 87.97 |
| | Mr. Sudhir Kumar | 25.36 | 15.50 |
| | Mr. Pratik Adukia | 114.48 | 9.17 |
| 3 | **Sales of Traded goods** | | |
| | Vishal Water World Private Limited | - | 3.72 |
| 4 | **Sitting fees** | | |
| | Mr. Harbir Singh Sidhu | - | 3.00 |
| | Ms. Archana Surendra Yadav | 3.00 | 3.75 |
| | Dr. Arun Kumar Roopanwal | 3.00 | 3.75 |
| | Mr. Lalit Kumar | - | 3.00 |
| | Mr. M S Anand | 3.00 | 0.75 |
| 5 | **Employee Higher Education Sponsorship Program Expenses** | | |
| | Mr. Akash Agarwal | 31.32 | 90.28 |
| 6 | **Loans accepted** | | |
| | Vishal Water World Private Limited | 250.00 | 245.00 |
| | Ram Chandra Agarwal | 285.00 | 40.00 |
| | Uma Agarwal | 50.00 | 40.00 |
| 7 | **Loans repaid (including repaid)** | | |
| | Vishal Water World Private Limited (Including interest Rs. 9.10 Lakhs) | 484.19 | 34.10 |
| | Ram Chandra Agarwal | 785.96 | 99.85 |
| | Uma Agarwal | 48.00 | 40.00 |
| 8 | **Remuneration Payable** | | |
| | Mrs. Uma Agarwal | 4.50 | 3.94 |
| | Mr. Akash Agarwal | 8.08 | - |
| | Mr. Ram Chandra Agarwal | 5.00 | - |
| | Mr. Manshu Tandon* | 2.20 | - |
| | Mr. Sudhir Kumar | 0.95 | - |
| | Mr. Pratik Adukia | 2.79 | - |
| 9 | **Loan Payable** | | |
| | Vishal Water World Private Limited | 0.53 | 221.18 |
| | Ram Chandra Agarwal | - | 500.96 |
| | Uma Agarwal | 2.00 | - |
| 10 | **Trade Receivables** | | |
| | Vishal Water World Private Limited | 1.43 | 3.72 |

**For guarantee given by related parties (refer note 16 and 18)**

**Summary of payment made to KMP*#**

| | | |
|---|---|---|
| Short term employee benefit | 397.80 | 289.66 |
| Other long term benefit | - | 11.92 |
| Share based payment (Perquisite value as per income tax act) | 143.70 | - |
| Post employment benefit | - | 28.85 |

#Certain KMPs also participate in post employment benefit plans provided by the Holding 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 Holding Company.

*excludes the amount charged/reversed on grant/forfeiture of employee stock options. It is disclosed based on options exercised by the employee of the Holding Company.

Uma Agarwal

V2 RETAIL LIMITED NEW DELHI

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## 41 Fair value disclosures

### A Financial instruments by category

| Particulars | 31 March 2024 | | | 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | FVOCI | FVTPL | Amortised cost | FVOCI | FVTPL | Amortised cost |
| **Financial assets measured at amortised cost** | | | | | | |
| Security deposits | | | | | | |
| Current | - | - | 178.83 | - | - | 38.75 |
| Non-current | - | - | 844.27 | - | - | 778.32 |
| Cash and cash equivalents | - | - | 988.93 | - | - | 513.56 |
| Trade receivables (Current) | - | - | 5.54 | - | - | 6.70 |
| Other financial assets | | | | | | |
| Current | - | - | 427.58 | - | - | 70.53 |
| Non-current | - | - | 214.08 | - | - | 50.23 |
| Total | - | - | 2,659.23 | - | - | 1,458.09 |
| **Financial liabilities measured at amortised cost** | | | | | | |
| Borrowings | | | | | | |
| Current | - | - | 7,272.91 | - | - | 4,647.82 |
| Non-current (Including Current maturities of long-term borrowings) | - | - | 1,811.35 | - | - | 722.13 |
| Lease liabilities | | | | | | |
| Current | - | - | 4,590.06 | - | - | 3,977.99 |
| Non-current | - | - | 38,872.81 | - | - | 33,025.85 |
| Trade payable (Current) | - | - | 19,350.29 | - | - | 10,646.25 |
| Other financial liabilities | | | | | | |
| Current | - | - | 1,996.40 | - | - | 744.29 |
| Non-current | - | - | - | - | - | - |
| Total | - | - | 73,893.82 | - | - | 53,764.13 |

### 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 | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Carrying value | Fair value | Carrying value | Fair value |
| Security deposits given | 1,023.10 | 1,023.10 | 817.07 | 817.07 |
| | 1,023.10 | 1,023.10 | 817.07 | 817.07 |

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.

## 41(a) Financial risk management

### i) Risk management framework

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 | Group 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. 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 2024 | 31 March 2023 |
|---|---|---|---|
| A: Low | Security deposits | 1,023.10 | 817.07 |
| | Other financial assets | 641.66 | 120.76 |
| | Trade receivables | 5.54 | 6.70 |
| | Bank Balance and deposits | 500.58 | 376.25 |

**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.

Uma Agarwal

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**Trade receivable, loans and other financial assets measured at amortised cost**

Other financial assets measured at amortized cost includes trade receivable, 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 Holding Company's trade receivables does not have any expected credit loss as the Holding Company sells products once the entire payment is received except some sales are made through E-Commerce operators during the earlier year on which the Holding Company has created life time expected credit loss.

| Particulars | As at 31 March 2024 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 | 4.11 | - | 1.43 | - | - | 5.54 |
| Specific provision (Expected Credit Loss) | - | - | - | - | - | - |
| Carrying amount | 4.11 | - | 1.43 | - | - | 5.54 |

| 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 |

**Reconciliation of loss allowance provision - Trade receivables:**

| Particular | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Opening Balance | 38.21 | - |
| Change in loss allowance | (38.21) | 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 2024 | Less than 1 year | 1-3 year | More than 3 years | Total |
|---|---|---|---|---|
| Borrowings | 7,461.52 | 399.19 | 1,223.55 | 9,084.26 |
| Trade payable | 19,350.29 | - | - | 19,350.29 |
| Lease liabilities | 8,552.23 | 23,368.23 | 32,179.91 | 64,100.37 |
| Other financial liabilities | 1,996.40 | - | - | 1,996.40 |
| Total | 37,360.44 | 23,767.42 | 33,403.46 | 94,531.32 |

| 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 | 10,646.25 | - | - | 10,646.25 |
| Lease liabilities | 7,389.14 | 14,397.47 | 31,550.89 | 53,317.50 |
| Other financial liabilities | 744.29 | - | - | 744.29 |
| Total | 23,407.31 | 15,119.60 | 31,550.89 | 70,077.78 |

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 2024, 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 2024 | 31 March 2023 |
|---|---|---|
| Variable rate borrowing | 7,272.91 | 4,647.62 |
| Fixed rate borrowing | 1,811.35 | 221.17 |
| Total borrowings | 9,084.26 | 4,868.79 |

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Interest sensitivity* | | |
| Interest rates – increase by 100 basis points | 72.73 | 46.48 |
| Interest rates – decrease by 100 basis points | 72.73 | 46.48 |

* Holding all other variables constant

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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 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 2024 and 31 March 2023 are as follows:

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Total borrowings (including current maturity) | 9,084.26 | 5,369.75 |
| Less: cash and bank balances (including fixed deposits) | 1,203.00 | 563.78 |
| **Net debt** | **7,881.26** | **4,805.97** |
| Total equity | 27,471.35 | 24,692.43 |
| **Adjusted net debt to adjusted equity ratio** | **28.69%** | **19.46%** |

**43 Advertising advance to Bennett, Coleman and Company Limited (BCCL)**

The Holding 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 credit facility of Rs. 3,250 lakhs to be utilized in accordance with the terms of aforesaid agreement. The total commitment was reduced to Rs. 2,500 lakhs and the credit amount was reduced to Rs. 1,625 lakhs vide 1st amendment agreement dated 17 July 2022. The aforesaid agreement was extended four times for a term of one year each and the management is confident of its renewal beyond July 7, 2024 basis its ongoing discussion with BCCL and past practice. The Company has paid Rs. 1,553.46 lakhs till year ended 31 March 2024 (outstanding since April, 2019.) pursuant to this contract and disclosed this amount under "other non-current assets" as at 31 March 2024. Further, the management is confident of utilising the above advance with in extended contractual period and therefore, has considered the aforesaid advance as good and recoverable.

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44 **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 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 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 2024 | 31 March 2023 |
|---|---|---|
| Expenses relating to short term leases (included in other expenses) | 85.89 | 189.88 |
| Total | 85.89 | 189.88 |

B The table below describes the nature of the Group'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 | 3 | 2.00- 6.76 Years | 5.17 Years |
| Stores | 117 | 0.31 - 14.82 Years | 6.95 Years |
| Warehouse | 2 | 1.5 - 4.67 Years | 3.07 Years |
| Factory | 3 | 0.59 - 14.16 Years | 5.81 Years |
| Staff Quarters | 1 | 14.43 years | 14.43 years |

C The following are amounts recognised in statement of profit and loss:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Amortisation expense of right-of-use assets | 5,387.84 | 4,703.05 |
| Interest expense on lease liabilities | 3,974.20 | 3,580.86 |
| Rent expense (Short term lease) | 85.89 | 189.88 |
| Total | 9,447.73 | 8,473.79 |

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. Nil in year ended 31 March 2024 ( Rs. 30.27 lakhs year ended 31 March 2023) under head other income with respect to unconditional rent concessions confirmed by the landlord.

For movement of lease liability refer note 3(i)(b) and for maturity profile of lease liability refer note 41(e).

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*(This space has been intentionally left blank)*

45 The Holding 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 holding Company is in process of performing related reconciliation of such physical verification with the underlying fixed asset register maintained by the holding Company. The management does not expect any adjustment to be material to the financial statements.

46 **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

(a) **As at and for the year ended 31 March, 2024**

| 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.) |
| **Holding** | | | | | | | | |
| V2 Retail Limited | 99.93% | 27,453.00 | 98.11% | 2,728.91 | 83.40% | (22.58) | 98.26% | 2,706.03 |
| **Indian subsidiary** | | | | | | | | |
| V2 Smart Manufacturing Private Limited | 6.22% | 1,708.68 | -1.16% | (32.27) | 16.62% | (4.50) | -1.34% | (36.77) |
| | | **29,161.86** | | **2,696.34** | | **(27.08)** | | **2,869.26** |
| Consolidation adjustments and eliminations | -6.15% | (1,690.30) | 3.05% | 84.73 | 0.00% | - | 3.08% | 84.73 |
| **Total** | **100.00%** | **27,471.36** | **100.00%** | **2,781.07** | **100.00%** | **(27.08)** | **100.00%** | **2,753.99** |

(b) **As at and for the year ended 31 March, 2023**

| 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.) |
| **Holding** | | | | | | | | |
| V2 Retail Limited | 100.12% | 24,722.03 | 113.04% | (1,448.82) | 88.17% | (15.98) | 112.69% | (1,464.80) |
| **Indian subsidiary** | | | | | | | | |
| V2 Smart Manufacturing Private Limited | 7.07% | 1,745.43 | -20.84% | 288.40 | 11.83% | (2.14) | -20.48% | 266.26 |
| | | **26,467.46** | | **(1,160.42)** | | **(18.12)** | | **(1,198.54)** |
| Consolidation adjustments and eliminations | -7.19% | (1,775.03) | 7.90% | (101.25) | 0.00% | - | 7.79% | (101.25) |
| **Total** | **100.00%** | **24,692.43** | **100.00%** | **(1,281.67)** | **100.00%** | **(18.12)** | **100.00%** | **(1,299.79)** |

47 No adjusting or significant non-adjusting events have occurred between 31 March 2024 reporting date and the date of authorisation.

48 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 during the current year and previous year.

(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 current and previous financial year.

(vii) The Group has not advanced or loaned or invested funds during the current and previous year to any other person(s) or entity(ies), including
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or onbehalf 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)during the current and previous year, 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 onbehalf 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 current and previous 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 current and previous year by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(xi) The Holding Company has been sanctioned working capital limit from bank on the basis of security of current assets. There are following differences between books of account of the respective quarters and quarterly returns/ statements filed by the Holding Company with the bank:

| Quarter | Particulars of Securities Provided | Amount as per books of account | Amount as reported in quarterly statement | Amount of difference | Reason |
|---|---|---|---|---|---|
| June-23 | Creditor | 8,807.64 | 8,125.87 | 681.77 | Provisional returns/statements submitted with bank |
| September-23 | Inventories | 28,109.60 | 28,318.89 | (209.29) | |
| | Creditor | 13,106.79 | 12,686.25 | 420.54 | |
| December-23 | Creditor | 10,387.18 | 9,934.56 | 452.62 | |
| March-24 | Creditor | 15,939.34 | 16,091.31 | (151.96) | |

49 The Board of Directors of the Holding Company has not declared any dividend during the current and previous year.

50 Previous year's figures has been regrouped and/or reclassified wherever necessary to conform to the current year's groupings and classifications, however, the regrouping is not material therefore, details are not given.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration Number: 302049E

Bimal Kumar Sipani
Partner
Membership No. 088926

Place: Noida
Date: 30 May 2024

For and on behalf of the Board of Directors of
V2 Retail Limited

Ram Chandra Agarwal
Chairman and Managing Director
DIN: 00491885

Pankk Adukia
Chief Financial Officer

Place: Delhi
Date: 30 May 2024

Uma Agarwal
Whole Time Director
DIN: 00495845

Manshu Tandon
Chief Executive Officer

Shivam Agarwal
Company Secretary
M.No. A55785

## 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, 2024 were approved for issue by board of directors on May 30, 2024. 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 2024, 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 2024.

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
- Defined benefit 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 2024.

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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.

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) Material 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.

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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.

**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 |
| Retail Accessories | Not Specified | 3 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**

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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 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**

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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.

**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) 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.

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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 the remeasurement of the lease liability in case of partial or full termination of the lease for lease modification by decreasing the carrying amount of the right-of-use asset to reflect 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 within 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

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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:

- 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 7 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

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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:

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).

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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.

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

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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.

**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**

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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.

**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

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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.

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. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to existing standards applicable to the Group.

Uma Agarwal

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

V2 RETAIL LIMITED NEW DELHI

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Chartered Accountants

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## 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 Statements' 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 statements, 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 statements, 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. | **Existence and valuation of Inventories**<br><br>Refer note 1(vi)(k) for significant accounting policy, note 8 and note 37 for the financial statement disclosure.<br>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.<br><br>The management applies judgement in determining appropriate provisions for inventory losses which include:<br>a) Applying specific identification process to ascertain slow moving and obsolete inventory.<br>b) Assessing the net realizable value of such slow moving and obsolete inventory.<br><br>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.<br><br>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 | **How our audit addressed the key audit matter:**<br>Our audit included, but was not limited to, the following audit procedures over inventory existence and valuation:<br>• Understood the management process for cyclical physical counts, identification of slow moving, nonmoving or obsolete inventories and determining net realisable value, and evaluated whether such processes are consistently followed.<br>• Evaluated design and tested the operating effectiveness of controls implemented around above mentioned processes throughout the year.<br><br>**Cyclical physical counts and physical count performed subsequent to year end:**<br>• Inspected management's inventory count records and observed physical inventory verification for locations selected based on materiality and risk considerations.<br>• 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;<br><br>• Tested the adjustment made in the books of accounts basis the results of the physical counts performed by the management. |



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| S.N. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | 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. | **Slow-moving/obsolete inventory provisions:**<br>• Tested inventory ageing obtained through system reports, where applicable.<br>• 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.<br>• Tested the computation for allowance for slowmoving, non-moving and obsolete inventories by performing an independent age-wise analysis of the inventory line items.<br>• Tested the net realizable value of traded goods inventory on a sample basis to recent selling prices.<br>• 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.<br><br>Obtained written representations from management on the completeness and adequacy of inventory allowance as at the year end. |
| 2. | **Accounting of Leases Under Ind AS 116-(Leases) :**<br>Leases Refer note 1(vi)(h) for significant accounting policy and note 45 for the financial statement disclosure.<br>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. | **How our audit addressed the key audit matter:**<br>Our audit included, but was not limited to, the following audit procedures:<br>• Understood the management process for identification of leasing arrangements for accounting of leases by applying the practical expedient.<br>• Evaluated design and tested the operating effectiveness of controls implemented around above mentioned process throughout the year.<br>• Reviewed the overall impact analysis prepared by the Company including completeness of lease contracts and application of practical expedients.<br>• Tested the accuracy of the revised lease agreements entered for a sample of leases through the inspection of lease documentation.<br>• 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.<br>• 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).<br><br>Obtained written representations from management on the completeness of lease data and application of practical expedient. |



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**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.

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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.

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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 report 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 in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the 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;

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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 at March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditor of its subsidiary company incorporated in India, 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



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("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.

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.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

Bimal Kumar Sipani
Partner
Membership No. 088926
UDIN: 23088926BGXBBJ7516

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 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) |

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**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 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 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.

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**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.

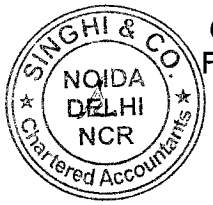
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We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 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
Membership No. 088926
UDIN: 23088926BGXBBJ7511

Place: Noida (Delhi-NCR)
Date: May 25, 2023

**V2 Retail Limited**
**Consolidated Balance Sheet as at 31 March 2023**
**(All amounts in ₹ in lakh unless otherwise stated)**

| | Note | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| 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 |
| **Total non-current assets** | | **46,740.51** | **44,940.38** |
| **Current assets** | | | |
| Inventories | 8 | 27,888.16 | 29,077.63 |
| Financial assets | | | |
| Trade receivables | 9 | 6.70 | 132.36 |
| Cash and cash equivalents | 10 | 492.02 | 653.86 |
| Other bank balances | 11 | 21.54 | 85.71 |
| Other financial assets | 12 | 109.28 | 145.84 |
| Income tax assets (net) | | | |
| Other current assets | 13 | 4,169.95 | 4,182.53 |
| **Total current assets** | | **32,687.65** | **34,277.93** |
| **Total assets** | | **79,428.16** | **79,218.31** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | 14 | 3,438.93 | 3,438.93 |
| Other equity | 15 | 21,253.50 | 22,380.90 |
| **Total equity** | | **24,692.43** | **25,819.83** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 16 | 722.13 | 560.81 |
| Lease Liabilities | 3 (i) | 33,025.85 | 30,885.08 |
| Other financial liabilities | 17 | 22.78 | 14.74 |
| Provisions | 18 | 443.64 | 403.59 |
| **Total non-current liabilities** | | **34,214.40** | **31,864.22** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 19 | 4,647.62 | 4,892.63 |
| Lease Liabilities | 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 |
| **Total current liabilities** | | **20,521.33** | **21,534.26** |
| **Total liabilities** | | **79,428.16** | **79,218.31** |

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

Place: Noida
Date: 25 May 2023

**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

**V2 Retail Limited**
**Consolidated Statement of Profit and Loss for the year ended 31 March 2023**
**(All amounts in ₹ in lakh unless otherwise stated)**

| Note | Note | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|---|---|---|
| **I. Income** | | | |
| Revenue from operations | 24 | 83,888.30 | 62,922.49 |
| Other income | 25 | 666.90 | 1,588.90 |
| **Total income(I)** | | **84,555.20** | **64,511.39** |
| | | | |
| **II. Expenses** | | | |
| Purchase of stock-in-trade | 26 | 48,137.23 | 34,640.02 |
| Cost of raw material consumed | 27 | 5,383.95 | 4,745.03 |
| Changes in inventories | 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 | 11,290.93 | 9,916.33 |
| **Total expenses(II)** | | **86,250.39** | **65,997.25** |
| | | | |
| **III. Loss before exceptional items and tax (I-II)** | | **(1,695.19)** | **(1,485.86)** |
| IV. Exceptional item | | - | - |
| **V. Loss before tax (III-IV)** | | **(1,695.19)** | **(1,485.86)** |
| VI. Tax expense: | 5 | | |
| Current tax | | 48.63 | - |
| Previous year tax | | (7.85) | - |
| Deferred tax (income)/charge | | (454.30) | (318.14) |
| **Total tax expense** | | **(413.52)** | **(318.14)** |
| **VII. Loss for the year (V-VI)** | | **(1,281.67)** | **(1,167.72)** |
| | | | |
| **VIII. Other comprehensive income** | | | |
| **Items that will not be reclassified to profit and loss** | | | |
| 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 |
| **Other comprehensive income for the year** | | **(18.12)** | **(39.52)** |
| | | | |
| **IX. Total comprehensive income for the year (VII+VIII)** | | **(1,299.79)** | **(1,207.24)** |
| | | | |
| Significant accounting policies | 1 | | |
| | | | |
| **Earnings per share (face value of ₹ 10 each)** | | | |
| 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

Place: Noida
Date: 25 May 2023

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

**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

V2 RETAIL LIMITED NEW DELHI

**Sudhir Kumar**
Company Secretary
M.No. A25125

**V2 Retail Limited**
**Consolidated Statement of Cash flows for the year ended 31 March 2023**
**(Rs. in lakhs, unless stated otherwise)**

| Particulars | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| Loss before tax | (1,695.19) | (1,485.86) |
| **Adjustments for:** | | |
| 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 received from landlords | (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 |
| **Operating profit before working capital changes** | **9,472.21** | **7,488.01** |
| **Movement in working capital** | | |
| Movement in trade payables | (1,207.78) | (1,190.39) |
| Movement in trade receivables | 87.44 | (66.55) |
| Movement in provisions | 27.88 | 77.55 |
| Movement in other liabilities | (22.35) | 25.46 |
| Movement in other financial iabilities | (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) |
| **Cash flows generated from/(used in) operating activities post working capital changes** | **8,529.42** | **5,781.61** |
| Income taxes (paid) / refund (net) | 106.27 | 79.79 |
| **Net cash flow generated from/(used in) operating activities (A)** | **8,635.69** | **5,861.40** |
| **B. Cash flows from investing activities** | | |
| Purchase of property, plant and equipment (including capital work-in-progress and payable towards property, plant and | (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) |
| Movement in fixed deposits (net) | 53.46 | (30.03) |
| Interest received | 7.00 | 14.04 |
| **Net cash flows generated from/(used in) investing activities (B)** | **(1,227.34)** | **(1,571.06)** |
| **C. Cash flows from financing activities** | | |
| 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) | (2,273.76) |
| Interest paid | (4,055.31) | (3,657.18) |
| **Net cash flows generated from/(used in) financing activities (C)** | **(7,570.17)** | **(5,829.25)** |
| Net Increase/decrease in cash and cash equivalents (A+B+C) | (161.84) | (1,538.91) |
| Cash and cash equivalents at the beginning of the year | 653.86 | 2,192.77 |
| **Cash and cash equivalents at the end of the year** | **492.02** | **653.86** |
| **Components of cash and cash equivalents at the end of the year** | | |
| Cash on hand | 137.31 | 160.01 |
| Balance with banks: | | |
| -in current accounts | 354.71 | 493.85 |
| **Total** | **492.02** | **653.86** |

**Note:**
a) The cash flow has been prepared under the "Indirect method", as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

b) Additional disclosure required unhder Ind AS 7 (Refer note 19b)

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

Place: Noida
Date: 25 May 2023

**For and on behalf of the Board of Directors of V2 Retail Limited**

**Ram Chandra Agarwal**
Chairman and Managing Director
DIN: 00481885

**Uma Agarwal**
Whole Time Director
DIN: 00495945

**Manshu Tandon**
Chief Executive Officer

**Pratik Adukia**
Chief Financial Officer

**Sudhir Kumar**
Company Secretary
M.No. A25125

**V2 Retail Limited**
**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 | | | | |
|---|---|---|---|---|---|
| | Reserves and surplus | | | | |
| | Retained earnings | Securities premium reserve | Capital reserve | Share options outstanding account | Total |
| **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 income for the year (net of tax) | (39.52) | - | - | - | (39.52) |
| **Total comprehensive income for the year** | **(1,207.23)** | - | - | - | **(1,207.24)** |
| 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 |
| **Balance as at 31 March 2022*** | **(68,743.58)** | **29,971.38** | **61,043.56** | **109.56** | **22,380.90** |
| **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 income for the year (net of tax) | (18.12) | - | - | - | (18.12) |
| **Total comprehensive income for the year** | **(1,299.79)** | - | - | - | **(1,299.79)** |
| Employee stock options exercised during the year | - | - | - | - | - |
| Employee stock options charge for the year (refer note 29) | - | - | - | 172.38 | 172.38 |
| **Balance as at 31 March 2023** | **Total current assets** | **29,971.38** | **61,043.56** | **281.94** | **21,253.50** |

As per our report of even date attached

**For Singhi & Co.**
Chartered Accountants
Firm Registration Number: 302049E

**Bimal Kumar Sipani**
Partner
Membership No. 088926

Place: Noida
Date: 25 May 2023

**For and on behalf of the Board of Directors of V2 Retail Limited**
**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

**2 (i) Property, plant and equipment**

| Description | Leasehold improvements | Vehicle | Office equipments | Plant and machinery | Air conditioner | Generator Set | Electrical equipments | Furniture and fixture | Computer hardware | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying value** | | | | | | | | | | |
| 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) |
| **As at 31 March 2022** | **569.62** | **352.49** | **2,738.05** | **2,846.08** | **0.88** | **29.37** | **3,497.61** | **6,910.45** | **2,085.83** | **19,030.37** |
| 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) |
| **As at 31 March 2023** | **631.47** | **377.54** | **2,915.27** | **3,099.88** | **1.76** | **29.37** | **3,727.22** | **7,293.26** | **2,348.05** | **20,423.83** |
| **Accumulated depreciation** | | | | | | | | | | |
| 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) |
| **As at 31 March 2022** | **181.84** | **144.73** | **1,386.17** | **567.43** | **0.06** | **0.36** | **1,460.03** | **3,454.28** | **1,545.26** | **8,740.15** |
| 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) | (11.50) |
| **As at 31 March 2023** | **246.76** | **186.72** | **1,751.95** | **694.05** | **0.23** | **2.22** | **1,789.62** | **4,117.03** | **1,775.49** | **10,564.07** |
| **Net block as at 31 March 2022** | **387.78** | **207.75** | **1,351.88** | **2,278.65** | **0.82** | **29.01** | **2,037.58** | **3,456.17** | **540.57** | **10,290.22** |
| **Net block as at 31 March 2023** | **384.71** | **190.81** | **1,163.33** | **2,405.83** | **1.53** | **27.15** | **1,937.60** | **3,176.24** | **572.56** | **9,859.75** |

**Notes:**

a. **Contractual obligations**
Refer note 35(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

b. **Capitalisation of borrowing cost**
The Group has not capitalised any borrowing costs during the year ended 31 March 2023 and 31 March 2022.

c. Gross block of vehicles amounting to Rs Nil lakhs (217.36 lakhs) are hypothecated against vehicle loans taken.Refer note **17**.

V2 Retail 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)

| 2 (ii) Capital work-in-progress | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Capital work-in-progress | 10.98 | - |
| | 10.98 | - |

**Movement in capital work in progress:**

| Particulars | Amount |
|---|---|
| **Capital work-in-progress as at 1 April 2021** | - |
| Add: Additions during the year | 30.86 |
| Less: Capitalisation during the year | (30.88) |
| **Capital work-in-progress as at 31 March 2022** | - |
| Add: Additions during the year | 24.44 |
| Less: Capitalisation during the year | (13.46) |
| **Capital work-in-progress as at 31 March 2023** | **10.98** |

#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 |

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

V2 RETAIL LIMITED NEW DELHI

Uma Agarwal

**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 |
|---|---|
| **(a) Right-of-use assets** | |
| **Cost** | |
| **Balance as on 1 April 2021** | **44,504.64** |
| Add: Additions during the year | 5,277.54 |
| Less: Deletion during the year | (1,552.60) |
| **Balance as at 31 March 2022** | **48,229.58** |
| Add: Additions during the year | 8,938.16 |
| Less: Deletion/modification during the year | (10,482.04) |
| **Balance as at 31 March 2023** | **46,685.70** |
| | |
| **Accumulated amortisation** | |
| **Balance as on 1 April 2021** | **15,550.86** |
| Add: Amortisation for the year (refer note 31) | 4,040.56 |
| **Balance as at 31 March 2022** | **19,591.42** |
| Add: Amortisation for the year (refer note 31) | 4,703.05 |
| Less: Deletion/modification during the year | (8,192.29) |
| **Balance as at 31 March 2023** | **16,102.18** |
| | |
| **Net carrying amount** | |
| **Balance as at 31 March 2022** | **28,638.16** |
| **Balance as at 31 March 2023** | **30,583.52** |

**(b) Lease liabilities**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Opening Balance** | 34,306.72 | 34,245.83 |
| Add: Addition in lease liabilities during the year | 8,800.58 | 5,198.64 |
| Add: Deletion in lease liabilities during the year | (2,641.99) | (1,998.01) |
| Total current assets | 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) |
| **Closing balance** | **37,003.86** | **34,306.72** |
| **Current** | **3,977.99** | **3,421.64** |
| **Non-current** | **33,025.85** | **30,885.08** |

**3 (ii) Intangible assets**

| Description | Computer software | Total |
|---|---|---|
| **Gross carrying value** | | |
| As at 1 April 2021 | 361.08 | 361.08 |
| Additions | 479.52 | 479.52 |
| Disposals | - | - |
| **As at 31 March 2022** | **840.60** | **840.60** |
| Additions during the year | 80.57 | 80.57 |
| Disposals | - | - |
| **As at 31 March 2023** | **921.17** | **921.17** |
| | | |
| **Accumulated amortization** | | |
| As at 1 April 2021 | 311.88 | 311.88 |
| Amortisation during the year | 73.90 | 73.90 |
| Disposals | - | - |
| **As at 31 March 2022** | **385.78** | **385.78** |
| Amortisation during the year | 166.94 | 166.94 |
| Disposals | - | - |
| **As at 31 March 2023** | **552.72** | **552.72** |
| | | |
| **Net block as at 31 March 2022** | **454.82** | **454.82** |
| **Net block as at 31 March 2023** | **368.46** | **368.46** |

**3 (iii) Intangible assets under development**

| | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Intangible assets under development | 29.94 | - |
| | **29.94** | **-** |

| 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 |

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

Uma Agarwal

V2 RETAIL LIMITED NEW DELHI

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 4 | **Other financial assets** | | |
| | Fixed deposits having maturity of more than 12 months * | 50.23 | 39.51 |
| | Security deposits | 778.32 | 673.69 |
| | Advance paid against dispute | - | 88.71 |
| | | 828.55 | 801.91 |

*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 |
|---|---|---|---|
| 5 | **(i) Deferred tax assets (net)** | | |
| | **Deferred tax asset arising on account of:** | | |
| | 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 |
| | | 10,911.17 | 9,886.02 |
| | **Deferred tax liability arising on account of:** | | |
| | Right of use assets | 7,652.88 | 7,144.72 |
| | Others | 56.88 | |
| | | 7,709.76 | 7,144.72 |
| | **Net deferred tax assets** | 3,201.41 | 2,741.30 |

**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 |
|---|---|---|---|---|
| **Deferred tax assets in relation to:** | | | | |
| 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 |
| **Sub-total (a)** | 9,886.02 | 1,019.30 | 5.84 | 10,911.17 |
| **Deferred tax liabilities in relation to:** | | | | |
| Right of use assets | 7,144.72 | 508.16 | - | 7,652.88 |
| Others | - | 56.88 | | 56.88 |
| **Sub-total (b)** | 7,144.72 | 565.04 | - | 7,709.76 |
| | 2,741.30 | 454.27 | 5.84 | 3,201.41 |

(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 |
|---|---|---|---|---|
| **Deferred tax assets in relation to:** | | | | |
| 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 |
| **Sub-total (a)** | 9,659.83 | 212.92 | 13.28 | 9,886.02 |
| **Deferred tax liabilities in relation to:** | | | | |
| Right of use assets | 7,249.94 | (105.22) | - | 7,144.72 |
| **Sub-total (b)** | 7,249.94 | (105.22) | - | 7,144.72 |
| **Total (a-b)** | 2,409.89 | 318.14 | 13.28 | 2,741.30 |

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| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **(ii) Tax expense** | | |
| The income tax expense consists of the following: | | |
| **Recongnised in profit and loss** | | |
| Current tax expense | 48.63 | - |
| Tax expense of earlier years | (7.85) | - |
| Deferred tax expense/ (credit) | (454.30) | (318.14) |
| **Total income tax expense** | (413.52) | (318.14) |

| | | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|---|
| (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:** | | |
| | Profit before income tax | **(1,695.19)** | (1,485.86) |
| | Income tax using the Company's domestic tax rate * | 25.17% | 25.17% |
| | **Expected tax expense [A]** | **(426.64)** | **(373.95)** |
| | Expenses/incomes not considered in determining taxable profit | | |
| | **Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense** | | |
| | 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 |
| | **Total adjustments [B]** | **13.13** | **55.81** |
| | **Actual tax expense [C=A+B]** | **(413.52)** | **(318.14)** |
| | 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% |
| (b) | **Unused tax losses and credits on which deferred tax assets has not been recognised** | | |
| | **Long Term Capital Loss** | | |
| | 2017-2018 (2025-26*) | 1127.49 | 1127.49 |
| | 2020-2021 (2028-29*) | 175.18 | 175.18 |
| | | **1302.67** | **1302.67** |
| | * year of expiry | | |
| | Unabsorbed Depreciation on which Deferred tax assets has not been recognised | | |
| | Unabsorbed Depreciation | **1,615.00** | **1,711.38** |
| | Total tax losses and unabsorbed depreciation | **2,917.67** | **3,014.05** |

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 6 | **Income tax assets (net)** | | |
| | Advance tax (net of provision of tax) | 57.72 | 141.88 |
| | | **57.72** | **141.88** |

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 7 | **Other non-current assets (refer note 44)** | | |
| | 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 | 2.09 | 102.07 |
| | Security deposit with suppliers (IGL) | 23.38 | 23.39 |
| | | **1,800.18** | **1,872.09** |

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 8 | **Inventories (refer note 37)** | | |
| | (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 |
| | | **27,888.16** | **29,077.63** |

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| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 9 | **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) | - |
| | | 6.70 | 132.37 |

For details of receivable from related parties, Refer note 41, Related party disclosures.

| 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 |
| Total | - | 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 | - | - | - | - | - | - |
| Total | 111.09 | 6.63 | 12.28 | 2.37 | 0.00 | 132.37 |

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 10 | **Cash and cash equivalents** | | |
| | Cash on hand | 137.31 | 160.01 |
| | Balance with banks: | | |
| | -in current accounts | 354.71 | 493.85 |
| | | 492.02 | 653.86 |

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 11 | **Other bank balances** | | |
| | Fixed deposits having maturity of more than 3 months but less than 12 months* | 21.54 | 85.71 |
| | | 21.54 | 85.71 |

* 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 |
|---|---|---|---|
| 12 | **Other financial assets** | | |
| | **Current** | | |
| | Advances recoverable in cash | - | - |
| | Credit card receivables | 70.53 | 58.43 |
| | Security Deposits | 38.75 | 87.40 |
| | | 109.28 | 145.83 |

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 |
|---|---|---|---|
| 13 | **Other current assets** | | |
| | 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 |
| | | 4,169.95 | 4,182.53 |

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| | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **14 Equity share capital** | | |
| **Authorised** | | |
| 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 |
| **Issued, subscribed and fully paid-up** | | |
| 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 |
| | 3,438.93 | 3,438.93 |

| | 31 March 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| (a) **Reconciliation of number of shares** | | | | |
| **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** | **3,43,89,341** | **3,438.93** | **3,43,89,341** | **3,438.93** |

(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 divident 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 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| | No of shares | % holding | No of shares | % holding |
| (c) **Details of shareholders holding more than 5% shares in the holding company** | | | | |
| 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% |
| | 1,82,70,621 | | 1,80,22,621 | |

| Details of promoters share holding in the holding 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 |
|---|---|---|---|---|---|
| (d) **Details of promoters share holding in the holding company** | | | | | |
| 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% |
| Total | **1,84,19,817** | **56,92,710** | **56,92,710** | **1,84,19,817** | |

| Details of promoters share holding in the holding 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 |
|---|---|---|---|---|---|
| **Details of promoters share holding in the company** | | | | | |
| 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 | **1,84,17,837** | **1,980** | - | **1,84,19,817** | |

(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.

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| | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **15 Other equity** | | |
| **Securities premium account** | | |
| Opening balance | 29,971.38 | 29,574.09 |
| Change during the year | - | 397.29 |
| | **29,971.38** | **29,971.38** |
| **Capital reserve [refer note (a) below]** | | |
| Opening balance | 61,043.56 | 61,043.56 |
| Change during the year | - | - |
| | **61,043.56** | **61,043.56** |
| **Employees' stock option outstanding account** | | |
| Opening balance | 109.55 | 377.65 |
| Less: Exercised during the year | - | (397.29) |
| Add : Change during the year | 172.38 | 129.19 |
| | **281.94** | **109.55** |
| **Retained earnings** | | |
| 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) |
| | **(70,043.37)** | **(68,743.58)** |
| | **21,253.50** | **22,380.90** |

(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**

**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.

**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.

**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.

**Retained earnings**
Retained earnings comprise of the Company's accumulated undistributed profits/(losses) after taxes.

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| 16 Non-current borrowings | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **Term loan** | | |
| **Secured** | | |
| Vehicle loan from financial institution | - | 11.10 |
| **Unsecured** | | |
| (i) Loan from directors and their relatives | 500.96 | 560.81 |
| (ii) Loan from group companies | 221.17 | - |
| | 722.13 | 571.91 |
| Less: Current maturities of long-term borrowings (refer note19) | - | 11.10 |
| | 722.13 | 560.81 |

**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 fuly 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.

| 17 Other non-current financial liabilities | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Security deposits* | 22.78 | 14.74 |
| | 22.78 | 14.74 |

* The above amount includes security deposits received from shop-in-shop vendors.

| 18 Provisions | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **Non-current** | | |
| **Provision for employee benefits** | | |
| Provision for gratuity | 284.33 | 255.25 |
| Provision for compensated absences | 159.31 | 148.34 |
| | 443.64 | 403.59 |

For disclosures on gratuity and other post employment benefit obligation, refer note 38.

| 19 Short-term borrowings | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **Secured** | | |
| 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 |
| | 4,647.62 | 4,892.64 |

(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. Futher 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 | 161.31 | - | - | - | 722.12 |
| 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 |
| **Total liabilities from financial activities** | **43,199.09** | **(7,570.19)** | **8,800.58** | **(2,672.26)** | **4,055.31** | **45,812.53** |

| 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 |
| **Total liabilities from financial activities** | **43,036.50** | **(5,829.25)** | **5,198.64** | **(2,863.99)** | **3,657.18** | **43,199.09** |

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| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 20 | **Trade payables** | | |
| | i.Total outstanding dues of micro enterprises and small enterprises | 481.92 | 462.55 |
| | ii.Total outstanding dues of creditors other than micro enterprises and small enterprises | 10,264.33 | 11,491.48 |
| | **Total** | 10,746.25 | 11,954.03 |

**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 |
| **Total** | **6,978.39** | **3,526.63** | **111.80** | **48.44** | **80.99** | **10,746.25** |

*Includes unbilled amount of Rs. 786.14 Lakhs from others

| 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 | - | - | - | - | - | - |
| **Total** | **450.29** | **11,330.77** | **57.83** | **43.91** | **71.24** | **11,954.03** |

*Includes unbilled amount of Rs. 566.39 Lakhs from others

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 21 | **Other financial liabilities** | | |
| | **Current** | | |
| | Employee related payables | 318.49 | 595.76 |
| | Creditors for capital purchases | 393.64 | 260.64 |
| | Payable towards credit card | 9.39 | 11.97 |
| | | 721.51 | 868.37 |

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 22 | **Provisions** | | |
| | **Current** | | |
| | Provision for gratuity | 137.06 | 109.86 |
| | Provision for compensated absences | 99.99 | 115.36 |
| | | 237.05 | 225.22 |
| | For disclosures on gratuity and other post employment benefit obligation, refer note 38. | | |
| 22A | **Current Tax Liabilities** | | |
| | Provision for Income Tax | 40.89 | - |
| | | 40.89 | - |

| | | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| 23 | **Other current liabilities** | | |
| | Statutory liabilities | 138.11 | 159.68 |
| | Amount Payable to customers | 11.91 | 12.69 |
| | | 150.02 | 172.37 |

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| 24 Revenue from operations | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **Operating revenue** | | |
| Traded goods* | 83,612.62 | 62,756.16 |
| **Other operating revenue** | | |
| Scrap sales | 164.96 | 115.00 |
| Display income | 110.72 | 51.33 |
| | 83,888.30 | 62,922.49 |
| *** Details of sale of traded goods** | | |
| Apparels | 80,611.44 | 58,542.65 |
| Non-apparels | 3,001.18 | 4,213.51 |
| | 83,612.62 | 62,756.16 |
| **Detail of Operating revenue by Geographical locations** | | |
| In India | 83,612.62 | 62,756.16 |
| Outside India | - | - |
| **Total** | 83,612.62 | 62,756.16 |
| **Refer note 40** | | |

| 25 Other income | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **Interest Income on:** | | |
| -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 |
| | 666.90 | 1,588.90 |

| 26 Purchase of stock-in-trade | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| Purchase of stock-in-trade (refer note below) | 48,137.23 | 34,640.01 |
| | 48,137.23 | 34,640.01 |
| **a. Details of purchase of stock-in-trade** | | |
| Apparels | 38,864.71 | 31,202.00 |
| Non-apparels | 9,272.52 | 3,438.01 |
| | 48,137.23 | 34,640.01 |

| 27 Cost of Material Consumed | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| Raw Material Inventory at the beginging 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 |
| | 5,383.95 | 4,745.03 |

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V2 RETAIL LIMITED NEW DELHI

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **28 Changes in inventories of stock-in-trade** | | |
| Opening Stock | | |
| Work-in-process | 869.90 | 1,740.10 |
| Finished goods | 41.07 | 13.67 |
| Traded goods | 26,430.68 | 26,443.20 |
| | 27,341.65 | 28,196.97 |
| Closing Stock | | |
| Work-in-process | 1,195.83 | 869.90 |
| Finished goods | 49.98 | 41.07 |
| Traded goods | 24,279.28 | 26,430.68 |
| | 25,525.09 | 27,341.65 |
| | 1,816.56 | 855.32 |
| **a. Details of closing stock** | | |
| Apparels | 21,619.54 | 25,263.40 |
| Non-apparel | 3,905.54 | 2,078.25 |
| | **25,525.08** | **27,341.65** |

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **29 Employee benefit expense** | | |
| 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 |
| | **8,860.99** | **6,300.30** |

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **30 Finance costs** | | |
| 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 | - |
| | **4,055.31** | **3,657.18** |

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **31 Depreciation and amortisation** | | |
| 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 |
| | **6,705.41** | **5,883.08** |

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| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **32 Other expenses** | | |
| 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 | 1,921.82 |
| 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 obsolence | 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 |
| | **11,290.93** | **9,916.33** |
| **a. Auditors' remuneration** | | |
| Statutory audit (including fees for limited reviews)* | 31.85 | 27.30 |
| Other services | 0.15 | - |
| Out of pocket expenses | 4.58 | 2.26 |
| | **36.58** | **29.56** |

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **33 Details of expenditure incurred in relation to CSR activates during the year** | | |
| **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 | NA | NA |
| Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard | - | - |

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| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **34 Earnings per share** | | |
| Loss attributable to equity shareholders before exceptional items (A) | (1,281.67) | (1,167.72) |
| Nominal value per share | 10.00 | 10.00 |
| **Weighted-average number of ordinary shares (basic)** | | |
| Numbers of weighted average equity share outstanding at the beginning | 343,89,341 | 341,05,026 |
| Issued ordinary shares | - | 2,10,315 |
| Weighted average number of equity shares outstanding during the year (B) | **343,89,341** | **343,15,341** |
| **Weighted-average number of ordinary shares (diluted)** | | |

| Category | Grant date | No. of Options 31 March 2023 | No. of Options 31 March 2022 |
|---|---|---|---|
| Tranche - I -2021 | 28 June 2021 | 2,25,000 | 2,25,000 |
| **Total ESOP's granted** | | **2,25,000** | **2,25,000** |

| 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 Total current assets | 2,04,348 | 2,09,027 |
| **Weighted average number of equity shares adjusted for the effect of dilution (C)** | 345,93,689 | 345,24,368 |
| **Basic loss per equity share (Amount in ₹) (A/B)** | (3.73) | (3.40) |
| **Diluted loss per equity share (Amount in ₹) (A/C)** | (3.73) | (3.40) |

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

**35 Contingencies and commitments**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **(a) Contingent liabilities** | | |
| 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 | 1014.34 | 11,887.49 |

(i) 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.

(ii) 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.

(iii) 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.

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(iv) 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) **Commitments**

| | | 31 March 2023 | 31 March 2022 |
|---|---|---|---|
| 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 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.

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## 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 |
| | **137.03** | **284.33** | **109.86** | **255.25** |

### 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 consolidted 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^ | 71.50 | 61.28 |
| Interest cost* | 18.15 | 12.33 |
| **Amount recognised in the consolidated statement of profit and loss** | **89.65** | **73.61** |

^Included in employee benefit expense
*Included in finance cost

**(ii) Changes in the present value of the defined benefit obligation are as follows :**

| Description | | |
|---|---|---|
| **Present value of defined benefit obligation as at the start of the year** | **365.11** | **272.37** |
| 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) |
| **Present value of defined benefit obligation as at the end of the year** | **421.36** | **365.11** |

**(iii) Am Total current assets**

| Description | | |
|---|---|---|
| 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 |
| **Total actuarial loss** | **23.96** | **52.80** |

**(iv) The principal assumptions used in determining gratuity benefit obligations for the Group are shown below**

| Description | | |
|---|---|---|
| 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.

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| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| (v) **Sensitivity analysis for gratuity liability** | | |
| **Description** | | |
| **Impact of the change in discount rate** | | |
| Present value of obligation at the end of the year | **421.36** | **365.11** |
| - Impact due to increase of 0.50 % | (5.24) | (4.83) |
| - Impact due to decrease of 0.50 % | 5.41 | 5.00 |
| **Impact of the change in salary increase** | | |
| Present value of obligation at the end of the year | **421.36** | **365.11** |
| - 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.

| **Expected contribution** | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Expected contribution to Gratuity in next year (Amount in ₹) | 96.23 | 81.37 |

(vi) **Maturity profile of defined benefit obligation (undiscounted)**

| **Description** | | |
|---|---|---|
| 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.

**B Defined contribution scheme**

The Group'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 consolidated 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 Group to employees' provident fund is ₹ 302.92 lakhs (31 March 2022: ₹ 227.03 lakhs).

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**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:

**Employee stock option scheme :**

**a) 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 |
| | | | | | | | |

**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 wieghted average price is 121.20 on date of exercised.

**Fair Valuation:**

The fair valuation of the options used to compute profoma net profit and eamings 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 -2021 | 7.40 | 4 | 23.23 | - | 131.16 |
| | Total current assets | | | | |

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.

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## 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 |
| **Contract liabilities related to sale of goods** | | | | |
| Amount Payable to customers | - | 11.91 | - | 12.69 |
| **Contract receivables related to sale of goods** | | | | |
| Trade receivables | - | 6.70 | - | 132.37 |

**Significant changes in contract assets and liabilities**

There has been no significant changes in contact assets/contract liabilities during the year.

**Performance obligation:**

Company generally sales goods to customer when its received payment from customer
Total current assets

**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 | 12.69 | 5.64 |
| Addition during the year | 11.91 | 12.69 |
| Revenue recognised during the year | (12.69) | (5.64) |
| Closing balance | **11.91** | **12.69** |

**Disaggregation of revenue**

Revenue arises mainly from the sale of traded goods:

| Description | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **(A) Sale of goods** | | |
| Revenue from sale of goods | 83,612.62 | 62,756.16 |
| **(B) Other ancillary revenue** | | |
| Scrap sales | 164.96 | 115.00 |
| Display income | 110.72 | 51.33 |
| | **83,888.30** | **62,922.49** |

| 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 | 83,612.62 | 62,756.16 |

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V2 RETAIL LIMITED NCW DELHI

Uma Agarwal

Sadhir

**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

**(c) Total current assets**

| S. No. | Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|---|
| 1 | **Loans accepted** | | |
| | Vishal Water World Private Limited | 245.00 | - |
| | Ram Chandra Agarwal | 40.00 | 560.81 |
| | Uma Agarwal | 40.00 | |
| 2 | **Loans repaid (including repaid)** | | |
| | Vishal Water World Private Limited (Including interest Rs. 9.10 Lakhs) | 34.10 | - |
| | Ram Chandra Agarwal | 99.85 | - |
| | Uma Agarwal | 40.00 | |
| 3 | **Interest expense on loans taken** | | |
| | Vishal Water World Private Limited | 10.28 | - |
| 4 | **Remuneration** | | |
| | 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 |
| 5 | **Sitting fees** | | |
| | 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 | |
| 6 | **Employee Higher Education Sponsorship Program Expenses** | | |
| | Mr. Akash Agarwal | 90.28 | - |
| 7 | **Sales of Traded goods during the year** | | |
| | Vishal Water World Private Limited | 3.72 | - |
| 8 | **Remuneration Payable** | | |
| | Mrs. Uma Agarwal | 3.94 | 6.50 |
| | Mr. Akash Agarwal | - | 11.55 |
| | Mr. Manshu Tandon* | - | - |
| | Mr. Sudhir Kumar | - | 0.80 |
| 9 | **Sitting fees Payable** | | |
| | 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 | - | - |
| 10 | **Loan Payable** | | |
| | Vishal Water World Private Limited | 221.18 | - |
| | Ram Chandra Agarwal | 500.96 | 560.81 |
| | Uma Agarwal | - | - |
| 11 | **Trade Receivables** | | |
| | Vishal Water World Private Limited | 3.72 | - |

**For guarantee given by related parties (refer note 19)**

| **Summary of payment made to KMP*#** | | |
|---|---|---|
| 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.

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V2 RETAIL LIMITED NEW DELHI

Uma Agarwal

## 42 Fair value disclosures

### A Financial instruments by category

| Particulars | 31 March 2023 | | | 31 March 2022 | | |
|---|---|---|---|---|---|---|
| | FVOCI | FVTPL | Amortised cost | FVOCI | FVTPL | Amortised cost |
| **Financial assets measured at amortised cost** | | | | | | |
| Security deposits | | | | | | |
| Current | | | 38.75 | | | 87.40 |
| Non-current | | | 778.31 | | | 673.69 |
| Cash and cash equivalents | - | - | 513.56 | - | - | 739.58 |
| Trade receivables | - | - | 6.70 | - | - | 132.36 |
| Other financial assets | | | | | | |
| Current | | | 70.53 | | | 58.43 |
| Non-current | | | 50.24 | | | 128.22 |
| **Total** | - | - | **1,337.32** | - | - | **1,633.03** |
| **Financial liabilities measured at amortised cost** | | | | | | |
| Borrowings | | | | | | |
| Current | | | 4,647.62 | | | 4,892.63 |
| Non-current | | | 722.12 | | | 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 |
| **Total** | - | - | **53,119.84** | - | - | **51,714.19** |

### 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 | 31 March 2023 | | 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.

### 42(a) Financial risk management

**Risk management framework**

i)

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 | Group is in the process of reducing the debt component to reduce the interest rate risk |

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**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. 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 | 120.77 | 186.65 |
| | **Trade receivables** | **6.70** | **132.36** |
| | 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**

These are 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.

| Particulars | As at 31 March 2023<br>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<br>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:**

| Particular | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Opening Balance | - | - |
| Change in loss allowance | 38.21 | - |
| Closing Balance | 38.21 | - |

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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 | 722.12 | - | 5,369.74 |
| 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 |
| Total | 23,484.52 | 15,142.37 | 31,550.89 | 70,177.78 |

| 31 March 2022 | Less than 1 year | 1-3 year | More than 3 years | Total |
|---|---|---|---|---|
| Borrowings | 4,892.63 | 560.81 | - | 5,453.44 |
| 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 |
| Total | 24,379.76 | 13,827.05 | 29,915.48 | 68,122.27 |

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 2023, 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 | 221.17 | 11.10 |
| Total borrowings | 4,868.79 | 4,892.63 |

*Sensitivity*

Below is the sensitivity of profit or loss and equity changes in interest rates.

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Interest sensitivity*** | | |
| 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 projected 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:

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Total borrowings (including current maturity) | 5,369.74 | 5,453.44 |
| Less: cash and bank balances (including fixed deposits) | 563.78 | 779.09 |
| **Net debt** | **4,805.96** | **4,674.34** |
| Total equity | 24,692.42 | 25,819.83 |
| **Adjusted net debt to adjusted equity ratio** | **19.46%** | **18.10%** |

**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 with in the extended contractual period and therefore, has considered the aforesaid advance as good and recoverable.

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**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 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 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 |
| **Total** | **189.88** | **72.05** |

**B The table below describes the nature of the Group'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 | 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:**

| Particulars | 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 |
| **Total** **Total current assets** | **8,473.79** | **7,307.35** |

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).

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46 The parent Company has performed physical verfication 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 adjustment 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.) |
| Parent | | | | | | | | |
| V2 Retail Limited | 100.12% | 24,722.03 | 113.04% | (1,448.84) | 88.17% | (15.98) | 112.70% | (1,464.82) |
| Indian subsidiary | | | | | | | | |
| V2 Smart Manufacturing Private Limited | 7.07% | 1,745.43 | -20.94% | 268.40 | 11.86% | (2.15) | -20.48% | 266.25 |
| | | 26,467.46 | | (1,180.44) | | (18.13) | | (1,198.58) |
| Conolidation adjustments and eliminations | -7.19% | (1,775.03) | 7.90% | (101.23) | 0.00% | - | 7.79% | (101.19) |
| Total | 100.00% | 24,692.43 | 100.00% | (1,281.67) | 100.03% | (18.12) | 100.00% | (1,299.79) |

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**

| | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| **Current assets** | | |
| 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 |
| **Total current assets pledged as security^** | **30,446.36** | **32,778.15** |
| Vehicles* | - | 143.75 |
| **Total assets pledged as security** | **30,446.36** | **32,921.90** |

^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 againstthe 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 during the year to any other person(s) or entity(ies), includingforeign 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 onbehalf 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 (FundingParty)during the year, 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 onbehalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) The Group hes 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

Place: Noida
**Date: 25 May 2023**

**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

**V2 Retail Limited**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023**

## 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
- Defined benefit 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.

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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.

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

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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.

**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

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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 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

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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.

**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.

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**(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 the remeasurement of the lease liability in case of partial or full termination of the lease for lease modification by decreasing the carrying amount of the right-of-use asset to reflect 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 within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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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:
- 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 7 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

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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:

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.

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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.

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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**

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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.

**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

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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.

**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.

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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.

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.

SINGHI & CO. NOIDA DELHI NCR Chartered Accountants

V2 RETAIL LIMITED NEW DELHI

## PROPOSED ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue share capital that may be held by them is set forth below.

| S. No. | Name of the proposed Allottees | Percentage of the post-Issue share capital held (%)^$ |
|---|---|---|
| 1. | Citigroup Global Markets Mauritius Private Limited | 0.16 |
| 2. | Trust Mutual Fund - Trust Mf Flexi Cap Fund | 0.08 |
| 3. | Trust Mutual Fund - Trust Mf Small Cap Fund | 0.24 |
| 4. | Trust Mutual Fund - Trustmf Multi Cap Fund | 0.03 |
| 5. | Malabar India Fund Limited | 0.52 |
| 6. | Nomura Singapore Limited | 0.06 |
| 7. | Malabar Midcap Fund | 0.13 |
| 8. | Bandhan Small Cap Fund | 0.19 |
| 9. | Motilal Oswal Small Cap Fund | 1.82 |
| 10. | Edelweiss Life Insurance Company Limited | 0.13 |
| 11. | Motilal Oswal Active Momentum Fund | 0.08 |
| 12. | Motilal Oswal Innovation Opportunities Fund | 0.06 |
| 13. | Motilal Oswal Special Opportunities Fund | 0.03 |
| 14. | Motilal Oswal Services Fund | 0.03 |
| 15. | Motilal Oswal Consumption Fund | 0.64 |
| 16. | Subhkam Ventures I Pvt Ltd | 0.97 |
| 17. | Rajasthan Global Securities Private Limited | 0.02 |
| 18. | Brescon Opportunities Fund | 0.06 |
| 19. | Buoyant Opportunities Strategy-Ii | 0.27 |
| 20. | Edelweiss Trusteeship Co Ltd Ac- Edelweiss Mf Ac- Edelweiss Aggresive Hybrid Fund | 0.25 |
| 21. | Tara Emerging Asia Liquid Fund | 0.05 |
| 22. | Tara Institutional India Alpha (Incorporated Vcc Sub-Fund) | 0.01 |
| 23. | Goldman Sachs Bank Europe Se | 0.18 |
| 24. | Goldman Sachs Bank Europe Se - Odi | 0.18 |
| 25. | Altiva Hybrid Long-Short Fund | 0.14 |
| 26. | Bnp Paribas Financial Markets - Odi | 0.04 |
| 27. | M7 Global Fund Pcc - Asas Global Opportunities Fund | 0.02 |
| 28. | Csim India Opportunities Fund 1 | 0.17 |
| 29. | New Vernon India Limited | 0.06 |
| 30. | Necta Bloom Vcc - Necta Bloom One | 0.02 |
| 31. | Tata Alternative Investment Fund-Tata Absolute Return Fund | 0.04 |
| 32. | Tata Alternative Investment Fund-Tata Equity Plus Absolute Returns Fund | 0.16 |
| 33. | Neo Alternatives Investment Trust-Neo Treasury Plus Fund | 0.01 |
| 34. | Neo Alternatives Investment Trust-Neo Dynamic Strategy Fund | 0.02 |
| 35. | K-Three Alternative Investment Trust-Fund I | 0.07 |
| 36. | Svan Velocity Fund | 0.02 |
| 37. | Helios Flexi Cap Fund | 0.26 |

^ *Based on beneficiary position as on November 3, 2025.*

*$ The post-Issue shareholding (in percentage terms) of the proposed have been disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.*

## DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all material approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

**Signed by:**

_____
Ram Chandra Agarwal
**Managing Director**

**DIN:** 00491885

**Date:** November 3, 2025

**Place:** New Delhi

## DECLARATION

We, the Board of Directors of the Company certify that:

I. the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

II. the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

III. the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS**

**Signed by:**

_____
Ram Chandra Agarwal
**Managing Director**

**DIN:** 00491885

**Date:** November 3, 2025

**Place:** New Delhi

I am authorized by the Board of Directors of the Company, vide resolution dated November 3, 2025, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**Signed by:**

_____
Ram Chandra Agarwal
**Managing Director**

**DIN:** 00491885

**Date:** November 3, 2025

**Place:** New Delhi

**V2 RETAIL LIMITED**

**REGISTERED OFFICE**
Khasra No. 928, Extended Lal Dora Abadi,
Village Kapashera, Tehsil -Vasant Vihar,
New Delhi 110 037

**CORPORATE OFFICE**
2nd Floor, 13, Sub. Major Laxmi Chand Rd,
Maruti Udyog, Sector 18,
Gurugram, Sarhol 122015, Haryana
**Website:** www.v2retail.com**;**
**Email:** cs@v2kart.com

**Company Secretary and Compliance Officer**
Shivam Agarwal
Khasra No. 928, Extended Lal Dora Abadi,
Village Kapashera, Tehsil -Vasant Vihar,
New Delhi 110 037

**Book Running Lead Manager**

**Motilal Oswal Investment Advisors Limited**
Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel St. Depot,
Prabhadevi Mumbai, 400025, Maharashtra, India

**Legal Counsel to the Issue**

**M/s. Crawford Bayley & Co.**
State Bank Buildings, 4th Floor
N.G.N. Vaidya Marg, Fort
Mumbai 400 023
Maharashtra, India

**International Legal Counsel to the Book Running Lead Manager With Respect To Selling And Transfer Restrictions**

**Hogan Lovells (Middle East) LLP**
19th Floor, Al Fattan Currency Tower
Dubai International Financial Centre
PO Box 506602
Dubai, UAE

**Advisors to the Company**
**Marathon Capital Advisory Private Limited**
307-308 A.C. Market
Tardeo Road, Tardeo
Mumbai – 400 034 Maharashtra, India

**Statutory Auditor of our Company**

**Singhi & Co**
**Chartered Accountants**
Unit No. 1704, 17th Floor, World Trade Tower, DND Flyway
Sector - 16, Noida 201 301
**(Firm Registration No.: 302049E)**

## SAMPLE APPLICATION FORM

*(Note: The format of the Application Form included herein below is for reference and for the purposes of compliance with applicable law only, and no Bids in this Issue should be made through the sample Application Form. The Company, in consultation with the BRLM, will identify Eligible QIBs and circulate serially numbered copies of the Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in this Issue should be made only upon receipt of serially numbered copies of the Preliminary Placement Document and the Application Form, and not on the basis of the indicative format below.)*

## APPLICATION FORM

| | |
|---|---|
| **V2 RETAIL LIMITED**<br><br>**Registered Office:** Khasra No. 928, Extended Lal Dora Abadi, Village Kapashera, Tehsil -Vasant Vihar, New Delhi 110 037<br><br>**Corporate Office:** 2nd Floor, 13, Sub. Major Laxmi Chand Rd, Maruti Udyog, Sector 18, Gurugram, Sarhol 122015, Haryana<br><br>**Contact Person: Shivam Agarwal, Company Secretary and Compliance Officer**<br>**Tel:** 011-41771850<br>**Email:** cs@v2kart.com<br>**Corporate Identity Number:** L74999DL2001PLC147724<br>**Website:** www.v2retail.com<br>**Company LEI Number:** 335800E2ZWVG3R4NJT44<br>**ISIN:** INE945H01013 | **APPLICATION FORM**<br><br>**Name of the Bidder: _____**<br><br>**Form No. _____**<br><br>**Date: _____** |

**QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKHS (THE "ISSUE") UNDER CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER EACH AS AMENDED, BY V2 RETAIL LIMITED (THE "COMPANY", "OUR COMPANY", "ISSUER") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 2,245.75 AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, IN TERMS OF REGULATION 176(1) OF THE SEBI ICDR REGULATIONS AND AS APPROVED BY ITS SHAREHOLDERS.**

**Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are, (a) not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) not restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws ("Eligible QIBs"), including foreign exchange related laws; (c) are eligible to invest in the Issue and (ii) are residents in India, or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Non-Debt Rules") or multilateral and bilateral development finance institutions; (d) hold a valid and existing registration under the applicable laws in India (as applicable); ( can submit this Application Form.**

**Further, except as provided in (ii) above, other non-resident QIBs, including foreign venture capital investors are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the state securities laws of any state of the United States and, unless so registered, may not be offered, sold or delivered within the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where such offers and sales are made. You should note and observe the solicitation and distribution restrictions contained in the sections entitled "*Selling Restrictions*" and**

**"*Purchaser Representations and Transfer Restrictions*" in the accompanying preliminary placement document dated October 30, 2025 (the "PPD")**

**ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES"). ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE AS PRESCRIBED UNDER THE FEMA RULES. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.**

**To,**
**The Board of Directors**
**V2 Retail Limited**

Khasra No. 928, Extended Lal Dora Abadi, Village Kapashera, Tehsil -Vasant Vihar,
New Delhi 110 037

**Dear Sirs / Madams,**

| **STATUS** (Please ✓) | | | |
|---|---|---|---|
| **FI** | Scheduled Commercial Banks & Financial Institutions | **AIF** | Alternative Investment Fund* |
| **MF** | Mutual Funds | **NIF** | National Investment Fund |
| **FPI**** | Eligible Foreign Portfolio Investors** | **IF** | Insurance Funds |
| **VCF*** | Venture Capital Funds* | **SI-NBFC** | Systemically Important Non-Banking Financial Companies |
| **IC** | Insurance Companies | **OTH** | Others (Please Specify) |

*Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD*
**Sponsor and Manager should be Indian owned and controlled.*
***Foreign portfolio investors as defined under the Securities Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

On the basis of the serially numbered PPD of the Company, and subject to the terms and conditions contained therein and in this section of Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares at the terms and price indicated below. We confirm that we are an eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not (i) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, (ii) hold a valid and existing registration under the applicable laws in India (as applicable) and (iii) restricted from participating in the Issue under the applicable laws, including the SEBI ICDR Regulations and other applicable laws. We are not a Promoter (as defined in SEBI ICDR Regulations) of the Company, or any person related to the Promoter, directly or indirectly, and this Application Form does not directly or indirectly represent the Promoter or Promoter Group, or persons related to the Promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with with promoter or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules, or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Non-Debt Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue

We confirm that the Bid size / aggregate number of Equity Shares applied for by us, and which may be Allocated to us thereon, does not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**SEBI Takeover Regulations**"). We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity

Shares that are Allotted to us, if applicable, in accordance with Chapter VI of the SEBI ICDR Regulations, and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that each foreign portfolio investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (such foreign portfolio investor, an "**FPI**") (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form and asset management companies of mutual funds would have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares which may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals. We note that the Company, in consultation with Motilal Oswal Investment Advisors Limited, the Book Running Lead Manager (the "**BRLM**"), are entitled, in their absolute discretion to accept or reject this Application Form without assigning any reason thereof. We hereby accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note ("**CAN**") issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We agree and consent that: (i) our names, address, PAN, contact details, bank details, email-id, and the number of Equity Shares Allotted along with other relevant information as may be required will be recorded by the Company in the format prescribed in terms of the PAS Rules, (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our name will be included in the Placement Document as proposed allottees along with the percentage of our post issue shareholding in the Company, for which purpose the Book Running Lead Manager has relied on the information provided by the registrar for obtaining details of our shareholding, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Manager; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Delhi and Haryana at Delhi, as required in terms of the PAS Rules. We are also aware that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, the Company shall be required to disclose our name, along with the name of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the website of the BSE Limited and the National Stock Exchange of India (together, the "Stock Exchanges"), and we consent to such disclosure. Further, we agree to comply with the rules and regulations that are applicable to us, including restriction on transferability and lock-in requirements. In this regard, we authorise the Company to issue instructions to the depositories for such restriction on transferability and lock-in requirements, as may be applicable to us. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and / or submitting this Application Form, we hereby confirm and agree (i) that the representations, warranties, acknowledgements and agreements as provided in "***Notice to Investors***", "***Representations by Investors***", "***Issue Procedure***", "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***" of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Book Running Lead Manager for the Issue, each of which is entitled to rely and are relying on these representations and warranties in consummating the Issue, (ii) that we have been provided a serially numbered copy of the PPD along with the Application Form, and have read it in its entirety including in particular, the "***Risk Factors***" therein, (iii) to abide by the PPD and the Placement Document, when issued, this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein, (iv) that if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body or family office, (v) that the Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the Book Running Lead Manager, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part, (vi) that we shall not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until the receipt of final listing and trading approvals for the Equity Shares issued by the BSE and the NSE; and (vii) that we, together with other persons that belong to our same group or are

under common control, have not applied for more than 50% of the Issue and that the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation: the expression: Eligible QIBs belonging to the "same group" shall derive meaning from Regulation 180 (2) of the SEBI ICDR Regulations and mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations. (viii) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; and (ix) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By making this application, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. We further represent that in making our investment decision, we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Book Running Lead Manager or from any other source, including publicly available information. We satisfy any and all relevant suitability standards for investors in the Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in the Equity Shares, and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. **By signing this Application Form and checking the applicable box above, we hereby represent, warrant, acknowledge and agree that we are located outside the United States and purchasing the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made.** We confirm that we have read and agree with the representations, warranties and agreements contained in the sections entitled "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***" of the PPD

| **BIDDER DETAILS (in block letters)** | | | |
|---|---|---|---|
| **NAME OF BIDDER*** | | | |
| **NATIONALITY** | | | |
| **REGISTERED ADDRESS** | | | |
| **CITY AND CODE** | | | |
| **COUNTRY** | | | |
| **PHONE NO.** | | **FAX NO.** | |
| **MOBILE NO.** | | | |
| **EMAIL ID** | | | |
| **FOR ELIGIBLE FPIs**** | **Registration Number:** | **For AIFs***/MIFs/VCFs***/SI-NBFCs/ICs** | **Registration Number:** |

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the Book Running Lead Manager.*

***In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

****Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Book Running Lead Manager will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

| **ESCROW ACCOUNT – BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT – REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER** | |
|---|---|
| **BY 3.00 pm (IST), [●], 2025** | |
| **Name of the Account** | V2 Retail Limited QIP Escrow Account |
| **Name of Bank** | Axis Bank Limited |
| **Address of the Branch of the Bank** | Axis Bank Limited, MWBC Delhi, 3rd Floor, Plot No. 25, Pusa Road, New Delhi-110 005 |
| **Account Type** | Current Account: CAIPC |
| **Account Number** | 925020048029722 |
| **IFSC Code** | UTIB0001609 |
| **Tel No.** | 011-47396637 |
| **E-mail** | cbbnewdelhi.operationshead@axisbank.com |
| **Legal Entity Identifier Code** | 335800E2ZWVG3R4NJT44 |

The Bid Amount should be transferred pursuant to the PPD and the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "**[●]**" Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bidding Period i.e., within the Issue Closing Date. The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

| **DEPOSITORY ACCOUNT DETAILS** | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Depository Name (Please ✓)** | National Securities Depository Limited | | | | | | | | | Central Depository Services (India) Limited | | | | | | | | | | | | | | | | |
| **Depository Participant Name** | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **DP-ID** | I | N | | | | | | | | | | | | | | | | | | | | | | | | |
| **Beneficiary Account Number** | | | | | | | | | | *(16 digit beneficiary account no to be mentioned above)* | | | | | | | | | | | | | | | | |

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in the Issue, will be considered. The Bidders are responsible for the accuracy of the bank details mentioned below and are also aware that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank details provided by them. The Company and the Book Running Lead Manager shall not be liable in any manner for refunds that are not processed due to incorrect bank details.

| **RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)** | | | |
|---|---|---|---|
| Bank Account Number | | IFSC Code | |
| Bank Name | | Bank Branch Address | |
| **NO. OF EQUITY SHARES BID FOR** | | **PRICE PER EQUITY SHARE (RUPEES)** | |
| *(in figures)* | *(in words)* | *(in figures)* | *(in words)* |
| | | | |
| **BID AMOUNT (RUPEES)** | | | |
| *(in figures)* | *(in words)* | | |
| | | | |

| **DETAILS OF CONTACT PERSON** | | | |
|---|---|---|---|
| **NAME** | | | |
| **ADDRESS** | | | |
| **MOB. NO. / TEL NO.** | | **FAX NO.** | |
| **EMAIL** | | | |

| OTHER DETAILS | | | ENCLOSURES ATTACHED |
|---|---|---|---|
| **PAN**** | | | Attested / certified true copy of the following:<br><br>o Copy of PAN Card or PAN allotment letter<br>o Copy of FPI / MF / AIF / VCF Registration Certificate from SEBI<br>o Certified copy of the certificate of registration issued by RBI as an SI-NBFC / a Scheduled Commercial Bank<br>o FIRC<br>o Copy of notification as a public financial institution<br>o Copy of IRDAI registration certificate<br>o Certified true copy of Power of Attorney<br>o Other, please specify: _____ |
| Date of Application | | | |
| Signature of Authorised Signatory (may be signed either physically or digitally) * | | | |

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

***It is to be specifically noted that the Bidder should not submit the GIR number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

**Notes:**

1. Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document, unless specifically defined herein.

2. The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company and the Book Running Lead Manager.

3. The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.

The Application Form, the PPD and this Placement Document sent to you, either in physical or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.