## Review of Financial Result Q1 - Mar'15

## Financial Review

## Disclaimer

This investor presentation has been prepared by V-Mart Retail Limited ("V-Mart") and does not constitute a prospectus or placement memorandum or an offer to acquire any securities. This presentation or any other documentation or information (or any part thereof) delivered or supplied should not be deemed to constitute an offer.

No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements", including those relating to the general business plans and strategy of V-Mart, its future financial condition and growth prospects, future developments in its industry and its competitive and regulatory environment, and statements which contain words or phrases such as 'will', 'expected to', 'horizons of growth', 'strong growth prospects', etc., or similar expressions or variations of such expressions. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to risks with respect to its hair care, its healthcare business and its skin care business.

V-Mart may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation cannot be copied and disseminated in any manner.

No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of V-Mart. This presentation is strictly confidential.

## Key highlights of Apr-June FY15 vs FY14 results

- Number of Stores has increased to 93 from 76 yoy. The company is on track for meeting its commitments to its investors of opening 25 stores during the current financial year.
- Revenue growth is 40\%, yoy with Same Store Sales growth (fashion) of 9\% and Same Store Volume Growth of 4\%. Average selling price has improved by 7\%.
- Sales per sq foot (per month) has improved to Rs. 794 from Rs. 734 with a growth of 8\%.
- Contribution of Fashion segment to total revenues has expanded to $90 \%$, whereas that of kirana has reduced to $10 \%$.
- Gross Profit has improved by 36\%.
- Net profit has improved by $26 \%$.


## Financial Parameters - Apr-June FY15 vs FY14

Sales (Millions)


EBITDA (Millions)

Sales Mix (\%)


PAT (Millions)

"Price Less"Fashion",

## Operational Parameters - Apr-June FY15 vs FY14




## Key Parameters - Apr-June FY15 vs FY14

Expenses (\% of Sales)
■ Apr-Jun Mar'14
Apr-Jun Mar'15



Retail Space (Sq feet lakhs)


Shrinkage


## Financial Review - Profit \& Loss Statement

| Particulars | Quarter ended on |  | Changes \% |
| :---: | :---: | :---: | :---: |
|  | 30.06.2014 | 30.06.2013 |  |
|  | (Unaudited) | (Unaudited) |  |
| Part I |  |  |  |
| 1. Income from operations |  |  |  |
| (a) Net sales/ Income from operations | 16,478.04 | 11,799.95 |  |
| (b) Other operating income | 25.71 | 30.76 |  |
| Total income from operations (net) | 16,503.75 | 11,830.71 | 39.50\% |
| 2. Total expenses | 15,138.43 | 10,667.99 |  |
| 3. Profit from operations before other income, finance costs and prior period items (1-2) | 1,365.32 | 1,162.72 |  |
| 4. Other income | 133.89 | 19.58 |  |
| 5. Profit from ordinary activities before finance costs and prior period items (3+4) | 1,499.21 | 1,182.30 | 26.80\% |
| 6. Finance costs | 143.17 | 106.31 |  |
| 7. Profit from ordinary activities before tax and prior period items (5-6) | 1,356.04 | 1,075.99 |  |
| 8. Prior period items - Income/(Expense) | (16.49) | - |  |
| 9. Net profit before tax ( $7+8$ ) | 1,339.55 | 1,075.99 |  |
| 10. Tax expense | 436.58 | 360.92 |  |
| 11. Net profit for the period (9-10) | 902.97 | 715.07 | 26.28\% |
| 12. Paid up equity share capital (Face value of Rs. 10 per share) | 1,795.88 | 1,795.88 |  |
| 13. Reserves excluding revaluation reserves | - | - |  |
| 14. Earnings per share (of Rs. 10 each) (not annualised) |  |  |  |
| (a) Basic | 5.03 | 3.98 |  |
| (b) Diluted | 5.03 | 3.98 |  |

## Financial Review - Balance Sheet and CFS

| V-Mart Retail Limited |  |  |  |
| :---: | :---: | :---: | :---: |
| Balance Sheet as at 30 June 2014 |  |  |  |
|  | Notes | As at 30 June 2014 (Rs.) | As at 31 March 2014 (Rs.) |
| EQUITY AND LIABILITIES |  |  |  |
| Shareholder's funds |  |  |  |
| Share capital | 5 | 179,587,780 | 179,587,780 |
| Reserves and surplus | 6 | 1,610,493,842 | 1,521,976,145 |
|  |  | 1,790,081,622 | 1,701,563,925 |
| Non-current liabilities |  |  |  |
| Long-term borrowings | 7 | 1,104,442 | 1,744,148 |
| Long term provisions | 8 | 12,035,473 | 11,721,775 |
| Other non-current liabilities | 9 | 26,906,917 | 19,164,841 |
|  |  | 40,046,832 | 32,630,764 |
| Current liabilities |  |  |  |
| Short-term borrowings | 10 | 403,729,611 | 433,425,221 |
| Trade payables |  | 446,828,154 | 640,944,923 |
| Other current liabilities | 11 | 114,244,513 | 84,278,986 |
| Short-term provisions | 12 | 77,354,453 | 43,204,453 |
|  |  | 1,042,156,731 | 1,201,853,583 |
|  |  | 2,872,285,185 | 2,936,048,272 |
| ASSETS |  |  |  |
| Non-current assets |  |  |  |
| Fixed assets |  |  |  |
| Tangible assets | 13 | 698,352,696 | 691,056,329 |
| Intangible assets | 14 | 8,761,361 | 8,566,396 |
| Capital work-in-progress |  | 10,345,644 | 10,074,606 |
| Non-current investments | 15 | 50,000,000 | 150,000,000 |
| Deferred tax assets | 16 | 35,572,272 | 21,664,408 |
| Long term loans and advances | 17 | 139,877,255 | 127,887,107 |
| Other non-current assets | 18 | 716,813 | 716,813 |
|  |  | 943,626,041 | 1,009,965,659 |
| Current assets |  |  |  |
| Current investments | 19 | 211,507,650 | 192,392,977 |
| Inventories | 20 | 1,638,187,513 | 1,676,974,385 |
| Cash and bank balances | 21 | 27,201,541 | 23,229,359 |
| Short-term loans and advances | 22 | 51,534,355 | 33,293,481 |
| Other current assets | 23 | 228,085 | 192,411 |
|  |  | 1,928,659,144 | 1,926,082,613 |
|  |  | 2,872,285,185 | 2,936,048,272 |


| V-Mart Retail Limited Cash Flow Statement for the Quarter ended 30 June 2014 |  |  |
| :---: | :---: | :---: |
|  |  |  |
|  | $\begin{aligned} & \text { For the year ended } \\ & 30 \text { June } 2014 \\ & \text { (Rs.) } \end{aligned}$ | $\begin{gathered} \text { For the year } \\ \text { 31 March } 2014 \\ \text { (Rs.) } \end{gathered}$ |
| A. Cash flows from operating activities |  |  |
| Net profit before tax | 133,953,999 | 378,228,266 |
| Adjustment for: |  |  |
| Depreciation and amortization | 50,160,542 | $108,943,695$ $92,883,642$ |
| Stock writen off ${ }_{\text {Less }}$ | 24,718,375 | 92,883,642 |
| Pros on sale of fixec assects of investments | (13,287,159) |  |
| Loss on revaluation of current investments |  | 2,387,349 |
| Fixed assets writen off |  | 863,695 |
| Loss from theft | 9,500 | 259,000 |
| Provision for employee benefits | 313,698 | - |
| Provision for doubtful advances |  |  |
| Balances written off | 981,831 | - |
| Dividend income | - | (1,703,498) |
| Interest income |  | (723,587) |
| Liabilitics writen (back)//off |  | (294,095) |
| Interest expense | 7,821,243 | 37,056,464 |
| Prior period income |  |  |
|  |  |  |
|  |  |  |
| Increase in trade payables | (194,116,769) | 268,825,040 |
| Increase/(decrease) in other current liabilitics | 37,815,895 | 36,863,309 |
| (Increase)/dccrease in trade receivables |  |  |
| Increase in inventorics Increasce in long-term loans and advances | 14,058,996 | (662,611,299) |
| Increasc in long-term loans and advances (Increase/decreasc in short-term loans and advances | $\underset{(18,240,874)}{(7,887,040)}$ | $(42,601,988$ <br> $11,031,100$ |
| decrease/(Increasc) in other current assets | $(35,674)$ | - |
| decrease/(Increase) in other non-current assets |  |  |
| Cash generated from operations | 36,266,563 | 230,207,332 |
| Taxes paid | (22,500,000) | (120,000,000) |
| Net cash flow from operating activities | 13,766,563 | 110,207,332 |
| B. Cash flows used in investing activities |  |  |
| Purchase of fixed assets, including intangible assets, capital work in progress and capital advance | (65,702,015) | (333,014,817) |
| Purchase of investments | (261,507,650) | (344,780,327) |
| Proceeds from sale of investments | 342,392,977 | 406,396,776 |
| Dividend income |  | 1,703,498 |
| Proceeds from sale of fixed assets |  | 1,140,162 |
| Interest received |  | 929,941 |
| Profit on salc of investments | 13,287,159 |  |
| Redemption of/(investment in) bank deposits (having original maturity of more than three mor | (586,083) | 176,076 |
| Dccrease in pledged fixed deposits | 520,274 | (3,199,092) |
| Net cash flow used in investing activities | 28,404,662 | $(270,647,783)$ |
| C. Cash flows from/(used in) financing activities |  |  |
| Repayment of long term borrowings | ( 47,998$)$ | (19,950,436) |
| (Repayments of)/proceeds from short term borrowings (net) | (29,695,610) | 103,384,708 |
| Equity dividend paid |  | (17,958,778) |
| Corporate dividend tax paid |  | (3,052,095) |
| Finance charges | (7,821,243) | (39,015,337) |
| Net cash flow from/(used in) financing activities | $(38,264,851)$ | 23,408,062 |
| Net increase/(decrease) in cash and cash equivalents | 3,906,374 | (137,032,389) |
| Cont'd |  |  |
| Net increase/(decrease) in cash and cash equivalents |  |  |
| Cash hnd cash cquivilents at the begining of the yearCash and cash cquivalents at the end of the year | ${ }^{16,389,480}$ | 153,421,870 |
|  | 20,295,854 | 16,389,481 |
|  | 3,906,374 | (137,032,389) |

## Financial Review - Utilization of IPO Funds

Means of finance for the objects of Initial Public Offering (IPO) are as under:

| Particulars | (Rs. in lacs) |
| :--- | ---: |
| Proceeds from the fresh issue | $5,798.10$ |
| Proceeds from Pre-IPO placement | $2,625.00$ |
| Internal accruals | 717.60 |
|  | $\mathbf{9 , 1 4 0 . 7 0}$ |


| The utilization of the aforementioned means of finance as on 30 June 2014 is as under: |  |  |  | (Rs. in lacs) |
| :---: | :---: | :---: | :---: | :---: |
| Particulars | Utilization planned as per prospectus | Utilization of IPO proceeds as on 30 June 2014 | Adjustments (utilization of surplus towards other objects) | Balance amount to be utilized as on 30 June 2014 |
| To open new stores | 6,970.40 | $(4,557.60)$ | 6.60 | 2,419.40 |
| Expansion of distribution centre | 438.70 | (208.70) | - | 230.00 |
| Working capital | 1,000.00 | (1,000.00) | - | - |
| Share issue expenses | 731.60 | (725.00) | (6.60)* | - |
|  | 9,140.70 | $(6,491.30)$ | - | 2,649.40 |

Status of balance IPO proceeds as on 30 June 2014 is as under:

| Particulars | (Rs.in lacs) |
| :--- | ---: |
| Balance unutilized amount | $2,649.40$ |
| Temporary utilized as below: | $2,615.08$ |
| Mutual funds | 34.32 |
| Cash credit account |  |

- Surplus available after actual expenses incurred will be utilized towards other objects of the issue.


## V-MART RETALL LTD.

## NEW STORES OPENING AND PROMOTIONS Q1 - Mar'15


"Price Less" Fashion",

## EXISTING STORES - Statewise Distribution

| States | Store Count <br> $\left(30^{\text {th }}\right.$ June 2014) |
| :--- | :---: |
| Delhi | 03 |
| Uttar Pradesh | 46 |
| Gujarat | 07 |
| Bihar | 17 |
| Punjab | 04 |
| Madhya Pradesh | 04 |
| Rajasthan | 04 |
| Haryana | 01 |
| Chandigarh | 01 |
| Jammu and Kashmir | 01 |
| Uttrakhand | 03 |
| Jharkhand | 04 |
| Total | 93 |

New Stores
A.


|  | Store Name | Date of <br> Opening | Retail Space <br> (Sq ft) |
| :---: | :---: | :---: | :---: |
| A. | Banda | 20.04 .14 | 7848 |
| B. | Kashipur | 01.05 .14 | 7272 |
| C. | Patna City | 06.06 .14 | 9000 |

B.

C.

"Price Less" Fashion",


## PROMOTIONS - CAMPAIGNS

| S. No | Campaign | Launch |  |
| :---: | :---: | :---: | :---: |
| 1 | Kids Summer Carnival | May 2014 | Location |
| 2 | Shubh Vivah Collection | May 2014 | All India |
| 3 | Jeans Festival | June 2014 | All India |
| 4 | Cool Summer | June 2014 | All India |
|  |  | All India |  |

## PROMOTIONS - KIDS SUMMER COLLECTION


"Price Less"Fashion",

## PROMOTIONS - SHUBH VIVAH COLLECTION


"Price Less" Fashion",

## PROMOTIONS - JEANS FESTIVAL



रायबरेली: 283, कचहरी रोड, ICICI Bank, के सामने


अबममेः नया ब्लार, गोल प्बाऊ के निकट (उसयुट, कोटा, और नागोर में मी)


"Price Less" Fashion",

## PROMOTIONS - COOL SUMMER


"Price Less" Fashion",

## Financial Review

## Thank you

In case of any querries pls contact the IR Team:
Deepak Sharma - D.Sharma@vmart.co.in
Girish Kumar - Girish@vmart.co.in Mobile - +919310799993

