



**It's all
about
creating
value**

‘The world’s best-performing department store, 2017-18’

as per data compiled by Bloomberg.

 -<https://www.bloomberg.com/news/articles/2018-04-13/world-s-best-performing-department-store-this-year-is-in-india>

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Financial statements

It's all about creating value

2017-18 was a challenging year for the Indian retail sector.

The lingering impact of demonetisation and GST implementation affected cash flows – and consumer sentiment at a national level.

These realities notwithstanding, the Company reported stellar profitable growth – revenues increased by 22% while profit after tax strengthened by 77%.

This transpired because of a long-standing focus: a clarity on value-creation.

Across every initiative. Every location. Every store. Every customer. Every vendor. Every employee. Every stakeholder. *Every transaction.*

About us

Values

We believe what we do is derived from what we are.

Vision

Create value and make our ecosystem proud.

Mission

Care for customer aspirations, discover and nurture talent, and create sustained ethical growth for stakeholders and harness vendor relationships.

Background

V-Mart was one of the first consumer retail enterprises to cater to the growing needs of India's middle-class youth - in the heartlands of India. Over the past decade, the Company has gradually transformed itself into a one-stop shop for 'affordable fashion' in geographic pockets largely overlooked by India's retail revolution.

Businesses

V-Mart addresses the growing needs of the large consuming and aspiring middle-class of India.

- Fashion (apparel, non-apparel and home mart):

94 per cent of revenues, 2017-18

- Kirana bazaar (FMCG and packaged staple food): *6 per cent of revenues, 2017-18*

These business segments underline the basic needs of India's millions - to look good and eat well.

Locations

V-Mart is addressing the growth in consumer aspirations beyond metro and Tier-1 cities. The company widened its presence across India's Tier-II, III and IV centres. At the end of FY2017-18, V-Mart had 22 stores in metros and Tier-I cities, 44 stores in Tier-II cities and

105 stores in Tier-III and IV cities across 14 states and Union Territories. The proportion of revenues derived by the company from non-metro locations was a sizable 86 per cent in 2017-18.

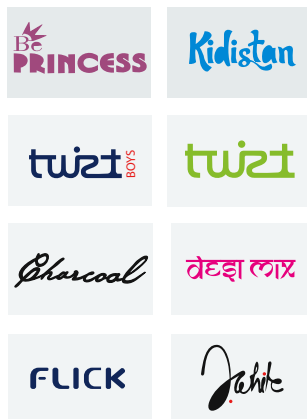
Listing and market capitalisation

The Company's shares are actively traded on the NSE and the BSE. V-Mart enjoyed a market capitalisation of ₹34,654 million as on March 31, 2018.

Shareholding pattern

As of March 31, 2018, 54 per cent of the company's shares were held by the promoter group. Foreign Portfolio Investors (FPIs) held 31 per cent and mutual funds held 3 per cent of the shares. The rest were held by individual investors.

Few major private labels



OVER THE PAST DECADE, THE COMPANY HAS EVOLVED AS A ONE-STOP SHOP FOR 'AFFORDABLE FASHION' IN GEOGRAPHIC POCKETS LARGELY OVERLOOKED BY INDIA'S RETAIL REVOLUTION.

Stores in metros & Tier-I

22

Stores in Tier-II cities

44

Stores in Tier-III & IV

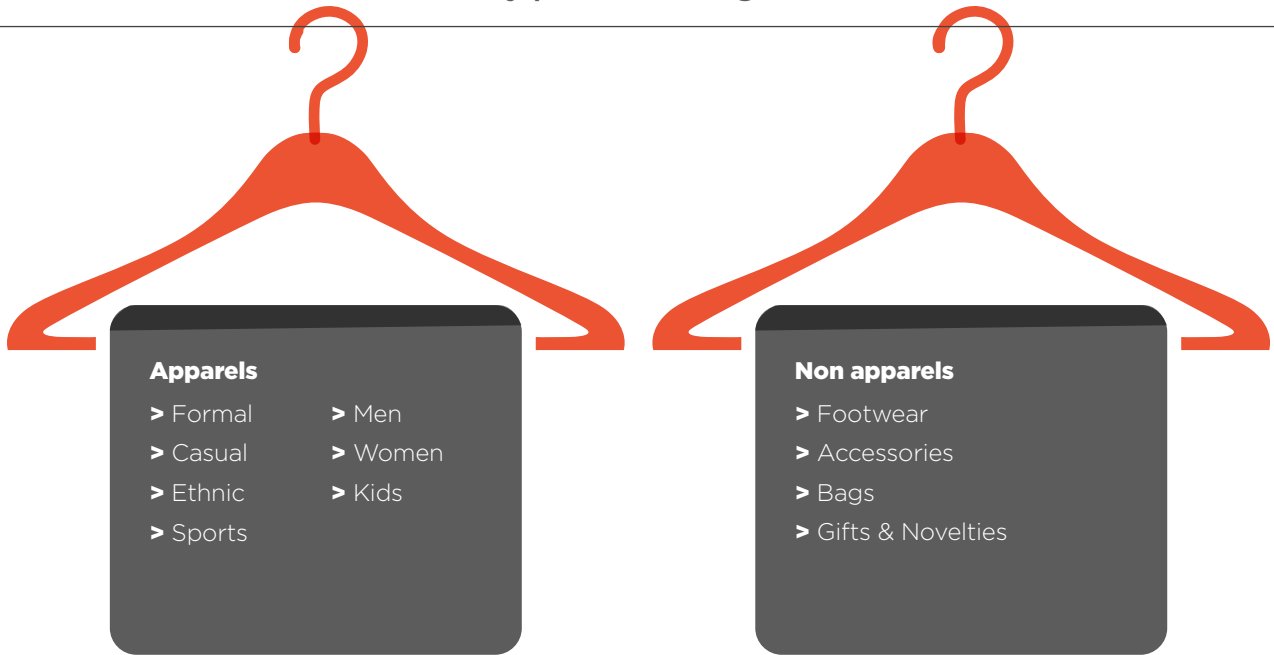
105

Fashion revenues

94%



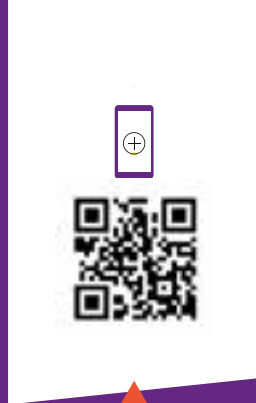
Key product categories



Growing presence

Cities

| | No. of stores | |
|------------------|---------------|----------|
| | FY 17-18 | FY 16-17 |
| Metro and Tier-I | 22 | 19 |
| Tier II | 44 | 40 |
| Tier III | 87 | 79 |
| Tier IV | 18 | 3 |



2017-18 Big Numbers

revenues **increased**

22% to **12,224** ₹ million

EBIDTA* **strengthened**

54% to **1,369** ₹ million

* EBIDTA includes other income

EBIDTA margin **increased**

8.5% to **10.8%**

Return on capital employed **increased**

29% to **35%**

Return on equity **increased**

16% to **22%**

Interest coverage ratio **increased**

20 to **75** times



Creating Value

| | | |
|--|-----------------|-----------------|
| Total stores ↑ 21% | 2016-17 141 | 2017-18 171 |
| Total retail space (million feet) ↑ 20% | 2016-17 1.2 | 2017-18 1.4 |
| Footfalls in million ↑ 23% | 2016-17 25 | 2017-18 30 |
| Average revenue per square feet (₹) ↑ 3% | 2016-17 799 | 2017-18 823 |
| Average transaction size (₹) ↑ 5% | 2016-17 713 | 2017-18 750 |
| Private label revenues as % of overall revenues ↑ 145% | 2016-17 20 | 2017-18 49 |
| Average revenue per employee (₹ million) ↑ 4% | 2016-17 2.18 | 2017-18 2.26 |
| Days of inventory (sales) | 2016-17 86 | 2017-18 86 |

Milestones

2002

- Incorporated as Varin Commercial Private Limited



2004

- Launched store in New Delhi



2006

- Renamed as V-Mart Retail Private Limited
- Crossed aggregate retail space of 1,00,000 square feet

2008

- Converted from a private limited to public limited company
- Secured private equity funding from Naman Finance (Aditya Birla Group) and DB Corp Limited



2011

- Crossed ₹2,000 million in turnover
- Declared a dividend of 4 per cent



2016

- Ventured into West Bengal and Odisha
- Opened 17 new stores
- Integrated vendor portal and advanced warehouse management system

2017

- Crossed ₹1,000 crore in revenues
- Received short-term rating of A1+ from ICRA

