



V2 RETAIL LIMITED

Annual Report 2015-16

BOARD OF DIRECTORS

| | | |
|---------------------------|---|------------------------------|
| Mr. Ram Chandra Agarwal | : | Chairman & Managing Director |
| Mrs. Uma Agarwal | : | Executive Director |
| Mr. Sourabh Kumar | : | Independent Director |
| Mr. Rohit Singh Rautela | : | Independent Director |
| Mr. Ravinder Kumar Sharma | : | Independent Director |

CHIEF EXECUTIVE OFFICER

| | | |
|-------------------|---|-------------------------|
| Mr. Manshu Tandon | : | Chief Executive Officer |
|-------------------|---|-------------------------|

CHIEF FINANCIAL OFFICER

| | | |
|-----------------------|---|-------------------------|
| Mr. Varun Kumar Singh | : | Chief Financial Officer |
|-----------------------|---|-------------------------|

COMPANY SECRETARY & COMPLIANCE OFFICER

| | | |
|-----------------|---|---|
| Mr. Umesh Kumar | : | Company Secretary & Compliance Officer |
|-----------------|---|---|

STATUTORY AUDITORS

M/s. AKGVG & Associates, Chartered Accountants
307, Pearl Corporate, Mangalam Place,
Sector - 3, Rohini,
Delhi - 110085

REGISTERED & CORPORATE OFFICE

Khasra No. 928, Extended Lal Dora Abadi, Village - Kapashera, Tehsil -Vasant
Vihar, New Delhi 110 037

Website: www.v2retail.com,

E-mail: cs@vrl.net.in

CIN NO. : L74999DL2001PLC147724

Phone : (011) - 41771850

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup(W)
Mumbai - 400 018

Phone: (022) -25963838

Fax: (022)-25946969

Email: delhi@linkintime.co.in

CONTENTS**PAGE NO.**

| | |
|-------------------------------------|-------|
| AGM Notice | 1-16 |
| Directors' Report | 17-31 |
| Management Discussion & Analysis | 32-34 |
| Corporate Governance Report | 34-39 |
| Certificate on Corporate Governance | 40 |
| Auditor's Report | 41-45 |
| Balance Sheet of the Company | 46 |
| Statement of Profit & Loss | 47 |
| Cash Flow Statement | 48 |
| Significant Accounting Policies | 49-51 |
| Notes on Financial Statements | 52-65 |



V2 RETAIL LIMITED

Regd. Office: Khasra No. 928, Extended Lal Dora Abadi, Village- Kapashera, Tehsil Vasant Vihar, New Delhi South West Delhi – 110037, **Phone:** 011-41771850, **CIN -** L74999DL2001PLC147724, **E-mail:** cs@vrl.net.in, **Website:** www.v2retail.com

NOTICE

NOTICE IS HEREBY GIVEN THAT FIFTEENTH ANNUAL GENERAL MEETING OF THE V2 RETAIL LIMITED WILL BE HELD ON FRIDAY, 30TH SEPTEMBER, 2016 AT KHASRA NO. 1138, SHANI BAZAR CHOWK, RAJOKARI, NEW DELHI 110038 AT 10.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt the audited Financial Statement of the company for the financial year ended March 31, 2016 and the Reports of the Board of Directors' and the Auditors thereon.
2. To appoint a director in place of Smt. Uma Agarwal (DIN: 00495945), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for reappointment.

"RESOLVED THAT, pursuant to section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the approval of members of the Company be, and is hereby accorded to the re-appointment of Smt. Uma Agarwal (DIN: 00495945), as Director, to the extent that she is required to retire by rotation.

3. To appoint the Auditor of the company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution for appointment and fixation of the remuneration for the Statutory Auditors from the conclusion of this AGM until next AGM as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, and including any statutory modification(s) or re-enactment thereof for the time being in force, M/s. AKGVG & Associates, Chartered Accountants, Delhi (Firm Registration No. 018598N), be and are hereby appointed as the statutory auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration and reimbursement of out of pocket expenses, if any, as shall be fixed by the Audit Committee of the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, Mr. Lalan Yadav be and is hereby appointed as an Independent Director, not liable to retire by rotation with effect from 2nd September, 2016 and will hold office of Director for 5 (Five) consecutive years from the date of this Annual General Meeting."

5. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force and Articles of Association of the Company, consent of the Company be and is hereby given to the Board of Directors of the Company to borrow moneys whether rupee loans or foreign currency loans or other external commercial borrowings, from time to time, at their discretion together with the moneys to be borrowed/already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) either from the Company's Bankers and/or any one or more persons or Financial Institutions or from any other sources on such terms and conditions as may be considered suitable by the Board of Directors upto a limit of Rs. 500 Crore (Rupees Five Hundred Crore only) in excess of the aggregate of the paid-up-capital of the Company and its free reserves.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

6. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Memorandum and Articles of Association of the Company and Sections 196, 197 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) ("the Act") and rules made there under and subject to the approval of Central Government, if necessary, and such other approvals as may be required, the consent of the Company, be and is hereby accorded to the payment of remuneration to Mr. Ram Chandra Agarwal (DIN: 00491885), as Managing Director of the Company, on terms and conditions, as set out hereunder and as approved by the Board of Directors of the Company:

Basic Salary: Rs. 5,00,000/- per month, to be paid on monthly basis.

Provident Fund: As per rules of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Ram Chandra Agarwal (DIN: 00491885), the above mentioned remuneration be paid to Mr. Ram Chandra Agarwal (DIN: 00491885), as minimum remuneration, subject to the approval of Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration

within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act, 2013 or schedule appended thereto and settle any question or difficulty in connection therewith and incidental thereto.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to inform all concerned of the aforesaid remuneration, and to present/file necessary intimation, application, notice, papers, forms, or any other document/deeds etc. before the Competent Authorities, if required, in such form and manner as may be required or necessary and also to do all such acts, deeds, things and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors to be in the best interest of the Company, as it may deem fit.”

7. **To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Memorandum and Articles of Association of the Company and Sections 196, 197 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”) and rules made there under and subject to the approval of Central Government, if necessary, and such other approvals as may be required, the consent of the Company, be and is hereby accorded to the payment of remuneration to Mrs. Uma Agarwal (DIN: 00495945), as Whole-time Director of the Company, on terms and conditions, as set out hereunder and as approved by the Board of Directors of the Company:

Basic Salary: Rs. 5,00,000/- per month, to be paid on monthly basis.

Provident Fund: As per rules of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mrs. Uma Agarwal (DIN: 00495945), the above mentioned remuneration be paid to Mrs. Uma Agarwal (DIN: 00495945), as minimum remuneration, subject to the approval of Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act, 2013 or schedule appended thereto and settle any question or difficulty in connection therewith and incidental thereto.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to inform all concerned of the aforesaid remuneration, and to present/file necessary intimation, application, notice, papers, forms, or any other document/deeds etc. before the Competent Authorities, if required, in such form and manner as may be required or necessary and also to do all such acts, deeds, things and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors to be in the best interest of the Company, as it may deem fit.”

8. **Approval of V2R-Employee Stock Option Scheme 2016 ('ESOP 2016') and grant of options to the eligible employee of the company under the Scheme. To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other provisions if any, of the Companies Act 2013(including any modification or re-enactment thereof for the time being in force) and the rules made there under, and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement with the Stock Exchanges in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 (hereinafter referred to as “SEBI SBEB Regulations”) and any other prescribed rules, regulations/guidelines of Securities and Exchange Board of India (“SEBI”) or any other relevant authority, from time to time to the extent applicable and subject to such other approvals, permissions, consents and sanctions of any authorities as may be necessary, and subject to any such conditions or modifications as may be prescribed or imposed by such authorities while granting such approvals, consents, permissions and sanctions which may be agreed by the board of directors of the company (herein referred to as the “Board” which term shall be deemed to include “Nomination and Remuneration Committee” or any “Sub- Committee(s)” thereof, constituted or to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) the approval of the shareholders be and is hereby accorded to the Board to introduce, offer issue and allot stock options under V2R - Employee Stock Option Scheme 2016(“ESOP 2016”) in one or more tranches and to grant such options, to such person(s) who are in the permanent employment of the Company (Present or Future) whether working in India or out of India, and to the Directors of the Company, whether whole-time or not, and to such other persons as may from time to time be allowed to be eligible for the benefits of the stock options under applicable laws and regulations prevailing from time to time (hereinafter collectively referred to as “Eligible Employees”).

RESOLVED FURTHER THAT, the maximum number of stock options granted to Eligible Employees under the V2R - Employee Stock Option Scheme 2016, shall not exceed 12,44,380 (Twelve lakh forty four thousand three hundred eighty) options to be convertible into equal number of fully paid up Equity Shares of the Company of face value of Rs. 10 each, at such price or prices, in one or more tranches and on such terms and conditions as may be determined by the Board or the Nomination and Remuneration Committee in accordance with applicable Guidelines and the Regulations or other provisions of the law as may be prevailing at the relevant time.

RESOLVED FURTHER THAT the board be and is hereby authorized to grant options and issue and allot Equity Shares upon exercise of stock options from time to time in accordance with the ESOP 2016 and such Equity shares shall rank paripassu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the board or committee thereof, be and is hereby authorized on behalf of the company to make and carry out any modifications, changes, variations, alterations or revisions in the terms and conditions of the V2R - Employee Stock Option Scheme 2016, or to the terms and conditions of the stock options granted and/or vested but not exercised, including modification or changes to the quantum and price of such stock options, from time to time, in accordance with applicable laws and regulations prevailing from time to time, as it may deem fit, necessary or desirable, without requiring the board to secure any further consent(s) or approval(s) of the members of the company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the number of options that may be granted per eligible employee of the Company, in any financial year, under the ESOP 2016 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company as at the time of grant of options.

RESOLVED FURTHER THAT in case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger and sale of division of the company or other similar events, the board or Nomination and Remuneration Committee be and is hereby authorized to do all such acts, deeds matters and things as it may in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the V2R - Employee Stock Option Scheme 2016 are passed on the eligible employees.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2016.

RESOLVED FURTHER THAT the board be and is hereby authorized to take necessary steps for listing of the securities allotted under "V2R - Employee Stock Option Scheme 2016" on the Stock Exchange(s), as per the provisions of the Listing Agreement with the concerned Stock Exchange(s) and other applicable rules, regulations and guidelines.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint various intermediaries, experts, professionals, independent agencies and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP 2016 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals, if any, required by the SEBI / Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

9. **To consider and if thought fit, to pass, with or without modifications, the following resolution as a SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provision of Section 42, 62 read with their rules and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and the guidelines issued or prescribed by the Securities and Exchange Board of India ("SEBI") including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI (ICDR) Regulations), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the rules, regulations, guidelines, notification, circulars and clarifications issued thereon from time to time by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), Ministry of Finance, SEBI, and/or any other competent authorities and the enabling provisions of the Act, the Listing Agreements entered into by the Company with the Stock Exchanges on which the Company's Shares are listed and subject to necessary approvals, permissions, consents and sanctions of concern statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the company (hereinafter referred to as the "Board", which term shall include any committee thereof), consent of the members of the company be and is hereby accorded to the board to offer, issue and allot, in one or more tranches on Preferential Allotment basis, :-

- a) 30,00,000 (Thirty Lakhs) Equity Shares to the persons other than Promoter and/or Promoter Group;
- b) 10,00,000 (Ten Lakhs) Equity Shares to the member of Promoter and/or Promoter Group; and
- c) 10,00,000 (Ten Lakhs) Convertible Warrants (hereinafter referred to as the "Warrants") to the member of Promoter and/or Promoter Group, to be convertible at the option of Warrant holders in one or more tranches, with such warrant carrying an option/entitlement to subscribe to equal number of equity share of face value of Rs. 10/- each, within a maximum period of 18 months from the date of their allotment;

at a price of Rs. 75/- each including premium of Rs. 65/- each, in such manner and on such terms and Conditions as may be prevailing at the time, provided that the price/conversion price of the Equity Shares/Warrants so issued shall not be less than the minimum price arrived as per pricing formula under the terms of issue and in accordance with Provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, and on such terms and conditions and in such manner as the Board may think fit.

RESOLVED FURTHER THAT the relevant date for the preferential issue of Equity Shares and Warrants, as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, for the determination of the price for the issue of the abovementioned Equity Shares and Warrants is 30 days prior to the date of the Annual General Meeting, therefore, the Relevant Date is 31st August, 2016.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, in its discretion.

"RESOLVED FURTHER THAT the Equity Shares to be issued and allotted in the manner aforesaid shall rank pari-passu with the existing Equity Shares of the Company in all respects including as to dividend and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equal number of Equity Shares upon exercise of option by the warrant holder and the equity shares issued on conversion of said warrants shall be subject to the provisions of the Memorandum and Articles of Association of the company and shall rank pari-passu in all respects including dividend with the existing fully paid up equity shares of the company.

RESOLVED FURTHER THAT the aforesaid issue of the Equity Shares and Warrants shall be on the following terms and conditions:

- a) the Equity Shares and Warrants to be offered, issued and allotted shall be subject to the provisions of the Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b)
 - (i) On or before the date of allotment of the Equity Shares, the allottee shall be liable to pay full consideration of equity shares.
 - (ii) On or before the date of allotment of the Warrants, the allottee shall be liable to pay amount equivalent to 25% of the consideration paid against warrant on the date of allotment of warrants. The amount so collected shall be adjusted subsequently against the price payable for subscribing to the equity shares by exercising the option;
- c) subject to applicable provisions of law, such Warrants may, at the option of the holder, be convertible into equity shares of the Company, within 18 Months from the date of their allotment, in one or more tranches and on such terms and the conditions, in such form and manner as the Board and the holder of the Warrants may, in their absolute discretion, think fit;

- d) The Equity Shares to be issued and allotted by the Company directly and on exercise of the Convertible Warrants in the manner aforesaid shall be in dematerialized form.
- e) The Equity Shares and Warrants to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Warrants and Equity Shares and utilization of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT” all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

**By the Order of the Board of Directors
For V2 Retail Limited**

Date: 31-08-2016
Place: New Delhi

Sd/-
Ramchandra Agarwal
Chairman & Managing Director
DIN: 00491885

Address: B1-801, Lagoon Apartment, Ambience
Island, Gurgaon- 122002, Haryana

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.
2. Explanatory Statement as required under Section 102 of Companies Act, 2013 is annexed hereto.
3. All documents referred to in the notice are open for inspection at the registered office of the Company between 11:00 A.M. to 1:00 P.M. on all working days upto the date of Annual General Meeting.
4. Pursuant to the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) no amount is unclaimed towards dividend to any shareholder.
5. Members are requested to intimate immediately the change of address or demise of any Member, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be to prevent frauds.
6. In terms of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Smt. Uma Agarwal, Director, retires by rotation at the ensuing Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his re-appointment.

Details of Director who is proposed to be appointed/re-appointed at the ensuing Annual General Meeting, as required under regulation 36 of SEBI (Listing Obligation Disclosure Requirement) Regulations 2015, are as under:

| | | |
|--|---|--|
| Name of Director | Smt. Uma Agarwal | Mr. Lalan Yadav |
| Date of Birth | 15/11/1975 | 02/02/1990 |
| Date of Appointment | 23/07/2001 | 02/09/2016 |
| Expertise in Specific Functional Area | She holds more than Thirteen years of Experience in Retail Industry | He holds more than One Year of Experience in Retail Industry |
| Qualifications | Bachelor's Degree in Arts | Company Secretary |
| Directorship in Other Public Companies | V2 Conglomerate Limited Unicon Marketing Pvt Ltd Ricon Commodities Pvt. Ltd. Rishikesh Commosales Private Limited Topline Vintrade Private Limited Vishal Waterworld Private Limited Sunita Fashion Private Limited | None |
| Membership/Chairmanship of Other Public Companies | None | None |
| Shareholding in the Company | 3,44,000 (Three Lacs Forty Four Thousand) Equity Shares as on March 31, 2016 | None |

7. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 25 and 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, are provided in the Corporate Governance Report forming part of the Annual Report.
8. Pursuant to Regulation 46(2)(j) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the Company has created an exclusive E-mail ID: cs@vrl.net.in for quick redressal of Members/investors grievances.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from September 22, 2016 to September 30, 2016(both days inclusive).
10. Members/Proxies should bring their copy of the Annual Report for reference at the meeting and also the duly filled in and signed attendance slip for attending the meeting.
11. Shareholders, who are holding shares in identical order of name in more than one folio, are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holding in one folio.
12. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for identification.
13. The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of the meeting.
14. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
15. For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
16. In terms of SEBI notification, the shares of the Company are subject to compulsory trading only in dematerialized form on the stock exchange hence members are requested to convert their physical share certificates into electronic form.
17. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person to whom the shares held by him shall vest in the event of his death.
18. Non-Resident Indian Members are requested to inform RTA, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement or.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Share Transfer Agent (RTA), Link Intime India Private Limited, 44, Community Centre, 2nd floor, Naraina Industrial Area, Phase-I, PVR Naraina, New Delhi-110028 and also at C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup(W), Mumbai -400 018.
20. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by submitting a request letter in this respect to the Company / Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only.
21. The Notice of AGM and Attendance Slip is being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM and Attendance Slip is being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s).

22. VOTING THROUGH ELECTRONIC MEANS

Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management & Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("remote e-voting") to its members. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facilities and for security and enabling the members to cast their vote in a secure manner.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- i) Log on to the remote e-voting website www.evotingindia.com.
- ii) Click on "Shareholders" tab to cast your votes.
- iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi) If you are a first time user follow the steps given below:

| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). | |
|-------------|--|--|
| | • | Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio no in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field |
| | • | Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/ NSDL client id. For example: in case of name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234. |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. | |

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant "V2 RETAIL LIMITED" on which you choose to vote.

- xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) If demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- i) Please follow all steps sl. no. (i) to sl. no. (xvii) above to cast vote.
- xvii) The remote e-voting period will commence at 9.00 A.M. on Tuesday, September 27, 2016 and will end at 5:00 P.M on Thursday, September 29, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, September 23, 2016 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- xviii) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- xix) The shareholders can opt for only one mode of voting, i.e. either physically by attending AGM or remote e-voting. If any shareholders opt for remote e-voting, he/she will not be eligible to vote physically in AGM.
- xx) The official responsible to address the grievances connected with voting by electronic means- Mr. Umesh Kumar and Mr. Varun Kumar Singh, Ph. No. 011-41771850
- xxi) Company shall publish the result of remote e-voting & the resolutions passed at its general meeting on its Website.

23. In case of those Members, who do not have access to remote e-voting facility, they can use the assent/dissent form enclosed herewith and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and send the Assent/ Dissent form in the enclosed self addressed pre-paid postage envelope so as to reach KUMAR SARWAN AND CO, Scrutinizer appointed by the Company at 722/9, BRAHMAN WARA, BALLABGARH, HARYANA - 121004 on or before 5.00 P.M. on September 29, 2016.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4 to the Notice

The Board of Directors of the Company at its meeting on 2nd September 2016 shall recommend for the approval of members, the appointment of Mr. Lalan Yadav as an independent Director of the Company, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any amendment/s thereto or modification/s thereof as set out in the Resolution relating to his appointment.

The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Mr. Lalan Yadav for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013.

The Company has received:

- (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;

- (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, from Mr. Lalan Yadav to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In terms of Schedule IV of the Companies Act, 2013, the Board is of the opinion that Mr. Lalan Yadav, fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations and is independent from the management of the Company.

Mr. Lalan Yadav is a Company Secretary. He has more than 4 years of rich experience at various levels in various educational institutions.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Mr. Lalan Yadav, is interested in the resolutions set out at Item No. 4 of the Notice.

No other Director, key managerial personnel or their relatives, is interested or have any concern in the resolution.

The Board recommends the resolution set forth in Item no. 4 for your approval.

Item No. 5:

Pursuant to Section 180(1)(c) of the Companies Act, 2013 approval of the shareholders is required for increasing the borrowings as suggested above and to authorise the Board to borrow funds from time to time from FIs, Banks, FII or any other source.

The Board considered this matter in its meeting held on Wednesday August 31, 2016 and recommends this resolution for your approval.

None of the Directors and KMP of the Company and their relatives are, in any way interested or concerned in the resolution.

Item No. 6:

Mr. Ram Chandra Agarwal was appointed as a Managing Director ("MD") of the Company. Due to the hard work and sincere contribution of Mr. Ram Chandra Agarwal the business of the Company has been profitable and the Company has incurred profit in the current Financial Year 2015-16. The Board considers it desirable that the Company should pay the remuneration against the services of Mr. Ram Chandra Agarwal and accordingly commends the Resolution at Item No. 6 for approval by the Members.

It is pertinent to mention that Mr. Ram Chandra Agarwal was taking Rs. 2,00,000/- per month as remuneration from the Company.

A brief detail of Mr. Ramchandra Agarwal is as under:

| | |
|---|--|
| Name of Director | Mr. Ram Chandra Agarwal |
| Date of Birth | 15/02/1965 |
| Age | 51 years |
| Date of Appointment (Original Appointment) | 23/07/2001 |
| Expertise in Specific Functional Area | He holds more than Twenty Six years of Experience in Retail Industry |
| Qualifications | Graduate in Commerce |
| Directorship in Other Companies | 1. Ricon Commodities Private Limited 2. Vishal Waterworld Private Limited 3. Unicon Marketing Private Limited 4. VRL Retailer Business Solutions Private Limited 5. Sunita Fashion Private Limited |
| Membership/Chairmanship of Other Public Companies | None |
| Shareholding in the Company | 8,74,161 (Eight Lacs Seventy Four Thousand One Hundred Sixty One) Equity Shares as on March 31, 2016 |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | Mrs. Uma Agarwal (Spouse) |
| Number of Meetings of the Board attended during the year | 13(Thirteen) |

The main terms and conditions relating to the remuneration of Mr. Ramchandra Agarwal as the Managing Director, are as follows:

Nature of Duties:

The Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or joint venture companies and/or subsidiaries. This includes performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or joint venture companies and/or subsidiaries or any other executive body or any committee of such a company for which he may be allowed to receive remuneration as may be determined by the Board of such associated companies and/or joint venture companies and/or subsidiaries, subject to compliance with the applicable provisions of the prevailing laws and regulations.