



# ALIGNED WITH CUSTOMERS, PREPARED FOR GROWTH

V-MART RETAIL LIMITED | ANNUAL REPORT 2016-17

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Mr. Lalit Kumar,  
Chairman and Managing  
Director, speaks on our  
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Our Directors' Report about the Company







## ADDRESSING THE OTHER INDIA

**The** financial year 2016-17 was one of the most challenging for retail-driven Indian companies.


**The** year was marked largely by the nervousness arising from India's landmark currency demonetization.

**Most** people struggled with inadequate currency. Buyers deferred purchases. Retail offtake was affected.

**And yet,** V-Mart reported one of its best years in existence in 2016-17.

**The** Company reported profitable growth – revenues increased 24 per cent; profit after tax strengthened 43 per cent.

**Validating** its long-standing focus in extending the benefits of organized retail to a non-metro India, under-consumed India and aspiring India.

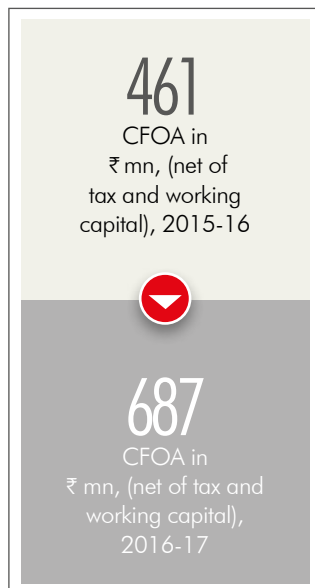






**FOR A TRUE PICTURE OF OUR  
COMPETITIVENESS, WE INVITE  
READERS TO EXTEND BEYOND  
OUR TOPLINE AND BOTTOMLINE.**

## CFOA



This increase was in the face of economic sluggishness and margins declining all across in the country's consumer retail sector

## FREE CASH FLOWS



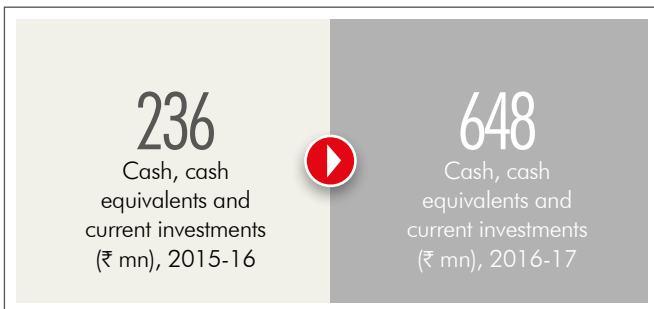
This increase testifies to the fact that even in a cash-intensive business, the company generated more cash than ever

## INVENTORY TURNS



At a time when consumer retail sentiment was considerably affected, the company accelerated offtake

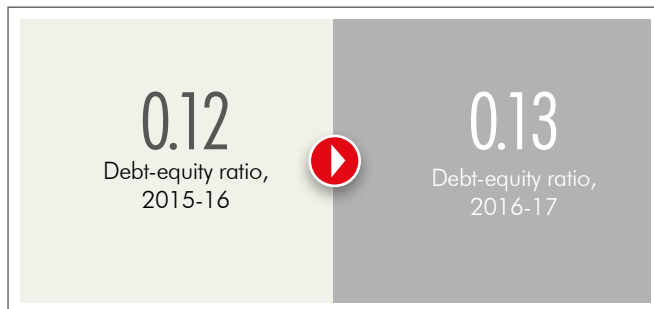
## AGGREGATE VALUE



This substantial growth provides the company with resources to drive growth faster than ever, accelerating the virtuous cycle



## GEARING



In a business that warrants resources to build stocks and widen store rollout, the company remained virtually debt-free even in a particularly challenging year

# THE HEALTH OF OUR BUSINESS

106

Presence in Indian cities and town as on 31 March 2016



121

Presence in Indian cities and town as on 31 March 2017

10.14

Total retail space (lakh sq ft.), 2015-16



11.95

Total retail space (lakh sq ft.), 2016-17



20

Total footfalls (in million), 2015-16



25

Total footfalls (in million), 2016-17

64

Conversion rate (%), 2015-16



60

Conversion rate (%), 2016-17



195

Average selling price (₹), 2015-16



208

Average selling price (₹), 2016-17

663

Transaction size (₹), 2015-16



713

Transaction size (₹), 2016-17



0.4

Same store sales  
growth (apparel)  
%, 2015-16



13.3

Same store sales  
growth (apparel) %, 2016-17



756

Revenue per  
square feet  
(average in ₹),  
2015-16



799

Revenue per square  
feet (average in ₹),  
2016-17

88

Inventory (Days of  
Sales) , 2015-16



86

Inventory (Days of  
Sales), 2016-17



1.9

Shrinkage (% of  
sales), 2015-16



1.4

Shrinkage (% of  
sales), 2016-17



124

Working Capital  
cycle (COGS  
basis), 2015-16



123

Working capital cycle  
(COGS basis), 2016-17

4254

Total workforce  
as on 31st March  
2016



4967

Total workforce as on  
31st March 2017

## GROWING URBAN AND SEMI-URBAN PRESENCE

Cities	FY 2016-17			
	Number of Stores	Sales per square feet (per annum)	Growth from FY 2015-16 (%)	
			Store	Sales per sq. ft.
Metro and Tier-I	19	763	6	10
Tier-II	40	750	10	9
Tier-III	82	834	16	2



## PRODUCT-WISE GROWTH

Year	Fashion		Kirana	
	Revenue (in million)	% of revenue	Revenue (in million)	% of revenue
2011-12	2,133	76	677	24
2012-13	3,093	81	738	19
2013-14	5,043	88	698	12
2014-15	6557	91	648	9
2015-16	7454	92	640	8
2016-17	9323	93	694	7

## WHAT WE MARKET IN OUR STORES

### KIRANA BAZAR

### FASHION

- Apparels - Men's, Women's, Boys', Girls', Toddler's, Accessories
- General Merchandise - Footwear, Home furnishings, Kitchenware, Toys and games, Bags and luggage and Crockery

### KIRANA BAZAR

- FMCG products
- Packaged food items
- Beauty and personal - care
- Home care
- Staple products