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3rd July, 2024

<p>To: The Listing Department NATIONAL STOCK EXCHANGE OF INDIA LIMITED "Exchange Plaza" Bandra-Kurla Complex Bandra (E), Mumbai – 400 051 Scrip Code: VMART Fax: 022-26598120 Email: cmlist@nse.co.in</p>	<p>To: The Corporate Relationship Department THE BSE LTD Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 534976 Fax: 022-22723121 Email: corp.relations@bseindia.com</p>
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Sub: Integrated Annual Report for the Financial Year 2023-24

Dear Sir/Madam,

Pursuant to Regulation 30 & 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith the Integrated Annual Report of the Company for the Financial Year 2023-24 which inter-alia includes the Notice of the 22nd Annual General Meeting scheduled to be held on Wednesday, 31st July, 2024 at 11:00 A.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The same will be made available on the Company's website at www.vmart.co.in.

We request you to kindly take the above information on record.

Thanking you,

**Your Truly
For V-Mart Retail Limited**

**Megha Tandon
Company Secretary & Compliance Officer**

Encl: As above

V-MART RETAIL LTD.

CIN- L51909DL2002PLC163727

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NAVIGATING CHANGE, BUILDING ON STRENGTHS

INTEGRATED ANNUAL REPORT 2023-24



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Welcome

We are proud to present our 22nd Annual and 5th Integrated Report, which provides comprehensive insight into the Company's business operations, performance, stakeholder value creation approach, and business model. The Report highlights how the Company's strategic planning and execution generate value across the short-, medium-, and long-term.

Who Are We

V-Mart caters to the needs of Bharat by providing a complete family fashion destination that ensures value in every transaction.

Scope and Reporting Boundary

This Integrated Annual Report encompasses the Company's financial reporting, as well as non-financial performance, opportunities, strategic objectives, risks, and outcomes that are relevant to our key stakeholders. We aim to provide a comprehensive overview of our business operations, considering both financial and non-financial aspects, to ensure transparency and accountability to our stakeholders.

Reporting Framework

The financial and statutory data, presented in the Integrated Report & Annual Accounts for FY 2023-24 is in line with:

- The requirements of The Companies Act, 2013 (including the rules made thereunder)
- Indian Accounting Standards
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- The Secretarial Standards issued by The Institute of Company Secretaries of India
- The International Financial Reporting Standards (IFRS)
- This Report is aligned to the following standards and frameworks:
 - Global Reporting Initiative (GRI) Standards 2021
 - United Nations Sustainable Development Goals (UN SDGs)

Assurance

To ensure the integrity of facts and information, the Board of Directors and management have reviewed the Integrated Report and GBAB & Associates has carried out independent review on sustainability disclosures presented a part of this Report. The Statutory Auditors, S.R. Batliboi & Co. LLP, Chartered Accountants have provided assurance on the financial statements and their 'Independent Auditor's Report' has been duly incorporated as a part of this Report.

Reporting Period

The financial information presented in this Report covers the period from April 1, 2023, to March 31, 2024 (unless stated otherwise).

Our Approach to Materiality

We prioritise material issues that significantly impact our ability to create value for stakeholders. These issues are identified based on their potential to influence our business viability, social relevance, and stakeholder relationships. The economic & governance, social, and environmental context in which we operate also shapes our material issues. Read more on [page 33](#)

ESG Commitments

Setting clear ESG goals guides our sustainable business structure. We carefully manage the use of natural resources to reduce our environmental footprint, ensuring our sustainability while safeguarding the ecosystem for generations to come. By making sustainability an integral part of our core values, we lead through example and actively contribute to shaping a more sustainable world.

Implementing our ESG Commitments

- The Board diligently oversees our ESG commitments, ensuring they are embedded in our core values and strategic initiatives.
- The Stakeholders Relationship Committee of the Board meticulously supervises the execution of our ESG strategy, offering insightful guidance to management for its effective implementation.

Forward-Looking Statements

Certain statements in this report regarding our business operations may be forward-looking statements. These statements, excluding historical facts, include financial position, business strategy, management plans, and objectives for future operations. They represent our current expectations based on reasonable assumptions, but they do not guarantee future results.

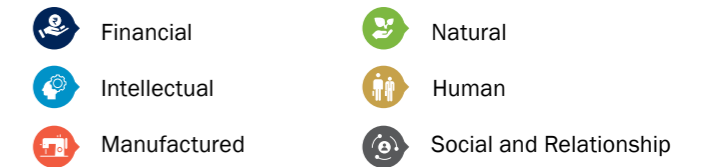
Navigating this Report

Check out the icons representing stakeholders and capitals throughout our Integrated Annual Report to observe how every aspect of our operations is supported by integrated thinking.

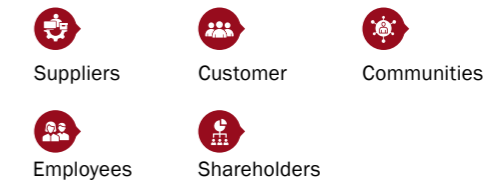
Download our LimeRoad App



Capitals



Stakeholder Ecosystem



Sustainable Development Goals



Stakeholder Feedback

For any concerns or feedback, reach out at cs@vmart.co.in





Navigating Change.

Building on Strengths.



In a world where change is the only constant, V-Mart stands as a beacon of resilience and growth, blazing a trail of innovation in the retail universe! This year, our theme unveils the exciting journey we are on to solidify our position in the dynamic retail landscape.

We have redefined our product portfolio, infusing it with unparalleled quality, innovation, and an irresistible fashion quotient. This transformation is fuelled by our

~11,000

Employees

444

Stores

robust design team and bolstered capacity. Within our own design labs, fashion is crafted acceleratedly, guaranteeing affordability without sacrificing style, trendiness or quality.

Our transformation transcends conventional business metrics. It's about people, about social responsibility, about creating an ecosystem where Environmental, Social, and Governance (ESG) principles converge harmoniously, nurturing a stronger, more inclusive organisation. Embracing our role as V-Martians, we extend our commitment to communities, ensuring that every action we take resonates with empathy, integrity, and positive impact.

In this transformative journey, we are not merely adapting; we are fortifying our foundation with a

fervour that ignites excitement and energy. Through strategic online initiatives, a steadfast pursuit of profitability, and the reinforcement of our backend operations, we are weaving a narrative brimming with resilience and sustainability. V-Mart transcends the traditional confines of a retailer; it embodies an ecosystem that generates value for every stakeholder, propelled by an omni-channel model that heralds profitability and progress.

This is our story of change, a narrative of empowerment, where fashion knows no bounds!



At the heart of everything we do is a deep care for our customers. We understand that fashion is personal, and we strive to create a meaningful connection with each individual who wears our clothes. Through our innovative designs, high-quality materials, and commitment to customer satisfaction, we aim to be more than just a brand—we aspire to be a trusted partner in our customers' lives, helping them express themselves with confidence and style.

Our commitment to customers and connection sets us apart. We offer more than clothes; we promise quality, durability, and style. Our garments are designed to stand the test of time, fostering long-term loyalty and a sense of community around our brand.

We excel at meeting customer needs through interventions and continuous improvement in pricing, fabric development, and technician efficiency based on feedback. By accelerating

sampling, rigorous R&D, and enhancing design-to-shelf processes, we stay ahead of trends. Innovative visual merchandising and strategic marketing create a cohesive and engaging customer experience.

Product Developments in FY24

Fashion

Our product line is youth and young families focused, offering trendy and fashionable assortments that resonate with young, style-conscious target customers. Fashion is more than just clothing—it is a form of self-expression. Our collections are designed to empower our customers, giving them the confidence to express their unique identities through what they wear. The impact is seen in the increased confidence and self-expression of our young customers, who feel understood and valued.

Design

By building an in-house design team, we aim to contribute a significant percentage of total sales through unique and innovative designs. Our designers are inspired by global trends, but they also listen closely to the voices of our target customers. This connection with our customers drives us to create designs that they will love and cherish. The impact here is the creation of beloved, go-to pieces that customers cherish and rely on.

Quality

We have significantly revamped our quality processes to ensure that every product meets our high standards, providing exceptional value and satisfaction to our customers. Our target customer is someone who makes one or two purchases annually and wears each item of clothing at least 50-100 times a year. This stands as our main motive to maintain the quality; the wear and tear of our garments are tested rigorously to ensure longevity. We understand that each purchase is an investment for our customers, and we are dedicated to making sure that investment is worthwhile. The impact is seen in customer trust and loyalty, as they know they are getting durable and high-quality products.



Redefining Products

Our commitment to quality and innovation will continue to profoundly impact our customers and the fashion industry. By ensuring that customers feel heard and valued, with their feedback directly shaping our products, we foster loyalty and trust. We aim to set new standards for customer-centric design and sustainability, challenging the throwaway culture of fast fashion. Our focus on quality and durability will promote a more mindful and sustainable approach to clothing, enabling customers to enjoy fashion that aligns with their values. This forward-looking approach will drive a shift towards more sustainable practices and a deeper connection between customers and their values.



Click or scan above to watch the video

We reinforced the journey towards digital transformation, recognising the paramount importance of offering seamless and accessible experiences to our customers. This strategic shift not only enhances convenience but also fosters deeper engagement, empowering customers to interact with our brand effortlessly across both offline and online channels. Our commitment to leveraging innovative technologies underscores our dedication to revolutionising customer satisfaction, making their journey with us more rewarding.

Feedback Loop and Customer Engagement

At the core of our digital transformation is a robust feedback loop system. This involves various channels, including collecting Net Promoter Score (NPS), Google reviews, digital invoices, and surveys and digital platforms, where customers can share their thoughts and suggestions. We gather valuable insights, enabling us to tailor our offerings and services to customer needs. The impact is a more tailored shopping experience that aligns closely

with our customers' needs and desires, fostering greater loyalty and satisfaction. The feedback loop and continuous improvement based on customer insights ensure that we stay attuned to our customers' needs. This commitment to customer-centricity fosters loyalty and trust. No wonder that **68%** of our customers shop with us time and again.

Automating for Efficiency

A key focus area of our digitalisation effort was shifting from manual to automated processes. By automating various tasks and workflows, we streamlined operations and improved efficiency across the board. This shift, driven by our IT and logistics teams, reduced manual intervention and optimised resource utilisation, enabling us to deliver a more seamless and

responsive experience to our customers. The impact of this innovation is seen in quicker service, lower operational costs, and a more agile response to market demands.

Omnification and Integrated Technology

In our dedication to omnification, we have introduced One-Click solutions aimed at saving the sale at all our retail stores, mitigating potential losses, and enhancing customer

convenience. Spearheaded by our LimeRoad technology team, this innovation seamlessly connects customers and supply chains, ensuring operational efficiency and satisfaction. Customers can scan a QR code on any shelf to order missing sizes or colors from the combined inventory

of 400+ stores through the LimeRoad platform. Collaborations like LimeRoad integration and optimised logistics have enhanced convenience, reduced environmental impact by minimising fuel consumption and carbon emissions, and supported our ESG goals by promoting sustainability and reducing our carbon footprint.

Cultivating an Omni Culture

At the heart of our digitalisation efforts was the cultivation of an omni culture at the store level. We encouraged our teams to gather more customer data and improve service quality. This dual strategy, championed by our store managers and sales associates, not only increased customer willingness to engage and spend but also reduced operational costs, driving efficiency. The impact is a more cohesive and motivated workforce aligned with our goals and committed to delivering exceptional customer experiences.

Digitalisation

at V-Mart

1,50,000+
of our customers have embraced the One-Click buy feature in the last 6 months

Elevating the

Store Experience



Store Renovations: A Comprehensive Overhaul

Widening the Front Facade Vertical Space

Revamping store fronts for better visibility and a welcoming vibe, drawing in customers from afar.

Decluttering and Organising

Transformed stores into organised havens for a seamless shopping experience: decluttered and streamlined for quick, hassle-free browsing.

Harmonising Price Points

Balanced pricing for diverse tastes; streamlined options, elevated display, and affordability combined for a refined shopping experience.

Theme-Based Visual Merchandising

Immersive themed displays crafted by our merchandising team tell stories, connecting deeply with customers beyond just shopping.

Elevating Lighting & Display

Illuminating products with precision and style, transforming your shopping experience with sophistication and clarity.



Enjoy the look and feel of the store at
Valasaravakkam, Chennai

We believe that the store experience is a crucial part of the customer journey. Each store has a profound impact on both our customers and the retail experience. Customers feel at ease knowing they can quickly find what they need and enjoy a luxurious experience regardless of their budget. Committed to

elevating every aspect of our spaces, we have embarked on a comprehensive transformation journey, positively impacting **15%** of our stores in FY24. These enhancements go beyond aesthetics, creating an environment where customers feel welcomed, valued, and inspired.

Our focus is on enhancing the retail experience by engaging all five senses. We aim to improve product availability and replenishment processes, enforce rigorous visual merchandising standards for impactful displays, and enhance store environments through strategic renovations and lighting upgrades.

Engaging customers through uniform fragrances and curated music adds sensory appeal while targeted Gen Z campaigns and operational efficiencies expand our market reach. Strengthening customer satisfaction via enhanced feedback systems and digital initiatives ensures sustained growth and competitiveness in the market.

Efficiency at Our

Core

Our customers are the true heroes of our connectivity efforts. We have embarked on a journey to enhance our efficiency, ensuring we meet our customers' needs with precision and care. Behind this journey is a dedicated team of professionals who work tirelessly to bring our vision to life. Their commitment has a profound impact, leading to faster service, better product availability, and a more satisfying shopping experience for our customers.

A Seamless Supply Chain Journey

Imagine a product's journey from its very conception to its arrival on the shelves. This journey is meticulously managed through our Product Lifecycle Management (PLM) tool, a suite of applications and tools that oversees every stage of a product's life.

Replenishment

Thereafter, our inventory management team steps in to restock or redistribute leveraging automated rule engines based stock transfer management, maintaining an optimal balance and ensuring our shelves are always fresh with new options.

Sales

The products reach our stores, where our store managers and sales associates are ready to help customers discover and experience them.

Warehouse Allocation

Once ready, products are distributed to warehouses by our logistics team and strategically placed to ensure timely availability.

Conception & Design

It all begins with an idea. Our designers, inspired by global trends and customer feedback, breathe life into new concepts. They work closely with our product development team to ensure each design meets our high standards.

Manufacturing

These designs then move to manufacturing, where skilled factory workers craft each product carefully and precisely.

Quality Check

Products undergo rigorous inspections to ensure they meet our high standards before distribution, guaranteeing quality and customer satisfaction.

Life Cycle Stages

Innovating with Vendor Management Tool

Our enhancements in the Vendor Management System, driven by our IT and supply chain teams, have revolutionised purchase orders and inventory management. This simplifies transactions and improves visibility, leading to fewer mistakes and quicker order fulfillment. The Own Use Portal streamlines purchasing and reduces excess inventory, while the Automated Requisition System for Stores automates replenishments and meets store-specific demands. These improvements ensure efficient procurement, healthy store inventory, and a better shopping experience for our customers.

Warehouse

In FY24, we successfully relocated our Warehouse and Handling System (WHS) from Bilaspur to a much bigger facility in Palwal to better manage growing volumes. Warehouse automation has streamlined operations, boosting efficiency and productivity. All stores in the southern region now have inventory tailored to local preferences. Inbound automation reduced goods receiving time from 1.5 days to hours. Our scalable new warehouse supports capacity requirements for the near 5 years with more space available to build for later years. Fully automated systems and ongoing optimisations continue to enhance efficiency.

Strengthening Our Operations

In our quest for operational excellence, we relocated 6% of our stores to new, strategic locations. This move, led by our operations team, was about ensuring that every store in our network is a beacon of efficiency and profitability. By doing so, we created a more resilient and dynamic framework that adapts swiftly to market changes. The impact of this strategy is a stronger, more efficient retail network that delivers consistent, high-quality service to our customers.



V-Mart Retail Limited

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V-Mart is an omni-channel value retailer, providing experiential offerings to Bharat's aspiring middle/lower middle class. We offer fashion apparel, footwear, home furnishings, and General Merchandise for the entire family, with a focus on value. Founded in 2002, V-Mart serves fashion-conscious consumers in tier II, III, and IV cities with a diverse range of products, under both private and market labels.



Click or scan above to watch the video

V-Mart at a Glance

Fashion for Everyone

We are a go-to destination in retail shopping, catering to the entire family with an extensive range of affordable yet stylish offerings. With a strong focus on customer satisfaction, we prioritise enhancing the shopping experience of the fashion-conscious consumers. As advocates of 'value retailing,' we understand the importance of providing quality products that align with the aspirations of our diverse customer base, particularly in smaller towns.



288+
Cities

25
states

Our outlets offer a seamless shopping experience, featuring high-quality products at reasonable prices. Predominantly serving Tier II and Tier III cities, we curate a selection of apparel, general merchandise, and everyday essentials, tailored to meet the unique demands of these vibrant communities. At V-Mart, we are dedicated to enhancing the shopping experience across Bharat with quality, affordability, and convenience.

Belief

We believe that looking good and living joyfully should not cost too much and should be afforded by every human being on earth.

Purpose

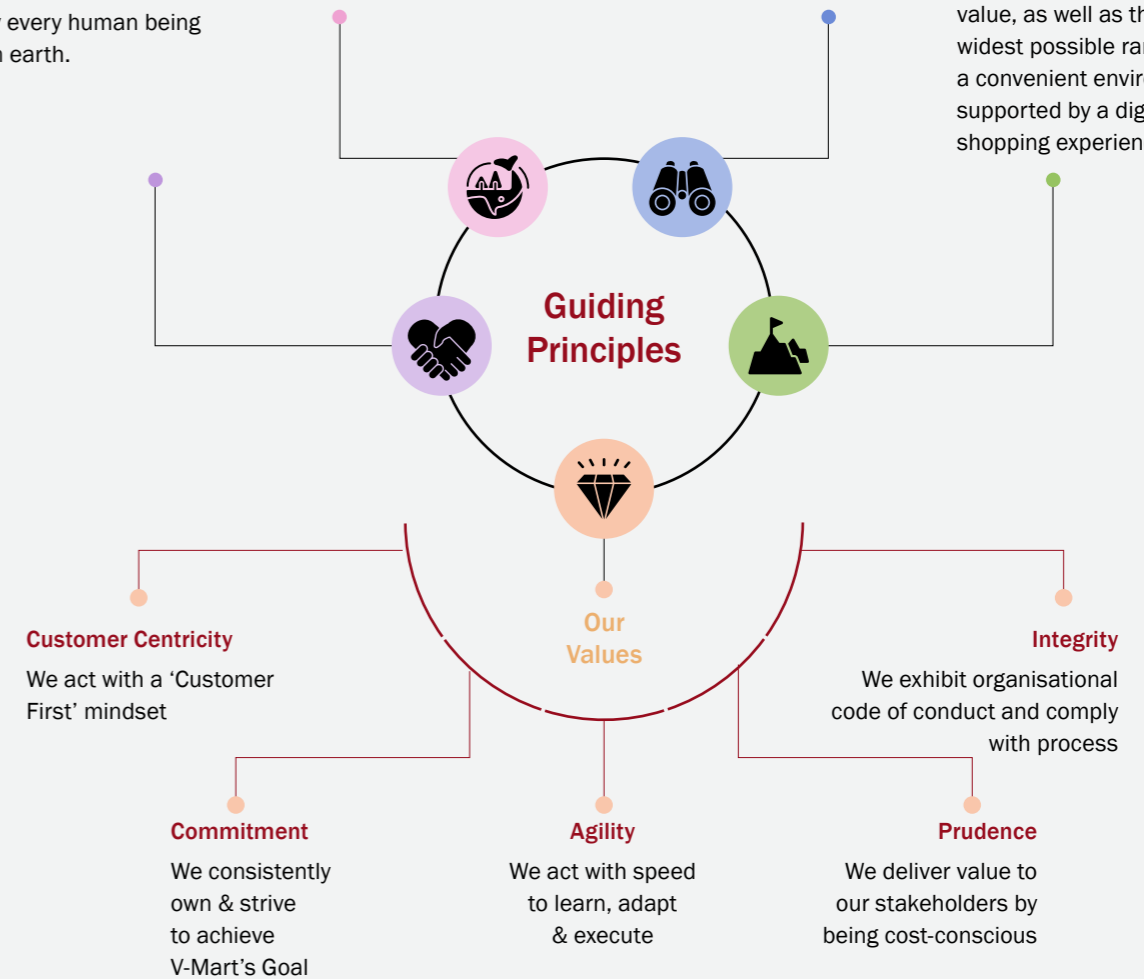
We exist to fulfil people's aspirations and create value for the entire ecosystem.

Vision

Be the #1 value fashion omni-retailer of Bharat

Mission

To serve the youth & young Indian families in Tier 2 / 3 cities by providing them with the best possible value, as well as the widest possible range in a convenient environment supported by a digital shopping experience.



Our Path to Sustainability

V-Mart implements a methodical strategy to evaluate and manage its environmental influence throughout its various corporate processes. The Company has established an ESG Team, comprising members from multiple departments, ensuring that every team member knows their role and responsibility towards Environmental, Social, and Governance (ESG) interventions. These teams implement relevant interventions specific to their operations and monitor them using various parameters.

[Read more on page 38](#)

V-Mart at a Glance

Our Business Segments

Apparel



With a focus on providing high-quality apparel at affordable prices, we ensure that the customers get the best value for their money. V-Mart ensures value for money high-quality products at an affordable rate.

Rs. 2,23,463 Lakhs
Revenue

80%
Revenue share

Rs.358
Average Selling Price

8%
Growth Y-o-Y

Non-Apparel



We also offer footwear, fashion accessories, toys & games, and home mart essentials. Each item caters to the diverse needs and desires, ensuring that customers find exactly what they are looking for; because at V-Mart, customer satisfaction is our top priority.

Rs. 24,747 Lakhs
Revenue

9%
Revenue share

General Merchandise



V-Mart specialises in bringing a wide selection of packaged food, non-food, and staple items. We deeply understand the importance of providing essential products that households rely on every day. By expanding our offerings beyond just clothing, we are putting customer satisfaction and convenience first.

Rs. 30,350 Lakhs
Revenue

11%
Revenue share

Product Portfolio

Apparel

Men

- ▶ Casual wear
- ▶ Formal wear
- ▶ Ethnic wear
- ▶ Sports and Activewear
- ▶ Inner wear

Women

- ▶ Western wear
- ▶ Ethnic wear
- ▶ Sports and Activewear
- ▶ Inner wear
- ▶ Night wear

Kids

- ▶ Boys
- ▶ Girls
- ▶ Infants
- ▶ Inner Wear
- ▶ Accessories



Non-Apparel

- ▶ Fashion accessories
- ▶ Footwear
- ▶ Home needs
- ▶ Bags/luggage
- ▶ Toys and games



General Merchandise

- ▶ Personal and Home Essentials
- ▶ Food
- ▶ Staples



Our Brands and Private Labels

Be PRINCESS

CHARCOAL

वेड्डा लाय

FLICK

Jahite



Kidistan

twzt

Journey Through the Years

Mapping Our Growth Story



Presence

Enhancing Shopping Experience Across Bharat

Our Company's evolution has been nothing short of remarkable. From a humble single store beginning, we have transformed into a national powerhouse with a unique cluster strategy that has fuelled our expansion across all corners of India. Notably, in FY24, we have opened 46 new stores nationwide. Alongside this geographical expansion, we have continuously improved our omnichannel capabilities, ensuring that our customers can engage with us seamlessly across all platforms.

Highlights

444

Stores

25

States (including Union Territories)

93%

Stores with Omni fulfillment

~17,000

Pin codes Delivering in

50 Mn+

Total active base customer

79

Unlimited Stores

365

V-Mart Stores

Cluster-based expansion

46

New stores

37

V-Mart stores

9

New Unlimited stores

95%

Online orders delivery from stores

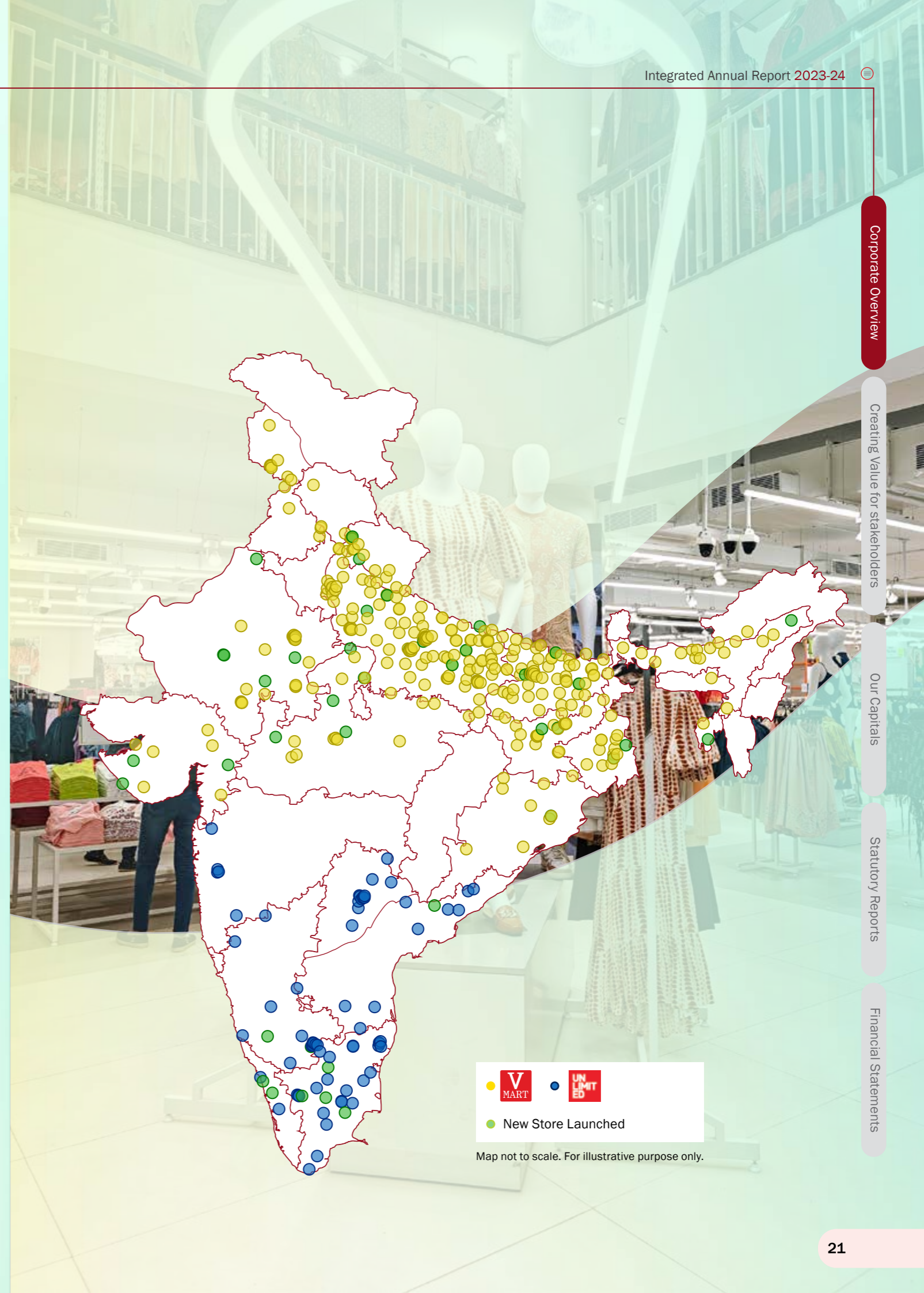
157 Stores



in tier I and tier II cities


287 Stores

in tier III and tier IV cities

- Tier 1: State capital (including metro cities)
- Tier 2: > 10 Lakhs Population
- Tier 3: > 2 - 10 Lakhs Population or District Headquarters
- Tier 4: Rest of India



 New Store Launched

Map not to scale. For illustrative purpose only.

Chairperson's Statement

Towards a Sustainable Future of Retail



Dear Stakeholders,

A couple of years ago, we embarked on a thrilling new journey, fueled by our burning ambition to claim the coveted title of #1 value fashion omni-retailer of Bharat. With every heartbeat, we're driven by the relentless pursuit of excellence, consistently exceeding customer expectations carving our path as the unrivalled choice for value fashion in these dynamic districts.

Adapting and Advancing

The Indian economy is ablaze with opportunity, growing at 7.6% GDP in FY24. Fuelled by government initiatives and structural reforms, this surge heralds a transformative era—the 'Amrit Kaal'—where India's economy is set to reach \$ 30 trillion by 2050. Positioned amidst this fervour, V-Mart is poised to seize the flames of progress, offering

affordable, quality retail options to the burgeoning middle and lower middle class. As India's economic landscape glows with promise, we are not just observers; we are torchbearers, ready to lead the charge in organised retail.

Crafting Trendsetting Quality Products

Our product line speaks to the soul of young families and youth, resonating with their aspirations. Our in-house design team infuse each piece with creativity and passion, aiming not just to sell clothes, but to spark joy and confidence in our customers. Our commitment to quality ensures that every item meets our exacting standards, reinforcing our bond with our discerning audience. It is more than fashion; it is a connection - a journey of self-expression and empowerment.

Seamless Digital Harmony at V-Mart

We seamlessly blend offline and online experiences to cater to every customer's needs. Through robust feedback mechanisms such as Net Promoter Score (NPS), Google Ratings, and digital surveys, we continuously refine our customer-centric approach. Our strong customer focus is evident in the positive feedback we receive. Our One-Click Omni strategy ensures every customer voice is heard, enabling us to gather invaluable insights. This approach harmonises customer willingness to pay with cost reduction, creating win-win scenarios for all stakeholders. Stay tuned as we continue to leverage omni-channel strategies to drive our business forward.

Operational Excellence

With unwavering dedication, we are enhancing the customer experience through continuous improvement initiatives like paperless invoicing and real-time feedback systems. In today's hyper-competitive market, we've dedicated significant effort to enhancing our product lines, refining team dynamics, and implementing strategic initiatives across design, sourcing, fabric development, and supply chain management.

Customer-centric Innovation

Amidst challenging market conditions, we see obstacles as opportunities for growth. Despite adverse monsoon and high food inflation in certain regions, we remain committed to customer-centric innovation. By deeply understanding and anticipating customer needs, we have introduced new product lines and enhanced our in-store and online experiences. These initiatives, coupled with the opening of new stores and improvements in existing store efficiencies, have driven the sales growth. Our ability to adapt and remain resilient has not only strengthened our brand loyalty but also positioned us ahead of market trends, ensuring we consistently meet and exceed customer expectations.

Maintaining a Steady Financial Growth

Our strategic focus on enhancing operational efficiency and optimising our product mix has driven robust revenue growth and improved profitability. By expanding our footprint in key markets and leveraging data-driven insights, we have successfully navigated market fluctuations and captured new opportunities. Our prudent cost management practices and strategic investments in technology have further strengthened our financial resilience.

Additionally, our commitment to financial transparency and accountability has reinforced stakeholder trust. As we look to the future, we remain dedicated to sustaining this momentum and delivering consistent financial performance, ensuring long-term value for our shareholders and customers.

Continuing to Drive Innovation through ESG

Our strategy is fuelled by ESG principles, driving us towards environmental stewardship, social responsibility, and ethical governance. We have made significant strides in reducing our environmental footprint through initiatives like installing solar panels, adopting paperless billing, and conserving water. In our commitment to workplace diversity, we have achieved a 25% gender ratio and supported over 210 differently-abled employees. Strengthened by two new Board members, our governance enhancements support organisational restructuring and backend improvements, ensuring a balanced board and reinforcing succession planning. In FY24, our rural development projects impacted 1,210 lives through skill development and multiple initiatives. We embedded a robust ESG framework, assigned weightage to ESG factors, implemented an Integrated Compliance tool, and conducted comprehensive trainings. Together, these efforts create a sustainable, socially responsible, and well-governed organisation, delivering value to stakeholders and society while benefitting the environment.

Looking Ahead

In our relentless pursuit of retail excellence, we are driven to deliver unparalleled value through top-tier products at competitive prices. Our strategic expansion in South and East



Despite initial challenges, our unwavering commitment to quality products, seamless omnichannel experiences, and strategic expansion in tier II and tier III cities has positioned us as a value retailer that stands out in today's fiercely competitive retail landscape. Our team's dedication fosters lasting connections with our valued customers.

India unlocks regional opportunities and caters to diverse customer preferences, particularly resonating with young families seeking sustainable, trendsetting designs. The inauguration of our new warehouse signifies a pivotal moment, streamlining our supply chain and propelling growth. Guided by unwavering stakeholder support, we innovate and expand, staying true to our mission of serving Bharat.

With heartfelt gratitude for your indispensable role, we embark on this collective journey, committed to fulfilling fashion aspirations nationwide. Together, we strive to deliver exceptional value and enrich the lives of youth and young families across Bharat.

Thank you.

Aakash Moondhra

Chairperson

Managing Director's Message

Navigating Challenges, Driving Growth

Dear Shareholders

Fashion isn't just about what we wear—it's a reflection of our aspirations, culture, and values. We are proud to shape the style and stories of millions across Bharat. From the outset, we have aimed to serve youth and young Indian families in tier II and tier III cities by providing the best value, widest range, and a convenient digital shopping experience. Despite challenges and a downturn in consumer sentiment, our commitment to our values and origins remains steadfast. Our success reflects the dedication and resilience of our entire team, especially our strengthened middle management, who have proven their mettle in navigating challenging times. Without their commitment, we wouldn't be where we are today. The outstanding efforts of our more than ~11,000 team members drive our achievements and keep us at the forefront of the retail industry across Bharat as a community-focused, innovation-driven retailer.

In a dynamic landscape of fluctuating incomes and rising inflation, particularly in tier II and II cities where monthly incomes range from Rs. 25,000 to 30,000, we navigate consumer, market, and fashion trends shaped by inflation, price increases, and intense competition. To keep pace, we enhance operational efficiency, offer unparalleled value, and sustain revenue growth through streamlined processes and tech-driven optimisations. This pivotal moment strengthens our organisation, making it more scalable and aligned with customer needs through adapted

structures, processes, merchandising, procurement, store experiences, and marketing strategies.

Focusing on long-term, sustainable, and scalable goals, we have built robust systems and expanded into new areas like South India and the digital market. While some initiatives took time and not all aligned perfectly, we are taking corrective actions to address areas causing losses. Amidst intense competition, we prioritise personalised experiences, ensuring customers feel valued and connected. The Gen Z population significantly influences fashion trends globally, and our team is ready with new ranges and improvements in internal store layouts, displays, influencer collaborations, and consumer-focused strategies to meet these changed consumer expectations.

We've seen significant performance improvements, with like-for-like growth last quarter. Same-store sales grew by 4% in Q3 and 6% in Q4, showing positive momentum. Private label apparel sales rose to 66% of total sales from 53% last year, enhancing our market position. Adding 46 new stores this year increased our total to 444 stores and 40 Lakhs retail sq ft, boosting market presence and financial stability. Some initiatives are still maturing, but we expect much better results next year. The shift from the informal economy has affected incomes and consumption below our projections.



On a brighter note, the eastern Bharat market is experiencing growth, as we strive to achieve new scales by enhancing our overall presence in the region. Looking ahead, our focus will predominantly remain on the eastern and southern Bharat markets, through the Unlimited stores.

13%
Y-o-Y growth in sales from FY23

46
New stores added in FY24

Our growth trajectory is guided by a commitment to excellence in several key areas

- Delighting customers with exceptional in-store experiences is crucial. Our Google rating of 4.2 across 440 locations shows loyalty and satisfaction. Increased repeat buying highlights our customer-centric approach. We offer personalised fashion assistance, enhance store ambiance, integrate technology, and foster community engagement to make each V-Mart visit unique and unforgettable.
- Building a robust omni-channel presence is crucial. In FY24, we enhanced digitalisation with our 'one-click solution,' launched across 440 stores, serving 1.50 Lakhs customers in six months. To support sustainability, last-mile deliveries are made from the nearest store



to reduce carbon emissions. We use feedback mechanisms like the Net Promoter Score (NPS) to gauge satisfaction, with a current NPS of 55%, reflecting our commitment to exceptional customer experiences.

47,000+
Total orders fulfilled through One-Click

- Our workforce of ~11,000 team members is our greatest asset. We prioritise a culture of excellence and growth, attracting and retaining top talent to propel our success in leading the value retail sector. In FY24, we have provided 1.85 Lakhs training hours, emphasising our commitment to employee development.
- Our commitment to sustainability is unwavering, guided by strong ESG principles. We actively reduce

carbon emissions by leveraging renewable energy sources and prioritising water conservation. Social equity is a cornerstone of our operations, as we foster diversity, empower communities, and uphold ethical governance. Over 50% of our sourcing now incorporates sustainable practices. Our dedication to community engagement is evident through our support for education, empowerment of girls, animal welfare, and employee wellness initiatives.

- We use data analytics to understand consumer trends and offer competitive pricing, aiding geographic expansion and customer appeal. Agile operations optimise our network by relocating unprofitable stores, and organisational restructuring supports sustained growth. Prioritising merchandising excellence, we balance price and quality to attract and retain customers, strengthening our position in the value retail sector.

Looking ahead, we are investing in our capabilities to serve the needs of today's aspirational Bharat, ensuring we remain competitive in a dynamic retail landscape. As we drive the business forward, we will remain agile and continue to adapt to all that is around us. With confidence in our leadership and people, we are ready for continued growth and sustainable returns.

We are confident that these investments will ensure our continued growth and deliver sustainable returns for all stakeholders in the years ahead.

Thank you for your continued support.

Lalit Agarwal
Managing Director



V-Mart Retail Limited

பங்குதாரர்களுக்கான மதிப்புகளை உருவாக்குதல்

Creating Value for Stakeholders

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Our stakeholders are fundamental to our organisation's fabric, playing a crucial role in our journey of growth. As a socially responsible organisation, we highly regard their feedback and actively engage with them across various platforms. Our aim is to address their diverse needs and ambitions effectively.



Click or scan above to watch the video

Stakeholder Engagement

Driving Progress Together

Our stakeholder engagement approach is centred on prudence, sustainability, employee welfare, and compliance. At our core, we prioritise astute value delivery to stakeholders, optimising resources and upholding quality. Sustainability guides our decisions for long-term impact, while inclusivity ensures equal opportunities. Employee well-being is paramount, and ethical practices are integral.



Customers/Consumers

Why their satisfaction is important to us

Their satisfaction not only shapes our market reputation but also serves as a cornerstone of our success, driving repeat sales and fostering customer word-of-mouth advocacy.

Expectation

- Value for money
- Trendy/in vogue fashion for the entire family
- Quality products
- User-friendly shopping
- Abundant variety
- Risk-free experience

Engagement Activities

- Personalised interaction
- Advertising and marketing campaigns
- Customers focused occasions
- Social media communities
- QR code-based grievance redressal mechanism
- Periodic customer surveys and feedbacks
- Customer support centre reach out

Frequency

Continuous

V-Mart website; social media (LinkedIn, Twitter, Facebook, WhatsApp Chat)

Quarterly

Customer satisfaction survey



Customer Voices

I had a positive experience during my recent visit to V-Mart. The staff was helpful, and the store was well-organised. I appreciated the variety of products available and the overall shopping environment. Keep up the good work in providing a pleasant shopping experience. Thank you!

Gaurav

Jamshedpur, Sakchi Ambagan



Shareholders

Why their satisfaction is important to us

Shareholders are essential to V-Mart's success, providing capital, accountability, and crucial support. Their confidence in our vision drives credibility and attracts investors.

Expectation

- Profitable growth and financial stability
- Clear, honest communication with stakeholders
- Ethical behaviour and robust governance
- Competitive strategies for market position and satisfactory returns

Engagement Activities

- Timely stock exchange reporting ensures transparency
- Results appear in leading newspapers within 24 hours
- Our website's investor section offers comprehensive information
- Grievances are addressed through SEBI's redressal platforms i.e. SCORES and ODR portal
- Quarterly earnings calls, presentations and mails to engage with investors
- Shareholder complaints are resolved promptly with a 100% success rate
- Participation in Conferences
- One-on-One Calls/Meetings on request of Investors/Analysts
- Annual General Meetings

Frequency

Continuous

Website, Stock exchange Intimations

Quarterly
Financial Statements, Press Release, exchange notifications

Annually
Annual General Meeting; Annual Report



Shareholder Voices

It's great when the management talks about the operational and financial performance to financial news channels/portals.

Lalit Tewatia

Stakeholder Engagement



Suppliers

Why their satisfaction is important to us

Suppliers are crucial for timely procurement, exclusive fashion offerings, supply chain standards, compliance, and innovation, integral to operational success.

Expectation

- Regular and timely payments
- Clear and fair contracts with favourable terms and conditions
- Robust cash flow and financial stability
- Sustainable long-term relationship
- Value-led growth opportunities

Engagement Activities

- Supplier code of conduct and sustainability audits
- Online vendor portal aids supplier welfare and development initiatives.
- Annual supplier conference
- Quick vendor grievance redressal
- Active participation in local store-level events/initiatives
- Quality training and assessment
- Regular collaboration on product sampling, design and development

Frequency

- Continuous**
Physical Visits
- Quarterly**
Vendor Meets



Suppliers Voices

Learnt many things from this seminar and it should be planned time to time with quality and buying team.

Unimax Apparels



Communities

Why their satisfaction is important to us

Communities contribute to sustainable growth, enhance societal impact, and foster mutual trust and support, crucial for long-term success and community engagement strategies.

Expectation

- Contribution in social upliftment
- Help in creating a more sustainable environment
- Livelihood and skill development
- Job opportunities
- Affordable but fashionable quality products
- Safe and healthy environment

Engagement Activities

- Community-focused CSR and skill development
- Employee engagement in local CSR
- Collaborating with NGOs for sustainable programmes
- Providing disaster relief and community support

Frequency

Continuous
As needed transactional meetings; periodic reviews; surveys



Communities Voices

Mr. Govind Maurya completed his schooling from the Bahraich, Uttar Pradesh. After mobilisation, he came to the V-Mart Skill Development Centre, Lucknow, Uttar Pradesh, where he got training for the retail management. He joined at Reliance Trends as CSA and his salary was Rs. 8,000 per month. After 3 years of his job, salary is now Rs. 36,000 per month.



Employees

Why their satisfaction is important to us

Our success is rooted in the expertise and knowledge of our dedicated employees.

Expectation

- Reliable business performance and fair pay and incentives
- Empowerment and autonomy in decisionmaking
- Safe and flexible work environment
- Learning and development opportunities, and career advancement
- Fostering a sense of pride in working for an ethical employer
- Rewards and recognition

Engagement Activities

- Continual skill and capability development initiatives
- Monthly town halls and direct interaction with top leadership team
- Regular communication
- Feedback mechanisms and surveys
- Utilisation of digital platforms, HRMS and secure messaging apps
- Family events and celebrations
- Integrated HRMS for all employee-related activities

Frequency

- Continuous**
HRMS, Meetings/e-mail, Engagement activities, trainings, huddles, events
- Quarterly**
Townhall and Management Interactions



Employees Voices

V-Mart stands to be a great and worthy organisation to work for with a transparent work culture and totally strives to be a people oriented organisation. They nurture their new talents with proper handholding and absolutely deserves all accolades especially being Great Place to Work Certified! Proud to be a V-Martian!

Mr. Rishabh Kapoor
Retail HR



Customer Centricity

Connecting with Customers

Our ascent to becoming a household name in India can be attributed primarily to our customer-centric approach. Placing the customer at the core of our business model has been pivotal, and it remains the foremost catalyst propelling us forward in our endeavours.

Delivering a seamless multichannel experience through omni-channel integration.

~40
Stores renovated in FY24

55%
NPS (from September 2023)

200 Lakhs+
Downloads from app store

4.2
LimeRoad Google Play Store Customer Rating (for last 6 months)



Augmenting Customer Satisfaction



Competitive Pricing



Streamlined Pricing Tiers



Transforming Store Experiences with Transparent Design



Delivering Rapid Solution



Enhancing Customer Experience from their Feedback



Improved FMCG Selection



Effortless Store Exchange Policy



Materiality

Exploring Key Business Dynamics

We use sustainability materiality assessments to identify, prioritise, and report on key issues, ensuring focus on what matters to our business and stakeholders.

- Process of the Materiality Assessment**
1. Research & Analysis
 2. Questionnaire Creation
 3. Stakeholder Engagement
 4. Results Analysis
 5. Material Topic Prioritisation

Materiality Assessment Matrix



Disclosure on Material Topics

Environmental

1. Climate Change, Energy Efficiency and Reduction in Emission
2. Effective and Efficient Use of Natural Resources
3. Sustainable Packaging and Waste Management

Social

1. Community Development and CSR
2. Sustainable Supply Chain
3. Employment Engagement
4. People Development and Succession Planning
5. Workforce Diversity
6. Health and Safety of People
7. Product Quality
8. Customer Privacy
9. Customer Engagement & Satisfaction

Economic & Governance







1. Sustainable Economic Performance
2. Business Ethics and Corporate Governance
3. Board Diversity
4. Information Security (Cyber and Data Security)
5. Business Continuity
6. Legal and Regulatory Compliance
7. Innovation and Digitisation

Strategy

V-Mart Strategic Direction

Our growth strategy is propelled by continued and profitable store expansion, revolutionising omni-channel experience, delighting customers, excelling in merchandising, becoming a loved employer, and imbibing ESG within operational workstreams.

We are building a future where the shopping experience of our loved customers is personalised and effortless. The data would guide our choices, ensuring customers find what they need and aspire. Our supply chain remains agile, our digital tools are cutting-edge, and we are committed to uplifting our team and the planet, for bringing pride and smile to our stakeholders.

Our Strategic Building Blocks	Differentiating Factors	Strategic Enablers	Progress during the Year	Goals
 <p>Diversify geographically and explore new horizons</p>	Profitable organic expansion across Bharat	<ul style="list-style-type: none"> Growing expansion in emerging towns of Bharat Rise in income growth and opportunities in our target customers Enhancing our brand recognition Store Optimisation Streamlining our sourcing and distribution network Data-intensive NSO exploration and Cluster-based expansion 	<ul style="list-style-type: none"> 46 new stores added Optimised store network - Relocated 25 loss-making stores Regular renovation of stores 	Expand V-Mart to 500 cities, targeting 66% of urban India with omni-channel approach
 <p>Differentiate through excellence in merchandising</p>	Providing high quality trendy clothes at great prices	<ul style="list-style-type: none"> In-house Design Team-led trendy designs Stringent Product Quality Assurance Collaboration with 400+ vendors for manufacturing Analytics-led Supply Chain and Replenishment platforms Value Pricing at Competitive Prices 	<ul style="list-style-type: none"> Positive SSSG 13% total sale growth Improved Fit Standardisation Increased Product Depth New 5 Lakhs sq ft state-of-art Warehouse is live 	Ensure trendiness affordability, quality and compelling visual merchandising
 <p>Delight customers through excellent instore experience</p>	5-senses based customer experience delivery model	<ul style="list-style-type: none"> Monitoring Net Promoter Score and Google Ratings Convenient and attractive store ambience Wide product variety with personalised assistance Robust Digital Infra and tech-enabled seamless experience Wide Product Availability and Diverse Assortment Personalised shopping Digital invoicing 	<ul style="list-style-type: none"> NPS of 55% 99% customer queries and complaints resolved in 24 hours Leveraging Social Media for direct engagement 	Further improve the NPS and experience score in double-digits with people and technology-led levers
 <p>Building sustainable omnichannel muscle</p>	Digital convenience of ordering merchandise from stores in 'One-Click'	<ul style="list-style-type: none"> Seamless and Hassle-free omni-channel shopping experience Ease of discovery Engaging Platform Interface and UI Relevant product availability Integration with leading marketplaces Stores complementing online sales 	<ul style="list-style-type: none"> >5% Digital Sales Mix 'One-Click' enabled omni buying from Stores 93% Retail Stores acting as Dispatch Centres Reduced cash burn on digital business by 50% 	Re-engineer our online business model to Increase digital share of business to 10% without straining profitability
 <p>Be an employer of choice, and most Preferred value retailer</p>	Promoting diversity, equity, and inclusion in a Value-led disciplinary framework	<ul style="list-style-type: none"> Organisation Culture and Design Opportunities for Training and Development Recognitions and Rewards Robust Performance Appraisal system Defined Roles and Responsibilities Health and Welfare Initiatives Completed integration with LimeRoad 	<ul style="list-style-type: none"> ~11,000 V-Martians 1,85,000+ training hours held in FY24 97% Employee Retention (Post-maternity benefits) 	Forge customer-centric, agile and performance-led culture, leveraging streamlined processes for high-value fashion delivery and effective expansion.
 <p>Be the leading value retailer in governance and sustainability</p>	Going beyond mandatory regulations to converge ESG with operations	<ul style="list-style-type: none"> Continuous engagement with Stakeholders Board with diverse competencies Independent Chairperson Imbibing ESG as way of working Transparent and consistent disclosure through customisable ESG Profiles Robust Ethics & Governance Framework 	<ul style="list-style-type: none"> Voluntarily conducted Independent Review of ESG Reporting ~2% Differently-abled Employees Strengthened Board Succession Planning 	Take definitive targets towards Net Zero and actively extending ESG to our value chain partners

How V-Mart Creates Value

Value Creation: Quality, Affordability, Experience

A value creation model revolves around quality fashion at reasonable prices and enhancing the shopping experience for customers. Our core values act as the cornerstone for our long-term strategies and decision-making processes. These values influence every aspect of our business operations, ensuring consistency and purpose.

ESG Strategy

Environment

- Energy conservation
- Nature positive
- Waste traceability enhanced

[Read more on ESG on page 38](#)

Social

- CSR weaving benefit for our future
- Energising, equitable and inclusive workplace
- Building customer relationships

[Read more on ESG on page 40](#)

Governance

- World-class governance
- Ethics, transparency, quality & accountability
- Risk management and internal controls

[Read more on ESG on page 41](#)

Inputs

Financial Capital

- Total Equity: Rs. 74,699 Lakhs
- Debt: Rs. 11,000 Lakhs
- Total assets: Rs. 2,84,533 Lakhs
- Capex: Rs. 12,060 Lakhs
- Working Capital: Rs. 14,258 Lakhs

Manufacturing Capital

- Total stores: 444
- New stores added: 46
- Total retail space: 40 Lakhs sq ft
- No. of warehouses: 2
- Spending on promotional activities: Rs. 14,886 lakhs

Intellectual Capital

- Private label brands: 7
- Resilient and flexible inventory management
- Increased efficiency with the implementation of workflow-based systems
- Sub-brands listed on marketplaces: 7

Human Capital

- Total Employees Strength: 10,935
- New hires: 7,664
- Total training hours conducted: 1,85,000+ hours

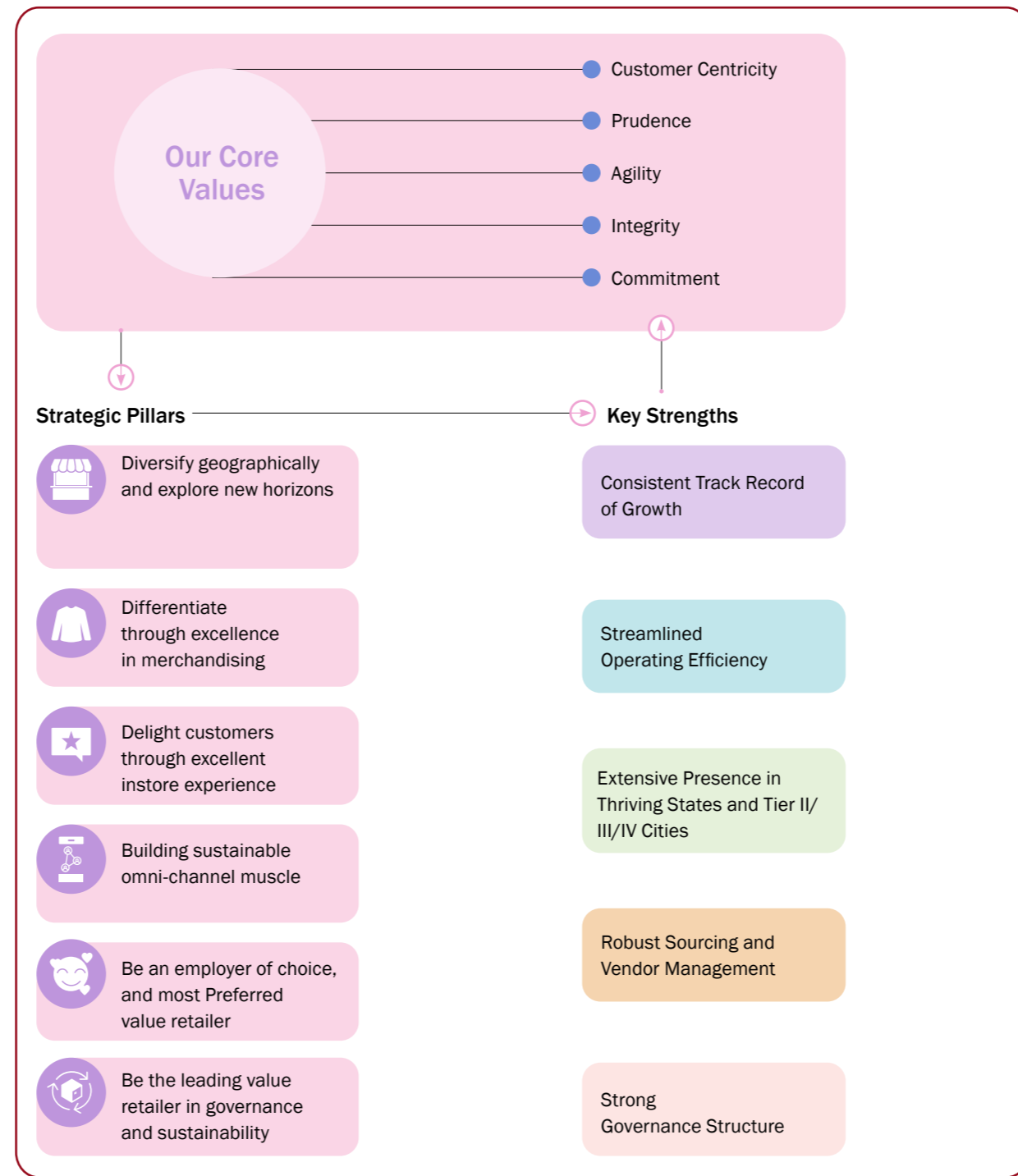
Social and Relationship Capital

- CSR spend: Rs. 18 Lakhs
- Multiple CSR programmes covering areas of education, sports, road safety, animal welfare, and children's upliftment

Natural Capital

- Installed Solar Panel: 700 KWP
- Cartons reused 2-3 times within a year
- Introduced paperless billing in stores

Our Business Approach



Outcome

Financial Capital

- 37% CAGR growth in revenue from operations (in the last 3 years)
- EBITDA CAGR growth of 18%
- Revenue: Rs. 2,78,560 Lakhs
- Market Capitalisation: Rs. 4,25,978 Lakhs
- ROCE: 0.57%
- EBITDA: Rs. 21,305 Lakhs
- EBITDA margin: 7.6%
- Inventory Turnover ratio (basis COGS): 2.24

Manufacturing Capital

- Improved internal efficiency drives to increase sales.
- Resolving 100% of inbound customer complaints within a 24-hour turnaround time (TAT)
- Increased omni-channel presence
- Optimised operational efficiency through the adoption of digital practices

Intellectual Capital

- Enhanced operational excellence that leads to customer satisfaction and value generation
- Sales through CRM: Rs.9,040 lakhs
- Reducing shrinkage through process improved controls
- Trademarks: 106

Human Capital

- 99% of women employees were satisfied with the work culture and other development initiatives
- Ongoing major training and development series 12
- Revitalisation by a robust leadership team, resulting in a notable 74% surge in performance & career development

Social and Relationship Capital

- Total CSR beneficiaries: > 13,000 plus
- Animal Welfare : Total 250 rescued street dog supported
- Community free School: Average 248 children through 3 centers
- Girls Ashram : 35+ girls benefitted

Natural Capital

- Generated ~68,000 kwh renewable energy using Solar Panel
- 759 tonnes of cartons reused
- Plastic shrink wrapping 100% removed from shipping
- 50% reduction in paper & printing cost

ESG at V-Mart

Commitment to People and Planet

V-Mart intertwines sustainability into our business strategy, recognising the symbiotic relationship between sustainable practices and financial performance. Through robust governance, we actively pursue our ESG objectives, aiming to lead change and create a positive impact on both people and the planet.

The Global Reporting Initiative (GRI) provides standards for sustainability

reporting, ensuring transparency and accountability. The United Nations Sustainable Development Goals (UN SDGs) set global priorities for addressing key challenges like poverty, inequality, and climate change. V-Mart aligns with GRI standards and UN SDGs to enhance its sustainability efforts, demonstrate its commitment to global standards, and contribute positively to societal and environmental goals.

Explore our comprehensive ESG profile and learn about V-Mart's commitment to sustainability and ethical practices by visiting our ESG World page on our website:

[V-Mart ESG Profile](#)



Environment



Key Initiatives



Natural Light & Solar Power

- Reduced CO2 emissions by 36 tonnes since its installation
- Maximise natural light with sunroofs and wall windows in stores



DG & Electric Bulb Light Indication

- To help understand status of electricity connection in order to reduce the usage of DG



Waste Recycling

- 8 metric tonnes of e-waste recycled
- 759 tonnes of cartons reused
- 10 kg of plastic waste per store per month recycled and reused



Other Initiatives

- 50 green channel factories identified
- Removed 100% plastic shrink wrapping from shipping
- Sustainable sourced inputs increased by 11%



Paper Recycling

- Introduced paperless billings to 400+ stores
- Paper cups replaced with reusable ceramic cups preventing ~802 kg of paper waste



Water Recycling

- RO wastewater is reused, saving 100-150 litres per day. This water serves multiple purposes
- Installation of float valves in water tanks reducing water wastage by 2,664 KL per annum

ESG at V-Mart

Social



Employees

- Total training hours conducted 1,85,000+ hours
- Overall employee engagement score - 78%
- Happiness calendar introduced to enhance happiness quotient every month
- Wednesday Wellness Series where tips are provided to the employees to focus on their health



Communities

- No. of Beneficiaries - 13,000+
- Plaksha - Reimagining Higher Education
- Ujjwal Bhavishya Scholarship
- Community Free School
- Barabanki Flood Relief
- Plantation Drive
- Girl Angel Homes
- Road Safety Initiative
- Initiative for Rescued Street Dogs

Read more on page 59



Customers

58%
Reduction in customer complaints

55%
NPS score



Vendors

49%
of vendors attended several training sessions

600+
Vendors attended

6
Technical seminars arranged

Governance



The Company has implemented a comprehensive online legal compliance system to ensure adherence to laws with automated notifications, a unified dashboard, and centralised archiving, reviewed quarterly by the Board.

No. of Audits
2,000+



Click here to access Company's policies

Board Meetings



Audit Committee



Nomination & Remuneration Committee



Risk Management Committee



Stakeholders Relationship Committee



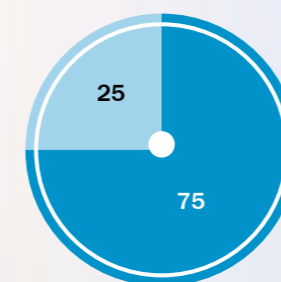
Corporate Social Responsibility Committee



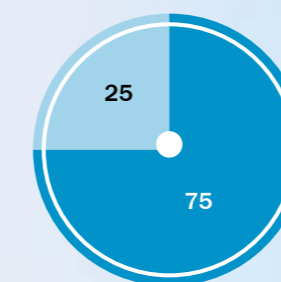
● No. of Meetings ● Attendance (%) ● Members

ALL THE COMMITTEES ARE CHAIRED BY INDEPENDENT DIRECTORS

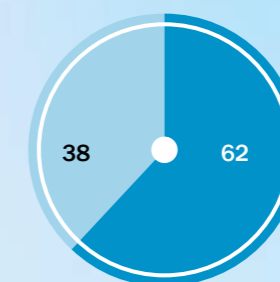
Board Composition* (%)



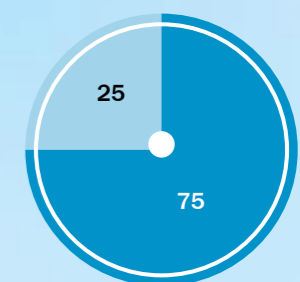
Age Profile* (%)



Tenure on Board* (%)



Gender Diversity* (%)



- Non-Executive Independent Directors
- Executive Directors

- Above 50 years (6 Directors)
- 50 years and below (2 Directors)

- Below 10 years (5 Directors)
- More than 10 years (3 Directors)


- Male
- Female

*Including Additional Directors

Governance

Board of Directors


Profile Link



Mr. Aakash Moondhra
Chairperson and Independent Director

- Indian
- 50 years
- 02654599
- 18/03/2010
- ~14 years
- September 22, 2024
- 924 Shares
- Nil
- Nil
- Nil

6 7 9 10 11 12
14 15 16 17 18



Mr. Lalit Agarwal
Managing Director

- Indian
- 54 years
- 00900900
- 24/07/2002
- ~22 years
- May 30, 2027
- 12,77,275 shares (6.46 %)
- Nil
- Nil
- Nil

1 2 3 4 5 8
9 10 11 14 15 17



Mr. Madan Gopal Agarwal
Whole-Time Director

- Indian
- 80 years
- 02249947
- 24/07/2002
- ~22 years
- May 30, 2027
- Nil
- Nil
- Nil
- Nil


1 3 4 5 10 14
17



Mr. Murli Ramachandran
Independent Director

- Indian
- 63 years
- 00264018
- 22/01/2015
- ~9 years
- September 27, 2025
- Nil
- Nil
- Nil
- Nil

9 10 11 12 14 16
17 18



Ms. Sonal Mattoo
Independent Director

- Indian
- 50 years
- 00106795
- 22/01/2015
- ~9 years
- September 27, 2025
- Nil
- 2
- 2
- Chairperson: 2
Member: 3


8 10 11
13 14 16



Mr. Govind Shridhar Shrikhande
Independent Director

- Indian
- 63 years
- 0029419
- 02/11/2018
- ~6 years
- October 31, 2028.
- Nil
- 3
- 3
- Chairperson: Nil
Member: 2


1 2 3 4 5 6
9 10 11 12 14 15
16 17 18



Ms. Shweta Kumar
(Additional)
Independent Director

- Indian
- 48 years
- 08596612
- 14/05/2024
- 2 Months
- May 13, 2029
- Nil
- Nil
- Nil
- Nil

10 11 12
13 14 16



Mr. Raghuvesh Sarup
(Additional)
Independent Director

- Indian
- 54 years
- 10626162
- 14/05/2024
- 2 Months
- May 13, 2029
- Nil
- Nil
- Nil
- Nil

4 6 7 9
14 16 17

- Nationality
- DIN
- Shareholding
- Term ending on
- Age
- Tenure on Board
- Date of Appointment
- Directorships in other Indian listed companies
- Committee memberships and chairpersonships in other Indian public companies
- No. of Directorships in other Indian public companies

Areas of Expertise

- Buying & Procurement
- Supply Chain & Logistics
- Planning & Allocation
- Retail Operations
- Visual Merchandising
- CRM & Analytics
- Digital Technology
- Labour Relations & Compliance
- Financial Planning & Analysis
- Leadership Development
- Talent Management
- Change Management
- Diversity & Inclusion
- Corporate Governance
- Investor Relations
- Strategic Planning
- Scalability & Expansion
- Project Management

Governance

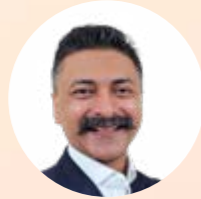
Our Management Team



Vineet Jain

COO

He is a seasoned professional with more than 25 years of experience in managing and growing hypermarket and value fashion formats. At V-Mart, he leads the development and execution of operational and customer-centric strategies, while enhancing employee and customer value proposition. With impressive qualifications, including CA, CS, and ICWA, he is an alumnus of IIM Ahmedabad and has completed an Advanced Management Programme from INSEAD, France.



Anand Agarwal

CFO

Mr. Anand serves as the CFO of V-Mart and a pivotal member of the leadership team, spearheading growth, strategic execution, and corporate governance initiatives, drawing from his extensive expertise spanning almost 30 years. Additionally, he plays an active role as a member of the CII National Committee for CFOs. Being a member of prestigious bodies such as CA and CS, he has held esteemed leadership roles at organisations such as HT Media and Reebok, and also contributed his expertise at Ernst & Young.



Jayesh Kothari

President (Merchandising)

With over 30 years of work experience, Mr. Jayesh has contributed his expertise to companies like Reliance Retail and Vishal Megamart. He is a highly impactful and respected business leader in the merchandising domain and has recently joined V-Mart as the leader of merchandising buying, sourcing, designing, and planning.



Dinesh Srivastava

VP (IT)

Mr. Dinesh brings over 15 years of experience and expertise in cybersecurity, IT planning, and implementation. He has been associated with the Company since 2011 and handles all the information technology functions for the Company and is responsible for driving its IT strategy.



Snehal Shah

Sr. VP (Projects & BD)

Mr. Snehal has been associated with V-Mart since its inception and has played an instrumental role in building the Company's retail presence and establishing key processes in new store operations, business development, site selection, and marketing. He holds a Commerce degree from University of Mumbai and has earned a Certificate in Management from Crestcom, USA.



Nitin Goel

VP (Planning)

With over 15 years of diverse experience in IT, Consulting, and Retail, Mr. Nitin leverages his expertise to drive process automation, fostering scalability, and facilitating change management for sustainable implementation. He joined us in 2013 and is currently serving as AVP-Planning at V-Mart, and holds pivotal responsibilities encompassing Allocation, Merchandising Planning, and Space Planning. His academic background comprises a graduation in Engineering and a postgraduation in Supply Chain from NITIE Mumbai.



Jaideep Jaiman

Chief Digital Officer

Mr. Jaideep has extensive experience as a Management Consultant, specialising in the areas of retail excellence, analytics, strategy, and financial modelling. He is responsible for developing and executing V-Mart's digital strategy and transformation programme, focusing on advanced analytics and AI/ML interventions. He is a graduate from the first batch of IIM, Rohtak.



Anjali Goel

VP (HR)

With over 20 years of experience, Mrs. Anjali specialises in effective leadership hiring, OD & Change Management, Talent Management, Workforce Planning, Employee Engagement, Talent Reviews, and Assessment Centres. She is responsible for designing and implementing HR strategies, which are aligned with the business strategy and future work scenarios. She holds a postgraduate degree in Human Resources from the New Delhi Institute of Management.



Ramesh Agarwal

VP (SCM)

With over three decades of experience in entrepreneurship and the retail industry, Mr. Ramesh has demonstrated his proficiency in multiple functions, including manufacturing, planning and buying, retail operations, and supply chain management. He has been associated with V-Mart since 2011, and is responsible for supply chain planning, warehouse and logistics operations, and FMCG planning and buying.



Syed Ali Athar

VP (CSR & Skill Development Initiative)

Mr. Syed has experience in designing and executing large-scale employability and skill development projects. He possesses over 22 years of work experience, with 17 years in acquiring and implementing Government/Multilateral projects in training, capacity building, and skills development. He is leading V-Mart's Skills Development Initiative since joining in January 2018. He held key strategic positions at NIS Sparta, Bharti Comtel, Centum Learning, and NIIT. He holds an Economics graduate degree and a PG Diploma in Management.

আমাদের মূলধন

Our Capitals

Interlinking Our Capitals

Our sustained value generation for stakeholders is rooted in our comprehensive understanding of the relationships between various capitals. We strategically use these connections, making smart choices to improve teamwork and boost overall value.



Financial Capital

Capitals Impacted	Key Strategies	Key Risks	Key Stakeholders
		R1 R2 R3 R4 R5 R6	
SDGs Impacted			



Manufactured Capital

Capitals Impacted	Key Strategies	Key Risks	Key Stakeholders
		R2 R3	
SDGs Impacted			



Intellectual Capital

Capitals Impacted	Key Strategies	Key Risks	Key Stakeholders
		R5 R7	
SDGs Impacted			



Social and Relationship Capital

Capitals Impacted	Key Strategies	Key Risks	Key Stakeholders
		R3 R6 R8 R9	
SDGs Impacted			



Human Capital

Capitals Impacted	Key Strategies	Key Risks	Key Stakeholders
		R10	
SDGs Impacted			



Natural Capital

Capitals Impacted	Key Strategies	Key Risks	Key Stakeholders
		R6	
SDGs Impacted			

Financial	Natural	Suppliers	Communities	Diversify geographically and explore new horizons
Intellectual	Human	Employees	Shareholders	Differentiate through excellence in merchandising
Manufactured	Social and Relationship	Customer		Delight customers through excellent in-store experience
				Building sustainable omni-channel muscle
				Be an employer of choice, and most Preferred value retailer
				Be the leading value retailer in governance and sustainability

- R1** Intensifying competition
- R2** Change in consumer preference
- R3** Supply chain disruptions
- R4** Liquidity and cash conversion
- R5** Change in consumer preference
- R6** Natural disasters and catastrophes; chain disruptions

- R7** Information and cyber security
- R8** Dynamic legal and regulatory requirements
- R9** Social media, brand and reputation
- R10** Talent management



Click or scan above to watch the video

Financial Capital

The Company has initiated a consolidation strategy focused on improving margins by enhancing portfolio health and closing non-performing stores. Among the three businesses, V-Mart and Unlimited have demonstrated growth, while LimeRoad remains in the consolidation phase as we continue to optimise operations for future growth.

Relationship with other Capitals



SDGs Impacted



Key Material Issues

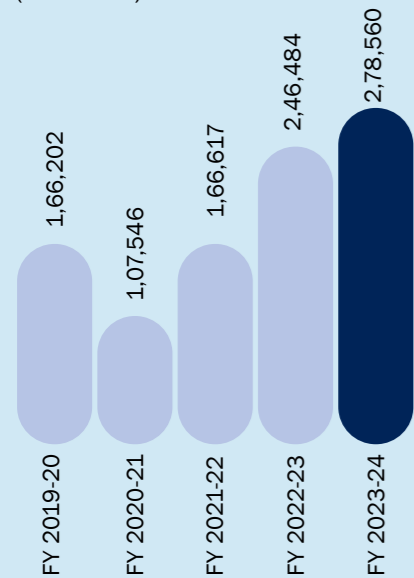
- Sustainable economic performance
- Business continuity
- Innovation and digitisation

Stakeholders Impacted



Key Performance Indicators

Revenue (Rs. in Lakhs)

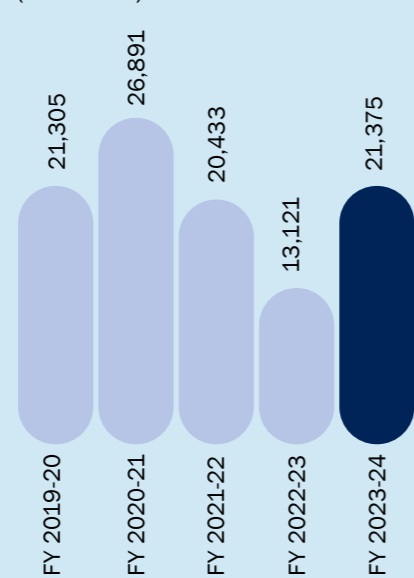


13% Y-o-Y growth

Performance

In a positive turn, FY24 witnessed a notable 13% increase in revenue. However, despite this growth, there were significant financial changes. The net worth decreased to Rs. 74,699 Lakhs from Rs. 84,900 Lakhs in FY23. Borrowing was reduced to Rs. 11,000

EBITDA (Rs. in Lakhs)

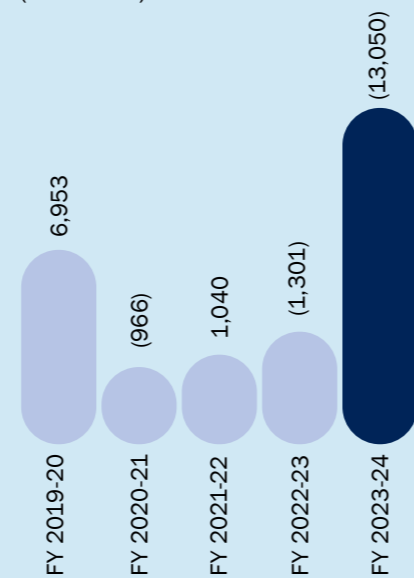


Lakhs, down from Rs. 14,783 Lakhs. EBITDA fell to Rs. 21,305 Lakhs from Rs. 26,891 Lakhs, and the Profit After Tax declined further to Rs. (9,676) Lakhs from Rs. (785) Lakhs in FY23.

Key Focus Areas

Geography – Focusing more on growth of South and East by opening new stores

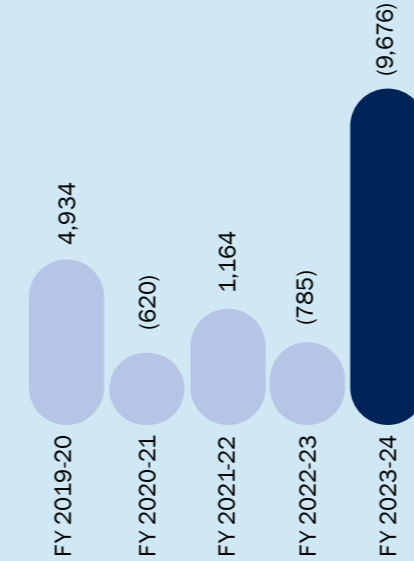
Profit Before Tax (PBT) (Rs. in Lakhs)



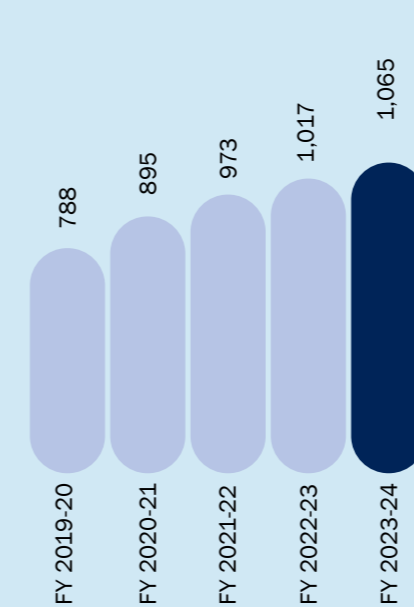
Product – Focus more on Youth-based fashion and accessories; Gen Z line of fashion has been also been introduced

Channel – Due to growth in the number of internet users and as the customers are moving towards digital platforms, our focus is to grow our omni-channel presence

Profit After Tax (PAT) (Rs. in Lakhs)



Transaction Size

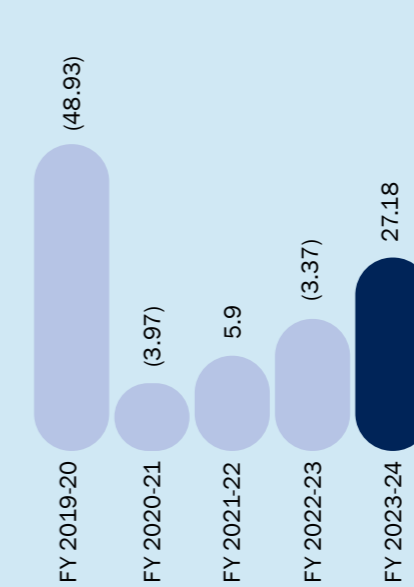


Consolidate and Cluster-based Growth – Focusing on improving health of our overall portfolio by closing stores which are non-performing

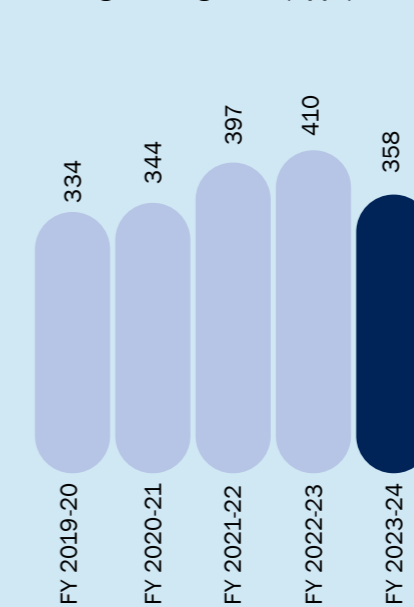
Current and Near-term Future Key Growth Drivers

The Company's performance and growth is majorly driven by quality and pricing

Earnings Per Share (EPS)

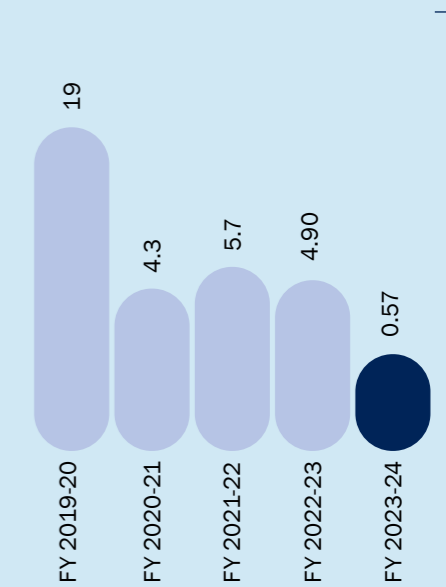


Average Selling Price (Apps)

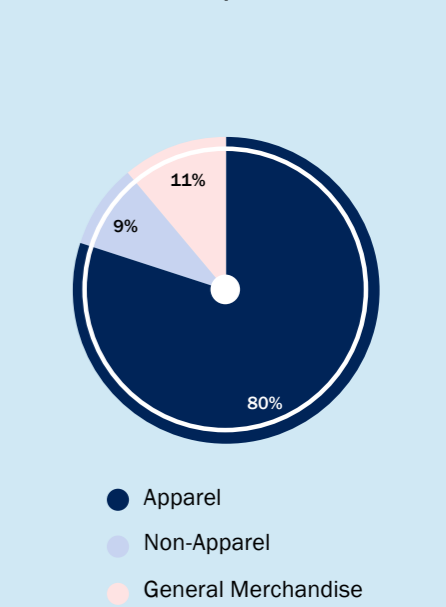


of its product. The Company offers value products to its customers at highly affordable price and it constantly aims at reducing its prices and growth which is driven by increased volumes. Deeper penetration in southern Bharat by opening more stores and improving products in existing stores to align with tastes and preferences prevailing there.

Return on Capital Employed (RoCE)



Revenue Breakup



Capital Expenditure

During the year, the Company has spent approx. Rs. 80 Crores in Capex, including NSO (New Stores Opened) and one new warehouse. In the upcoming year, around 50 new stores are planned to be opened and ~10-20 stores will be closed. Hence, net store addition shall be ~40. Capital expenditure shall be limited to majorly on new stores opened and renovation of existing stores.

Manufactured Capital

In V-Mart's retail business, manufactured capital encompasses the number of outlets, physical infrastructure of outlets, and digital infrastructure. We have steadily expanded our geographical footprint, refurbished existing stores, established a new warehouse, and implemented various digital initiatives by leveraging our financial resources.

Relationship with other Capitals



SDGs Impacted



Key Material Issues

- Climate change, energy efficiency and reduction in emission
- Effective and efficient use of natural resources
- Sustainable packaging and waste management
- Product quality

Stakeholders Impacted



Capability Enhancement

We have been focussing on business structuring involving strategic store closures of non-performing or loss-making outlets to enhance portfolio health. Warehouse automation initiatives aim to streamline operations, boost efficiencies, and increase productivity across the board. Expansion efforts have led to the opening of new stores in the southern region, while inventory adjustments have been made to align with local tastes and preferences. The company has significantly reduced the time taken to receive goods, from 1.5 days to just hours, with the implementation of inbound automation at the new warehouse.

Rs. 12,060 Lakhs
Capital expenditure in FY24

New Store Additions

46

Embracing Digitalisation

Fixed Asset Management System (FAMS) has been adopted by the company for store wise mapping and monitoring of fixed assets.

Compliance Tool

Monitoring and tracking compliances. This tool helps the company to ensure timely compliances of its statutory requirements within the due date to avoid penalties. The tool contains the below six modules: Labour Compliance, Secretarial Automation, IFC Management, Litigation Module & Contract Module.

Robotics Process Automation (RPA)

This tool is being implemented to automate all the manual processes in Treasury which were repetitive, time consuming and can be performed with minimal manual intervention.

The Warehouse Migration

This year, we successfully accomplished the relocation of our Warehouse and Handling System (WHS) from Bilaspur to Palwal. This strategic move was driven by the need to efficiently manage the growing stock volumes destined for our stores. Despite the challenges posed by stock replenishment, our dedicated team ensured effective dispatch management even during the transaction phase.

High Inventory

During FY24, we faced few inventory-related challenges. However, we swiftly implemented several strategic measures to enhance stock management. Notably, our Open-to-Buy (OTB) approach played a pivotal role:

- We created dynamic OTB and adjusted inward plan based on lost sales and delayed stock deliveries.
- Introducing the M+7 OTB management mechanism helped prevent any stock leakages.
- Additionally, we improved synchronisation between store-bottom-up requirements and the inward plan



Adaptive Replenishment Engine

In light of this significant change, we proactively fine-tuned our replenishment engine. As a result, we optimised our inventory management processes, enhancing overall efficiency.

Sales per square feet (per month)*

Rs. 641
Total

3% Y-o-Y growth

Inventory (Days of sales)

113
Total

Key Operational Metrics

Retail Space

39 Lakhs sq ft
Total

4% Y-o-Y growth

Footfall

499 Lakhs
Total

15% Y-o-Y growth

*Basis operational days



Intellectual Capital

At V-Mart, we prioritise nurturing innovation and implementing distinctive technologies or processes to enhance both the customer experience and overall business operations. Through numerous initiatives, we aim to elevate the value of our private labels and cultivate effective collaboration with vendors. Our main focus is on understanding customer preferences more effectively and optimising our operations accordingly.

Relationship with other Capitals



SDGs Impacted



Key Material Issues

- People development and succession planning
- Product quality
- Information security
- Innovation and digitisation

Stakeholders Impacted



Enhancing our Omni-channel Strategy

Omnichannel can be considered the way of the future for retailers as the customers are becoming ever more demanding with access to the internet. Moreover, a changing demographic dividend with the younger generation using the digital medium to find products online. Limited physical space at stores limits the display of product range.

Omni-channel with its use cases, buy online-return in store or vice versa, self-checkout, personalised recommendations & styling guides, look books would shape the way customers demand features from retailers to make in-store purchases. Furthermore, with the growth of online shopping deeper into the Indian markets, customers want to find their brands both online and offline.

Automating Processes Due to Increase in Volume of Data Transactions

With the increase in stores, data transaction volumes score exponentially high and handling such data transactions manually can be challenging due to several reasons:

Operational inefficiency: Manual processes are time-consuming and error prone. Organisations may face bottlenecks, delays, and breakdowns due to the inability to scale manual operations.

Resource drain: Manually managing large datasets consumes valuable human resources.

Automation offers a Sustainable Solution

Improved efficiency: Automated data integration streamlines workflows, freeing up experts for value-added tasks like analysis. It reduces errors and ensures consistent data quality.

Enhanced scalability: Automation handles additional data sources, large datasets, and changes in data structure effortlessly. As organisations grow, automated processes adapt seamlessly.

Effective collaboration with zonal operation and merchandising team

The planning team actively collaborated with the Zonal operations and Merchandising teams, incorporating valuable feedback and ensuring timely stock dispatch, particularly during festive periods.

Digital Initiatives

Integration of WhatsApp Business

The integration of WhatsApp Business (WhatsApp Chat) as the primary channel for customer queries and feedback reflects our dedication to enhancing customer engagement and satisfaction. We have rolled out digital invoices via WhatsApp across all V-Mart stores to streamline processes and improve operational efficiency. Additionally, providing customers with the ability to search for existing offline vouchers through WhatsApp demonstrates our focus on leveraging technology to enhance convenience and accessibility for our patrons.

Enhancing Customer Relationship Management (CRM) with a Personal Touch

V-Mart continues to enhance its Customer Relationship Management (CRM) capabilities by implementing proactive measures to engage with customers. Stores now have the ability to reach out to customers on their upcoming birthdays and anniversaries, demonstrating our commitment to personalised and meaningful interactions. We have also introduced product-specific coupons for issuance and redemption.

V-Mart embraced 'Tableau' as its Digital Tool for Data Visualisation and Analysis

As part of an ongoing process, the tool undergoes regular enhancements to improve its functionality and effectiveness.

Enhancement introduced this year:

- **Monthly store-article sales target vs. achievement:** We have implemented a feature that allows us to track and compare monthly sales targets with actual achievements at the store-article level.

- **Freshness fill-rate development:** Our tool now provides insights into the freshness fill-rate, helping us optimise inventory management and ensure timely replenishment.
- **Assortment performance-based PO tracking:** We have enhanced the tool to enable purchase order (PO) tracking based on assortment performance, ensuring better alignment with our business goals.

ANOVA Analysis

We utilise ANOVA (Analysis of Variance) to identify significant attributes based on historical trends. By comparing means across groups, we pinpoint factors that significantly impact outcomes. Our allocation rule engine leverages these insights. It allocates stocks, optimising decisions like budget and assortment allocation. Aligning stock allocation with critical attributes enhances sustainable scalability.

Way Ahead

Demand Forecasting

Our upcoming demand forecasting tool utilises time series analysis, specifically the Holt-Winters model. By analysing historical data spanning the past 4-5 years, it predicts trends for the upcoming season. Once completed, this tool will enhance scalability by providing automated forecasts that align with organic growth patterns.

62%
Accuracy derived in demand forecasting

Data Cleaning at Inception

- **Enhanced Data Quality:** The ongoing development of the PO Exception analytics will enable us to vigilantly oversee the precision and uniformity of fundamental data generated for each item, starting from its inception. We can ensure cleaner and more dependable data by promptly identifying any inconsistencies.
- **Improved Decision-making:** Decision-makers will be empowered with reliable information by ensuring data accuracy at the outset. This positively impacts strategic planning, resource allocation, and overall business outcomes.



Natural Capital

We are on a sustainable journey, committed to responsible business practices that extend beyond our retail operations to contribute to a better world. V-Mart has made significant strides in sustainability, including the construction of a state-of-the-art warehouse, setting new standards for our environmental efforts. This milestone underscores our dedication to environmental stewardship and innovation.

Relationship with other Capitals



SDGs Impacted



Key Material Issues

- Climate change, energy efficiency and reduction in emission
- Effective and efficient use of natural resources
- Sustainable packaging and waste management

Stakeholders Impacted



To ensure the success of these initiatives, we established an ESG Team with members from each department. This team monitors progress using defined parameters, fostering a culture of sustainability throughout the organisation.

Partnering for Environmental Stewardship

50%
Reduction in paper and printing costs

Warehouse Built under Our Sustainability Ideology

Our new warehouse facility in Palwal, Haryana, was developed with a keen focus on minimising our environmental impact, particularly in terms of carbon emissions from electricity consumption.

To achieve this, we explored non-conventional energy sources and installed solar panels with a capacity of 700 kWp.

These solar panels have proven to be an effective solution, generating 68,282 kWh of electricity annually. Since becoming operational in the beginning of Q4, they have significantly reduced CO₂ emissions by 36 tonnes. Looking ahead, we estimate that the total installed capacity of 700 kWp will generate approximately 936,919 kWh in the next financial year, further contributing to CO₂ reduction.

Projects and Partnerships

We understand the importance of staying ahead with our projects to achieve our goals. Here are some examples of specific projects and partnerships at V-Mart aimed at enhancing natural capital and environmental stewardship:

Project Go Green

We are constructing our warehouse with cutting-edge technology that prioritises eco-friendliness, ensuring minimal environmental impact.

V-Green Project

Our V-Green project focuses on generating sustainable fashion. We are incorporating sustainable practices into our product line, such as using recycled plastic and sustainably sourced cotton in manufacturing.

Project Solar

We have integrated solar panels into our warehouse, and we are exploring expanding this initiative to our stores and head office, aiming to reduce our reliance on conventional energy sources.

Optimising Fuel Usage

We are constantly striving to save fuel wherever possible throughout our operations, ensuring efficient resource utilisation.

Reducing Plastics

We are committed to eliminating plastics from our operations, seeking alternative solutions to minimise our plastic footprint.

Reducing Carbon Footprint and Energy Efficiency

We have embarked on a major sustainability initiative by installing solar panels at our new warehouse in Palwal, Haryana. These panels, boasting a capacity of 700 kWp, have already proven their effectiveness by generating 68,282 kWh of electricity annually since Q4. This has resulted in a significant reduction of CO₂ emissions by 36 tonnes.

36 Tonnes
Of CO₂ emissions reduced

Emissions Reduction

We have undertaken a comprehensive review of our air conditioning systems at our Head Office as part of our commitment to environmental sustainability. Recognising the significant environmental impact of refrigerant gases, particularly those with high Global Warming Potential (GWP), such as R410A and R22, we have transitioned to the use of R32. With a substantially lower GWP of 657, compared to R22's 1810, R32 not only reduces our carbon footprint but also offers enhanced energy efficiency, lower flammability, reduced toxicity, and cost-effectiveness.

Water and Effluent Management

2,664 KL
of water wastage reduced per annum

60 Litres
of water reused per day per store

V-Mart is committed to minimising its impact on water resources and land through its operations.

Our efforts to conserve water include

Rainwater Harvesting

We have implemented rainwater harvesting at our Head Office premises in Gurugram, HR, allowing us to capture approximately 434 kilolitres of water in FY24.

Sewage Treatment Plant (STP) at Warehouse

We have installed a Sewage Treatment Plant at our warehouse, which converts discharged wastewater into reusable water for horticulture, resulting in approximately 25 kilolitres per day being reused.

Water Reuse at Stores

In our daily operations, we reuse discarded water at our stores. This initiative has been implemented in 346 stores initially, resulting in the reuse of approximately 60 litres of water per day per store. Annually, this amounts to 7,577 kilolitres of water reuse. As part of our sustainability initiative, this practice will be implemented at all our stores.



Sustainable Sourcing Practices

We consider sustainable fashion as an important aspect of our product and to deliver that we developed our product considering less water consumption, less energy usage during the production process, low on resource usage during its life cycle and looking forward to the cradle-to-cradle products development approach in our product offering range.

Sustainable aspect incorporated in our product line as mentioned below

- Use of recycled plastic in the merchandise
- Sustainably sourced cotton used in product manufacturing

The Company's sustainability leap involves creating a minimum of 5 Lakhs pieces every year using recycled materials, minimising waste and raw material demand. Our target is for 30% of products by volume to have at least one sustainability attribute by 2025.

Looking Ahead

Our focus remains on innovation and progress, as we look ahead on our sustainability journey. From pioneering new eco-friendly materials to enhancing our supply chain practices, we're committed to pushing the boundaries of possibility. Together with our partners and customers, we are actively shaping a more sustainable tomorrow—one stylish stride at a time.

Human Capital

Human capital is integral to our organisation, embodying the diverse skills, knowledge, and experience of our employees. We recognise their value and potential to propel our Company's growth. Our top priority is cultivating a supportive environment that prioritises employee well-being. In return, they consistently deliver exceptional performance, driving mutual growth and progress.

7,664
New hires

Relationship with other Capitals



SDGs Impacted



Key Material Issues

- Employment engagement
- People development and succession planning
- Workforce diversity
- Health and safety of people
- Board diversity

Stakeholders Impacted



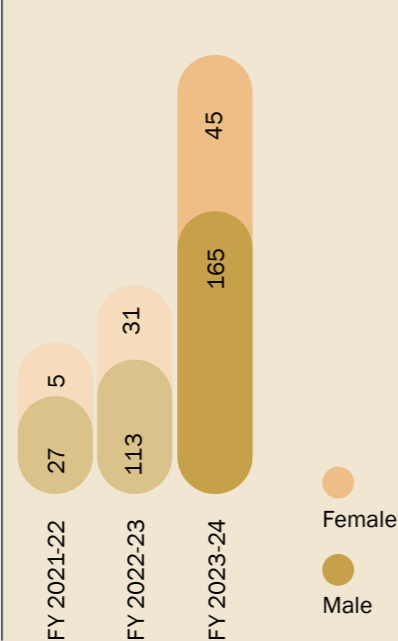
Employee Engagement Score

78%

Total Employees by Age

	Male	Female
Below 30	5,532	2,267
30-50 years	2,535	510
Over 50 years	86	5

Specially-abled Employees



Nurturing Inclusive Growth

Our culture prioritises collaboration, communication, and teamwork. We champion diversity and inclusion, providing targeted training to address biases. We offer diverse development opportunities and encourage internal mobility. Additionally, we engage in CSR initiatives, promoting sustainability and community involvement.

Upholding Diversity for Customer Centricity

Our commitment to diversity is central to our customer-centric approach and our aspiration to become the employer of choice. We are dedicated to eradicating any form of bias or discrimination within our organisation, through a range of initiatives.

Employee Engagement

Employee engagement is essential for organisational success, driving higher productivity, sparking innovation, and strengthening commitment to Company goals.

Regular Communication

Maintaining open and transparent communication channels between management and employees is essential for creating engagement. This includes regular team meetings, town halls, BRMs and other business updates to keep employees informed about Company news, goals, and initiatives. The Survey Approach is a prime example.

- M** - Meaning
- A** - Autonomy
- G** - Growth
- I** - Impact
- C** - Connect

Recognition and Appreciation

Recognising and appreciating employees' contributions is key to boosting morale and engagement. V-Mart implements formal recognition programmes, such as Employee of the Month awards, peer-to-peer recognition platforms, or spot bonuses to acknowledge outstanding performance and efforts.

Team Building and Social Events

Organising team-building activities, social events, and volunteer opportunities strengthens bonds among employees and fosters a sense of camaraderie and belonging. V-Mart hosts team lunches, holiday parties, sports events, charity events, or corporate social responsibility initiatives to bring employees together outside of work.

Diversity, Equity and Inclusion

There has been an increase in the number of female employees from the previous financial year to the current financial year.

25%
Women employees in FY24

The number of employees with disabilities has also increased from the previous financial year to the current one.

210
Specially-abled Employees

Training and Development

We emphasise the growth and development of our workforce, understanding that employee training and development are critical to our organisation's success. To this end, we have designed comprehensive training programmes tailored to meet the needs of employees at all levels.

Champion of Change

This is the name of our talent initiative to groom employees for next levels. We started by identifying critical roles within the organisation and prepared success roles for each role. We identified 94 employees pan-India and 3 batches were formed to train them out of which 58 employees finally completed the programme. This involves assessing the skills and potential of current employees and providing them with the necessary training and development to prepare them for future roles.

Regional Manager Interviewing Skills Workshop

The 'Interviewing Skills' series aimed to enhance RM hiring processes through competency-based interviewing. Topics covered were analysing job descriptions for defining responsibilities and KPIs, assessing critical competencies, understanding candidate motivations, leveraging emotional intelligence, applying design thinking for empathy in interviews, and integrating the ADKAR model for effective change management. The workshop also emphasised creating objective assessment criteria, learning from previous interview experiences, and mitigating biases through critical thinking and the STARF technique in crafting competency-based questions.



Social and Relationship Capital

We have cultivated strong ties with diverse stakeholders, including customers, communities, governments, distributors, and suppliers. These partnerships are integral to our commitment to excellence and ethical business practices. Through our CSR programmes, we focus on providing nutritious food, quality education, disaster relief, sports support, environmental initiatives, animal welfare, and road safety to make a lasting community impact.

Relationship with other Capitals



SDGs Impacted



Key Material Issues

- Community development and CSR
- Customer privacy
- Customer engagement & satisfaction

Supply Chain

In FY24, our supply chain has undergone significant improvements, becoming more agile, scalable, and productive. Through inbound automation, we've drastically reduced the time it takes to receive goods, from 1.5 days to mere hours. This enhanced speed allows us to respond swiftly to market demands and ensure timely deliveries. Additionally, our new warehouse infrastructure has bolstered scalability, equipping us to support our business operations for the next 5 years with ease. Furthermore, the implementation of fully automated systems has led to heightened productivity across various areas. As we continue to optimise our processes, we anticipate further increases in efficiency, especially as our workload expands in the future.

Vendors Added Department Wise

Manpower	Transportation	Infra & Automation
3	5	4

Skill Development

We have implemented the new Sagarmala project in Tamil Nadu state with a target to skill 210 candidates. Additionally, applications are currently under process in Haryana and Bihar (under DDU-GKY) with targets of training 500 candidates each.

Details of Sagarmala Project - The Government of India launched the Sagarmala Project in 2015 to create port-led development across the nation. This initiative seeks to leverage India's extensive 7,500 km coastline to unlock its economic potential. Additionally, the project includes community training programs aimed at enhancing employment opportunities and fostering growth among coastal communities.

Ongoing Project Details

We will file the closure of our 3 projects (Uttar Pradesh, Odisha and Tripura) in FY25.

FY24

Mobilised	Trained
4	3
Appointed	
5	

- Till date, total 6,883 candidates mobilised from 10,000 families. Total 491 blocks covered through 2,515 Gram Panchayats focusing on 98 districts in 7 States including Himachal Pradesh, Rajasthan, Odisha, Tripura, West Bengal, Meghalaya and Tripura.
 - The District Project Management Units (DPMU) of every district were approached by our team members as they have demographic data of targeted stakeholders. Based on the received data, our team members chalk out our mobilisation plan/s and organise job fairs within the block.

CSR

At the heart of our CSR philosophy is our dedication to the local communities surrounding our store clusters and sourcing hubs. We strive to positively impact these communities by improving their quality of life sustainably and responsibly. Through our CSR efforts, we aim to create lasting benefits that uplift and empower the communities we serve.

FY	Spend (Rs. Lakhs)	No. of beneficiaries
FY24	18	13,000+
FY23	61	38,000+
FY22	248	34,000+

CSR Efforts during FY24

S. No.	Name	Objective	Target Group	Impact Details
1	Plaksha – Reimagining Higher Education (Ongoing)	Education support and scholarship to 12 th passed students who aspire to attend a world-class technology UG programme.	12 th passed students who aspire for quality UG education.	Full batch of UG student provided with the quality class infrastructure and with 25% to 50% scholarship of yearly tuition fee to 17 deserving students.
2	Ujjwal Bhavishya Scholarship (New)	Scholarship support to 10 th and 12 th passed students.	10 th and 12 th passed students, form underserved background.	51 student got felicitated with scholarship at the V-Mart store. Students from 21 districts spread in 9 States covered under the programme.
3	Community Free School (New)	To provide elementary education to the street and rural children along with nutritious meals.	Street and rural Children	Education session to 245+ rural and street children.
4	Girls Ashram (New)	Create home and academy for Girls, who are in need.	Orphaned, destitute, abandoned, or a child whose parents are incapable of providing them a home.	Total 25 children covered, got enrolled at Girl care home and supported with food and education.
5	Abandoned Street Animal Care (New)	Sheltering rescued animal with personalised Care, Compassion and Commitment.	Rescued Animal	Approx. 90 abandoned street dogs under care at Karma Animal Foundation along with 160 dogs on the street locations.

Awards and Corporate Information



Retail ICON of the Year 2023 by UBS Forum



Retail Brand of the Year by Great India Retail Awards



Value E-Retailer of the Year 2023 by Star Retailer Awards



Department Store of the Year 2023 by Star Retailer Awards



Value Retailer of the Year 2024 by IReC Awards

BOARD OF DIRECTORS

- Aakash Moondhra** (Chairperson, Non-Executive, Independent Director)
- Lalit Agarwal** (Managing Director)
- Madan Gopal Agarwal** (Whole-time Director)
- Murli Ramachandran** (Non-Executive, Independent Director)
- Sonal Mattoo** (Non-Executive, Independent Director)
- Govind Shridhar Shrikhande** (Non-Executive, Independent Director)
- Raghuvesh Sarup*** (Non-Executive, Independent Director)
- Shweta Kumar*** (Non-Executive, Independent Director)

BOARD COMMITTEES

Audit Committee

- Murli Ramachandran** (Chairperson)
- Aakash Moondhra** (Member)
- Govind Shridhar Shrikhande** (Member)

Nomination & Remuneration Committee

- Govind Shridhar Shrikhande** (Chairman)
- Murli Ramachandran** (Member)
- Sonal Mattoo** (Member)

Stakeholders' Relationship Committee

- Sonal Mattoo** (Chairperson)
- Lalit Agarwal** (Member)
- Madan Gopal Agarwal** (Member)

Corporate Social Responsibility (CSR) Committee

- Sonal Mattoo** (Chairperson)
- Lalit Agarwal** (Member)
- Madan Gopal Agarwal** (Member)
- Aakash Moondhra** (Member)

Risk Management Committee

- Murli Ramachandran** (Chairperson)
- Aakash Moondhra** (Member)
- Govind Shridhar Shrikhande** (Member)

Investment Committee

- Lalit Agarwal** (Chairperson)
- Madan Gopal Agarwal** (Member)
- Govind Shridhar Shrikhande** (Member)
- Anand Agarwal** (Member)

Warehouse Committee

- Lalit Agarwal** (Chairperson)
- Madan Gopal Agarwal** (Member)
- Anand Agarwal** (Member)
- Ramesh Agarwal** (Member)

COMPANY SECRETARY & COMPLIANCE OFFICER

Megha Tandon

Statutory Auditors

S.R. Batliboi & Co. LLP,
Chartered Accountants
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World Mark – 2 Asset No. 8,
IGI Airport Hospitality District,
Aerocity, New Delhi – 110 037 India
Tel.: +91 11 61229500
Fax: +91 11 24-4644050
Contact Person: Vikas Mehra,
Partner Membership No.: 094421
Firm Registration No.: 301003E/
E300005

Secretarial Auditor

M/s. VKC & Associates
Company Secretaries
D-38, LGF (L/S),
South Extension Part-II
New Delhi – 110 049
Tel.: +91- 99992 33556
Website: www.vkcindia.com
Contact Person: Ishan Khanna,
Partner Membership No.: 53517
CP No.: 24258

Internal Auditors

KPMG Assurance and
Consulting Services LLP
Building No. 10, 8th Floor,
Tower-C, DLF Cyber City,
Phase-II, Gurugram – 122 002
Tel.: +91-124-3074000
Website: www.kpmg.com/in

Bankers

State Bank of India
ICICI Bank
HDFC Bank
Axis Bank

Registered Office

V-Mart Retail Limited, 610-611,
Guru Ram Dass Nagar,
Main Market, Opp. SBI Bank,
Laxmi Nagar, New Delhi – 110 092

Corporate Office

Plot No. 862, Udyog Vihar,
Industrial Area, Phase – V, Gurugram,
Haryana – 122 016, India.
Tel.: +91 124 - 4640030
Fax: +91 124 - 4640046
Email: info@vmart.co.in
Website: www.vmart.co.in
CIN: L51909DL2002PLC163727

Warehouse

Palwal, Haryana
Bengaluru, Karnataka

Registrar & Share Transfer Agent

M/s KFin Technologies Limited
Selenium Tower B, Plot No. – 31 &
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Hyderabad, Telangana – 500 032,
Tel.: 040 67162222
Toll Free: 180 0345 4001,
Fax: 040 23420814,
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Senior Management Personnel

- Vineet Jain** - Chief Operating Officer
- Anand Agarwal** - Chief Financial Officer
- Jayesh Kothari** - President (Merchandising)
- Jaideep Jaiman** - Chief Digital Officer
- Anjali Goel** - Vice President (Human Resource)
- Ramesh Agarwal** - Vice President (Supply Chain Management)
- Dinesh Srivastava** - Vice President (Information Technology)
- Snehal Shah** - Sr. Vice President (Projects & Business Development)
- Nitin Goel** - Vice President (Planning)
- Syed Ali Athar** - Vice President (CSR & Skill Development Initiative)
- Suchishree Mukherjee** - Chief Executive Officer (CEO) - LimeRoad (separated wef May 16, 2024)
- M. Srinivasan** - Vice President (Planning & Supply Chain) (resigned during the year)

*Appointed as Additional Director on May 14, 2024.



V-Mart Retail Limited

વૈધાનિક અહેવાલો

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Click or scan above to watch the video

Management Discussion and Analysis

Economic Overview

Global Economy

In 2024, the global economy continues to demonstrate steady growth, reminiscent of the previous fiscal year. While this is a positive sign, it's important to acknowledge the potential influences that could shape future trends. Recent geopolitical tensions in regions like Ukraine and Gaza have drawn attention, highlighting the importance of monitoring global developments. Moreover, factors such as sustained core inflation and

tight labour markets suggest a robust economic landscape. As expectations of higher interest rates emerge, it signals a proactive response to maintain economic stability.

As per IMF report released in April 2024, global growth, which was estimated at 3.2% in 2023, is anticipated to maintain the same pace in 2024 and 2025. This growth rate is deemed low compared to historical norms, influenced by various factors including immediate

issues such as high borrowing costs and the winding down of fiscal support and Russia's incursion into Ukraine. As a reaction, policymakers adapted monetary strategies and implemented fiscal stimulus packages to address these challenges and strengthen the economy's resilience.

Global Growth Trend and Inflation

Growth Projections:

Global Economy

(Real GDP, Annual Percent Change)	Estimate	Projections	
	2023	2024	2025
World Output	3.2	3.2	3.2
Advanced Economies			
Advanced Economies	1.6	1.7	1.8
Emerging Market and Developing Economies	4.3	4.2	4.2

Source: [IMF](#)

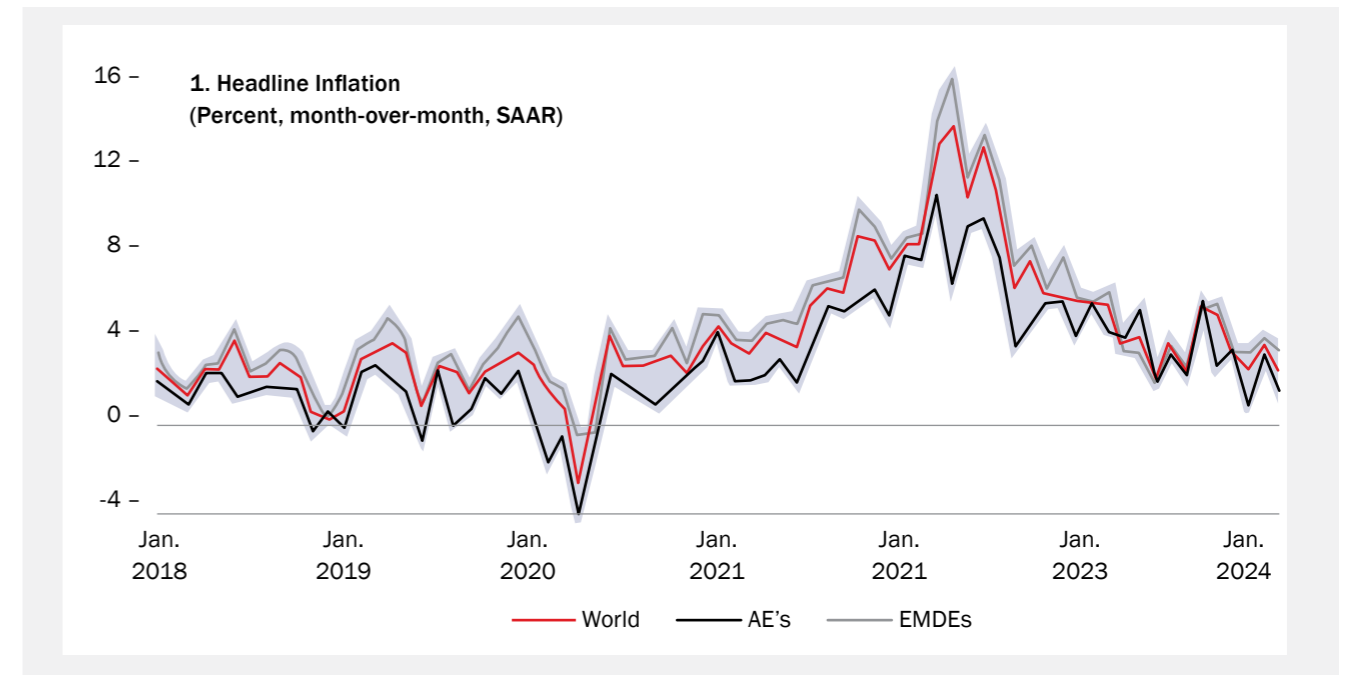
World Economic Outlook Growth Projections (Real Gdp, Annual Percentage Change):

(Real GDP, Annual Percent Change)	2023(E)	2024(P)	2025(P)
World Output	3.2	3.2	3.2
Advanced Economies	1.6	1.7	1.8
United States	2.5	2.7	1.9
Euro Area	0.4	0.8	1.5
Emerging Markets and Developing Economies	4.3	4.2	4.2
Emerging and Developing Asia	5.6	5.2	4.9
China	5.2	4.6	4.1
India	7.8	6.8	6.5

The global inflation gradually decreased from 8.7% in 2022 to 6.8% in 2023. Forecast suggests that it will further drop to 5.9% in 2024, and eventually reaching 4.5% in 2025. Advanced economies are anticipated to reach their inflation targets before emerging markets and developing economies. Generally, core inflation is expected to decline more gradually. Despite significant interest rate increases by central banks aiming to restore price stability, the world economy has shown remarkable resilience.

In FY 2024, headline inflation in most economies neared its pre-pandemic levels, representing a significant milestone since the global inflation surge began. As global inflation decreased from its highest point, economic activity continued to grow steadily, contrary to warnings of stagflation and a worldwide recession, just a couple of years back.

Source: [World Economic Outlook, IMF \(April Report\)](#) | E - Estimated | P - Projected



AE - Advanced Economies | EMDEs - Emerging Market and Developing Economies | SAAR - Seasonally Adjusted Annual Rate
Source: [World Economic Outlook](#)

Management Discussion and Analysis

Outlook

Projections indicate that the global economy will maintain a similar pace of growth in 2024-25 as observed in 2023, with both headline and core inflation expected to decline marginally. However, the forecasted global growth for these years falls below the historical

average of 3.8% which can be attributed to tight monetary policies, reduced fiscal support, and sluggish productivity growth. Advanced economies are anticipated to experience a slight uptick in growth, primarily due to a recovery in the euro area following low

growth in 2023. Conversely, emerging markets and developing economies are projected to sustain stable growth through 2024 and 2025, albeit with regional variations.

Comparing the Global and the Indian Growth (GDP) Going Forward (CY-Basis)

	2023	2024	2025
Global	3.2	3.2	3.2
India	7.8	6.8	6.5

Domestic Economy

Despite a benign global scenario, the Indian economy grew by 7.6% in FY 24, making it the fastest-growing economies among developed and developing economies. Various high-frequency indicators demonstrate the robustness of the domestic economy. As of March 31, 2024, the monthly Goods and Services Tax (GST) collection reached Rs. 2 lakh crore, marking an impressive year-over-year growth of 11.5%. The Purchasing Managers' Index (PMI) for manufacturing has surged to a 16-year high, while UPI, the primary digital payments system, continue to record higher volumes since its launch in 2016.

With rural demand picking up momentum, consumption is anticipated to be a key driver of economic growth from 2024 to 2025. Urban consumption indicators also show robustness. The government has launched several key initiatives to boost the economy and promote self-reliance in India. Stimulus packages aim to support sectors facing economic challenges, while the Aatmanirbhar Bharat campaign focuses on domestic manufacturing growth. Efforts to attract foreign investment include permitting 100% Foreign Direct Investment (FDI) in single-brand retail through the automatic route, aiming to streamline business processes and strengthen the Make in India initiative.

Source: [NCAER](#)

Headline Inflation

Headline inflation as of 31st March 2024 moderated to 4.8% which is a notable improvement from previous month's projections (5.1%) but it still surpasses the 4% target.

In rural areas, the inflation rate stands at 4.8% as of end of April 2024, which is 0.7% higher than the urban inflation rate of 4.1%. Meanwhile, food inflation in April remained 8.6% from the previous couple of months. Food price uncertainties persist, exerting pressure on future inflation trends. The ongoing disinflation process faces obstacles due to the considerable volatility in food inflation. Persistent high food inflation risks destabilising the anchoring of inflation expectations currently in progress. However, the robust growth momentum, along with India's GDP projections for 2024-25, provide the policy flexibility to prioritise price stability. Even, the demand for work under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) decreased by 26.2% compared to the previous year.

Source: [The PIB](#) | [NCAER](#)

Outlook

The Reserve Bank has opted to maintain its GDP growth forecast at 7.0% for the FY 2024-25. Looking forward, India is poised to emerge as the world's third-largest economy by 2030. The drivers of future growth encompass robust domestic consumption, evident structural demand, and enhanced health in both corporate and banking sectors. The nation's recovery is propelled by factors such as domestic consumption, a shift towards renewable energy, improved trade policies, heightened investments in infrastructure, and the ongoing digitalisation. With the implementation of comprehensive strategic reforms, India is well-positioned for sustained economic advancement.

Sources:

- [Ministry of Statistics & Programme Implementation](#)
- [The Hindu](#)
- [Business Standard](#)

Industry Overview

Indian Retail Market Overview

India's retail sector commands a formidable presence on the global stage, securing fourth position in terms of market size and making a substantial contribution of over 10% to the nation's GDP. The Indian retail industry has become one of the most competitive and quick-paced sectors and has a valuation of \$1 trillion. It is poised for remarkable growth, projected to escalate at a compound annual growth rate (CAGR) exceeding 13% by the year 2027. The retail sector in India is anticipated to reach a valuation of \$2 trillion within the next decade. For the year 2024, the sector is poised for growth ranging between 10-13%. In terms of B2C E-commerce, India's market size is projected to reach \$59 billion by 2024, with a projected compound annual growth rate (CAGR) of 27% from 2019 to 2024.

\$1 Tn

Expected Indian retail market size

10%

Contribution to India's GDP

10-13%

In 2024, the Indian retail market is expected to grow at

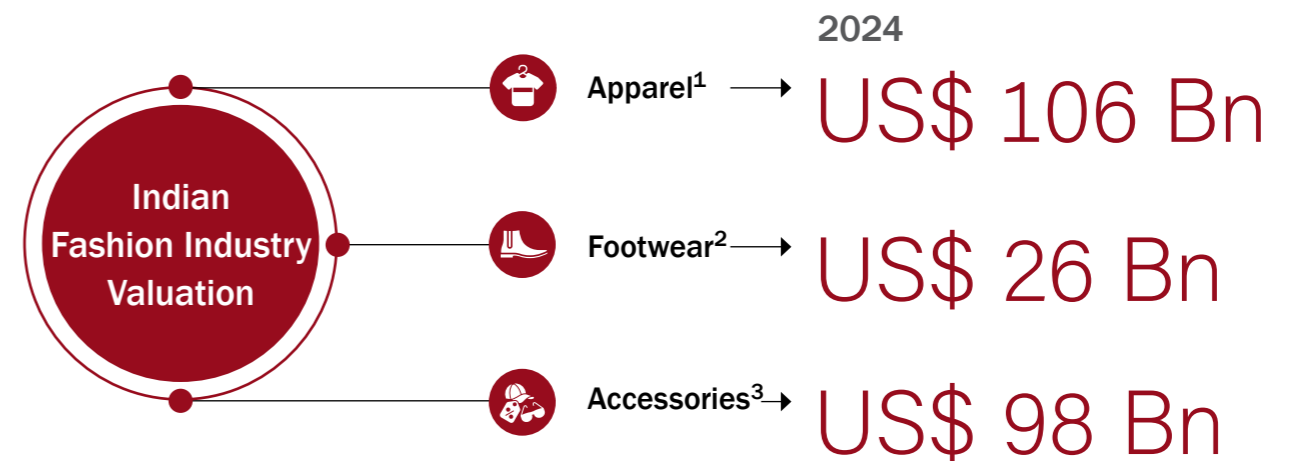
Sources:

- [Statista](#)
- [Indian Retailer](#)
- [Global Data](#)

Organised retail in India has consistently outpaced the overall category growth, although recent performance has been tempered by potential challenges. Factors influencing the trajectory of growth in the retail sector include shifts in consumer spending habits, the expanding middle class, trends favouring premium products, urbanisation, supply chain expansion, and changing channel preferences.

Indian Fashion Industry

In India, the fashion sector encompasses a range of segments including apparel, footwear, accessories, jewellery, and cosmetics. Among these, apparel stands out as the largest segment, contributing majorly to the total market value in 2023.



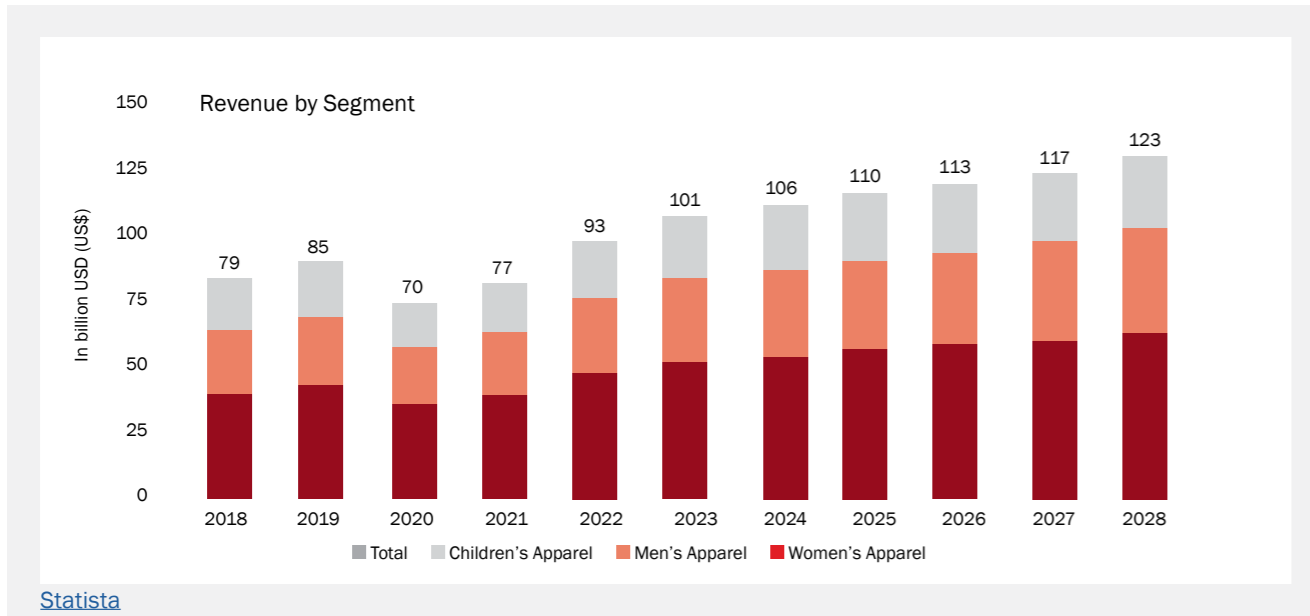
Sources:

- [Research And Markets](#) | ¹[Statista](#) | ²[Statista](#) | ³[Statista](#)

Management Discussion and Analysis

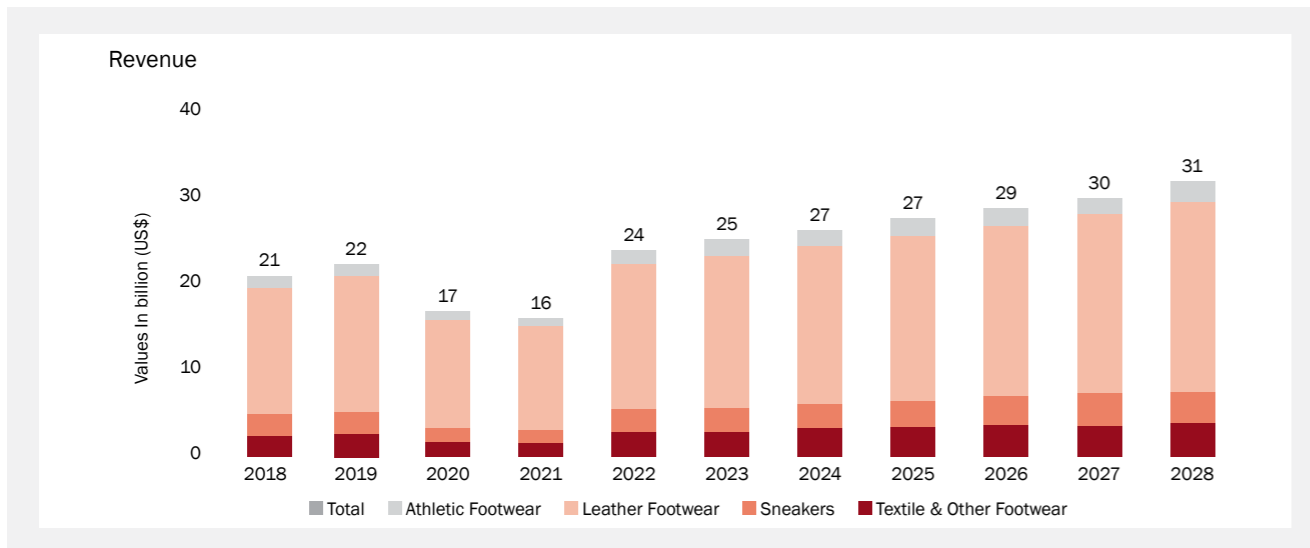
Apparel Industry

The apparel market in India is forecasted to achieve a revenue of US\$106 billion by 2024, with an estimated annual growth rate of 3.8% (CAGR 2024-2028). Women's Apparel emerges as the dominant segment, representing the largest market share valued at US\$51 billion in 2024. It is anticipated that 99% of sales in the Apparel market in India will be attributed to non-luxury items by 2024. Notably, India's Apparel market is witnessing an upsurge in demand for sustainable and ethically produced clothing, driven by growing consumer consciousness and a shift towards mindful consumerism.



Footwear Industry

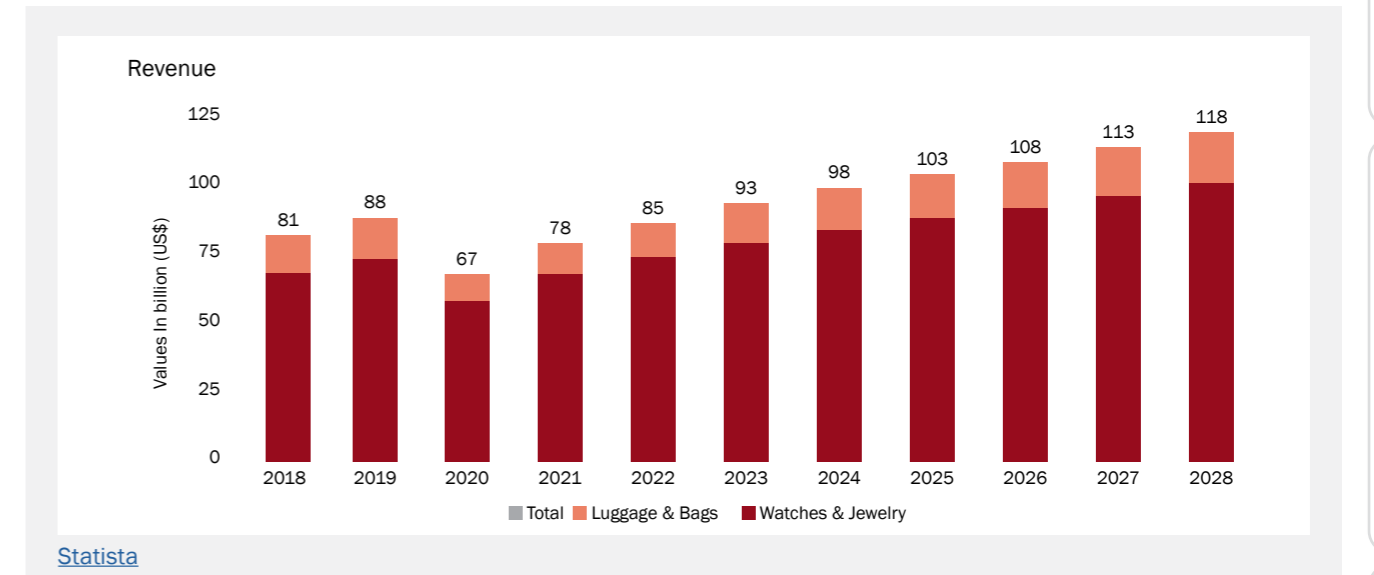
India ranks as the world's second-largest footwear producer after China, contributing to 13% of global footwear production and 2.2% of global exports. The Indian footwear industry has the potential to expand significantly, with market size projected to surge to \$31 billion by 2028, provided various measures are implemented. The market is expected to grow at an annual rate of 4.9% (CAGR 2024-2028).



Deccan Herald | Statista | Global Trade Research Initiative

Accessories Industry

In FY 2024, the accessories market in India records a revenue of US\$98 billion, projected to grow at a steady annual rate of 4.7% (CAGR 2024-2028). The dominant segment within the market is watches & jewellery, accounting for a substantial market volume of US\$83 billion in this fiscal year. Additionally, online sales are predicted to contribute 10.7% of the total revenue in the Accessories market by 2024.



Online Retail

India is poised to claim the title of the third-largest online retail market globally by 2030. While the Indian retail sector is predominantly unorganised, the landscape is expected to undergo significant transformation over the next 3-5 years. According to a report from Invest India, the e-commerce sector in India is anticipated to experience remarkable growth by 2030. Online retail is projected to constitute approximately 10.7% of India's overall retail market by 2024. According to estimates, the India E-Commerce Market is valued at USD 113 billion in 2024 and is projected to expand to USD 299 billion by 2029, with a compound annual growth rate (CAGR) of 21.5% during the forecast period (2024-2029).

Outlook

By 2025, approximately 87% of Indian households are expected to be connected to the internet, with a notable 21% increase in mobile internet usage duration since 2019.

\$350 Bn

Projected value of India's e-commerce market by 2030

Sources:

- Economic Times
- Business Standard
- Mordor Intelligence
- Invest India
- Statista

Growth Drivers

- Growing Income
- Increased Online Spending
- Growth of Rural Consumption
- Young Millennial Households
- Expansion of E-commerce in Tier-2 and Tier 3 Cities
- Increased Internet Penetration
- Growing Number of Digital Consumers



Management Discussion and Analysis

Key Trends of the Industry

Fast Fashion

The evolution of consumer fashion preferences now encompasses a wide array of clothing categories, ranging from casual wear and athleisure to loungewear, sports attire, jackets, and jeans. This shift in demand presents a lucrative opportunity for value retailers like us, as we specialise in offering value fashion across various categories, with a particular focus on casual wear within the mass-mid price range.

Embracing Diversity in Fashion

Diversity and inclusion will drive fashion trends, prompting retailers to offer more size options, styles, and customisation to cater to diverse customer preferences. Featuring a variety of models and influencers will be essential in marketing campaigns.

Rural Prosperity Driving Consumption

With increasing awareness, education, and aspirations, retailers have a unique opportunity to cater to the rural market. By providing affordable, quality products tailored to rural lifestyles, they can tap into this segment despite existing income disparities.

Rise in Demand for Ready-to-Wear

Convenience and comfort will fuel demand for ready-made clothing. Retailers need to offer a diverse range of well-fitting, durable garments and leverage technology for fitting and personalisation.

Sustainable Practices on the Rise

As consumers prioritise sustainability, retailers must adopt eco-friendly practices like using organic materials and reducing packaging waste to meet growing demand for environmentally conscious products. Supporting local artisans and communities will also become increasingly important.

Fashionable and Affordable

After the pandemic, consumers will seek trendy yet budget-friendly clothing. Retailers must provide attractive pricing, deals, and loyalty programs without compromising on quality.

Online Adoption

The shift in consumer behaviour toward online channels for apparel shopping has been further fuelled by the availability of lower price points. Consumers increasingly utilise various online platforms, including apps, websites, and social commerce channels like WhatsApp and video shopping, to access affordable apparel options. Tier I towns are also witnessing growth in Quick Commerce.

AI-led Analytics

AI-led analytics is revolutionising the Indian retail industry by providing invaluable insights into consumer behaviour, preferences, and market trends.

Tier-II and Tier-III Cities Leading Fashion Consumption

As smaller cities urbanise and digitalise, they will become hubs for fashion consumption. Retailers must adapt their offerings to local tastes and preferences to succeed in these emerging markets.

Opportunities

Women Workforce

The rise of women in the workforce has led to a change in household dynamics, with an increasing preference for branded products, especially in fashion and lifestyle categories for women

Urbanisation

Urbanisation stands as a crucial pillar of India's development narrative, with urban areas serving as primary drivers of consumption.

Nuclearisation

The increase in household numbers outpaces population growth, suggesting a growing trend of nuclear families in India.

E-commerce: Revolutionising Retail

Online shopping, driven by social media and influencers, offers convenience and personalisation. Brands must optimise their digital presence and leverage data analytics for pricing and inventory management.

Influence of Social Media

Social media influencers play a significant role in shaping consumer behavior. Brands must collaborate with influencers who align with their values to drive sales and build loyalty.

Diversification and Targeting New Segments

To stay competitive, fashion brands must diversify their offerings and cater to new customer segments. This may include expanding into beauty or wellness or offering inclusive sizing options.

Challenges

Managing Rising Costs

Escalating input costs pose a challenge for retailers, affecting margins and pricing strategies. Optimising processes and sourcing can help mitigate these challenges. Online retail still remains non sustainable at low price points for any retailer.

Adapting to Digital Disruption

Digital technologies offer opportunities for retailers to enhance customer experience and innovate business models. Embracing digital tools and platforms is essential for staying ahead of the competition.

Managing Geopolitical Risks

Geopolitical instability can disrupt global trade and commerce. Retailers must diversify markets and partners and comply with local regulations to manage geopolitical risks.

Coping with Energy Woes

Energy shortages and fluctuations can impact retail operations. Retailers must invest in energy-efficient practices and renewable sources to address energy challenges.

Navigating Inflationary Pressures

Inflation threatens retail stability by reducing purchasing power and increasing operating costs. Retailers must adjust pricing and financial strategies to remain competitive.

Addressing Supply Chain Disruptions

Supply chain disruptions can lead to delays and increased costs. Retailers must adopt resilient supply chain strategies to cope with global uncertainties.

Staying Agile in Fashion

Fashion trends change rapidly, requiring retailers to adapt quickly. Agile, customer-centric approaches are essential for meeting evolving market demands.

Climate Risk

Supply chain disruptions can be caused due to extreme weather events. Energy inefficiencies can increase operational costs and vulnerability to shifts in consumer behaviour are also driven by climate concerns.

Management Discussion and Analysis

Company Overview

V-Mart in a Nutshell

V-Mart Retail has been a leader in organised value fashion retailing, serving millions of customers since 2002. More than just a chain of retail stores, it has evolved into a lifestyle brand offering fashion apparel, footwear, home furnishings, and general merchandise for the entire family at honest prices. V-Mart caters to the rising aspirations of the middle class in Tier II and III cities, providing affordable and high-quality fashion in a modern and comfortable setting. By embracing the concept of 'value retailing,' V-Mart meets the growing demand for affordable yet stylish fashion among the expanding middle class. In its apparel section, the Company focuses on ethnic, fusion, and western wear for women; formal, sports, and casual wear for men; and a variety of kids' wear in different colours and designs. Apart from apparel, V-Mart also offers bags, toys, footwear, crockery, utensils, and a range of FMCG products, including packaged food and non-food items.

444 Stores **25** States

288 Cities

Operational Performance

Key Highlights of FY 2023-24

- **Revenue Growth:** 13% year-on-year increase in revenue.
- **Expansion:** Opened 46 new stores, expanding our retail footprint.
- **Optimisation:** Improved network health by replacing 6% of under performing stores with new, more promising locations.

- **Investments in Infrastructure:** Invested significantly in the renovation of new stores to enhance customer experience and improve operational efficiency.
- **Supply Chain Enhancements:** Enhanced supply chain efficiency through the adoption of advanced tools and streamlined processes.
- **Product Focus:** Concentrated on offering fashionable products and designs tailored to meet the evolving demands of the youth demographic
- **Digital Integration:** Achieved seamless integration of offline and online customer experiences through strategic digitalisation initiatives.

[Read more on page 12](#)

Financial Performance

The Company follows the accrual basis of accounting under the historical cost convention. Its accounts were prepared on the basis of Indian Accounting Standards (Ind AS) as per Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant amendments thereafter.

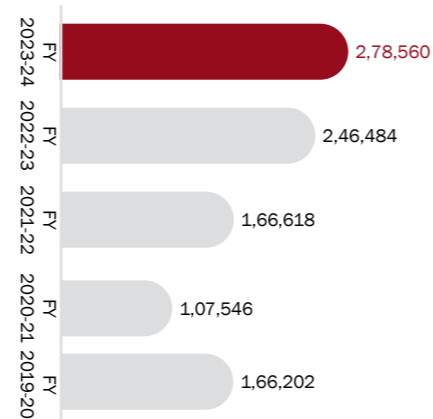
- In FY 2023-24, the net worth decreased to Rs.74,699 Lakhs from Rs. 84,900 lakhs in FY 2022-23
- Borrowing decreased to 11,000 lakh as compared to Rs. 14,783 lakhs in FY 2022-23
- EBITDA for FY 2023-24 decreased to Rs. 21,305 lakhs from Rs. 26,891 lakhs in FY 2022-23
- Profit after tax stood at Rs. (9,676) Lakhs in FY 2023-24 as compared to Rs. (785) Lakhs in FY 2022-23

Key Performance Indicators

Revenue (₹ in lakhs)

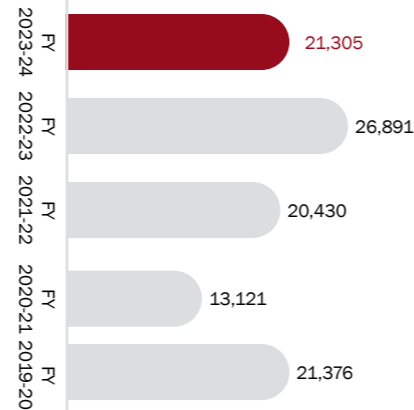
2,78,560

▲ 13% y-o-y growth



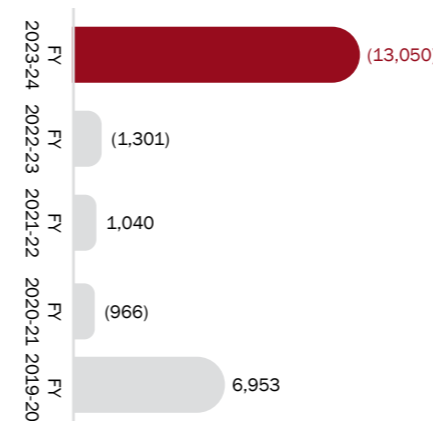
EBITDA (₹ in lakhs)

21,305



Profit before tax (PBT) (₹ in lakhs)

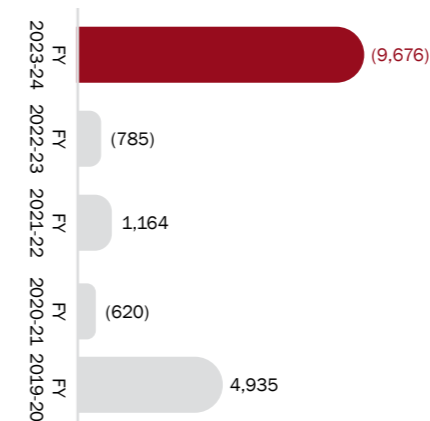
(13,050)



[Read more on page 48](#)

Profit after tax (PAT) (₹ in lakhs)

(9,676)



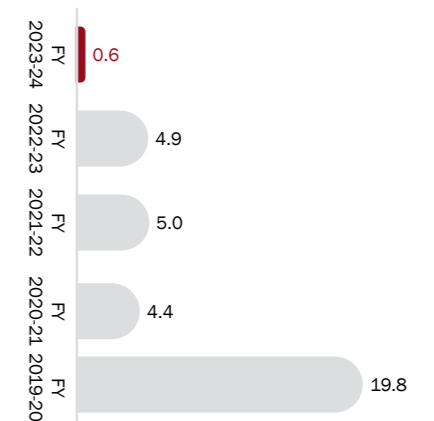
Working Capital Management

During the year, the Company opened 46 new stores taking the total store count to 444, 37 under V-Mart and 9 under Unlimited

- Current assets as on March 31, 2024, stood at Rs. 103,478 lakhs including an inventory of Rs. 81,607 lakhs, as compared to Rs. 105,772 lakhs including an inventory of Rs. 87,063 lakhs as on March 31, 2023.
- Current liabilities stood at Rs. 89,220 lakhs as on March 31, 2024, as compared to Rs. 77,237 lakhs as on March 31, 2023.
- Cash and cash equivalents stood at Rs. 2,723 lakhs as on March 31, 2024, as compared to Rs. 1,806 lakhs as on March 31, 2023.
- RoCE stood at 0.6% compared to 4.9% in FY 2022-23.

Return on capital employed (RoCE) (₹ in lakhs)

0.6



Key Financial Ratios*

Key Ratios	FY 2024	FY 2023	FY 2022
Net Profit Ratio (%)	(3.5)	(0.3)	0.7
ROCE (%)	0.6	4.9	5.7
Debt-Equity Ratio (times)	1.9	1.6	1.1
Inventory Turnover Ratio (times)	2.2	2.1	2.0
Return on Equity (%)	(13.0)	(0.9)	1.4
Current Ratio (times)	1.2	1.4	2.3
Trade Receivable Turnover Ratio (times)#	-	-	-
Debt Service Coverage Ratio (times)	1.0	0.9	2.0

#The Company is into retail business and there are no trade receivable in the Company, accordingly ratio is not applicable to the Company.

* For further details refer Note 50 of Notes to Financial Statement forming part of this Report

Management Discussion and Analysis

Significant changes in key financial ratios

- Return on Equity Ratio (in %) - 1307.6% - Majorly on account of loss incurred during the year
- Trade Payable Turnover Ratio (in times) - (31.6%) - Majorly due to increase in trade payables
- Net Capital Turnover Ratio (in times) - 125.4% - Majorly on account of decrease in working capital
- Net Profit Ratio (In %) - 984.4% - Due to increase of losses in the current year
- Return on Capital Employed (in %) - (88.4%) - Due to increase of losses in the current year
- Return on Investment (in %) - 148.8% - Improved due to improved market condition during the current year.

SCOT Analysis

<p>Favourable</p> <p>Strengths</p> <ul style="list-style-type: none"> • Extensive retail presence with a large number of retail stores across India • Specialised focus on Tier-II and Tier-III cities • Budget-friendly and affordable offerings with personalised shopping experiences • Diverse product portfolio across apparel, footwear, accessories, and general merchandise • Digital prowess with Limeroad.com and omnichannel integration • Expanded design and quality control team and Own design labs • Solar-powered and automated new warehouse • Created a sustainable supply chain to facilitate growth in numbers • Automated replenishment engine running on AI based Analytics 	<p>Unfavourable</p> <p>Challenges</p> <ul style="list-style-type: none"> • Increasing competition in core markets by multiple brands & other retailers • Increasing online penetration of e-retailers • Continuous need for efficient supply chain management, inventory control, and store operations • Constantly changing consumer preferences • Cash-burn & competition intensive online marketplace division • Capacity building Investments - 2 Acquisitions and capex on 1 new warehouse has reduced cash reserves
<p>External</p> <p>Opportunities</p> <ul style="list-style-type: none"> • Expansion in untapped regions • Continue leveraging cluster-based expansion advantage • Growing middle-Class Population and rising disposable incomes • Developing and promoting private-label brands for market differentiation • Leveraging growing popularity of e-commerce platforms through limeroad.com • Delivering fast fashion selections customised for Gen Z customers at budget-friendly rates • Integrating ESG principles into our operational framework to distinguish ourselves from other value retailers • Leverage omnichannel integration to increase digital customer base 	<p>Internal</p> <p>Threats</p> <ul style="list-style-type: none"> • Rapid growth of e-commerce poses a threat to brick-and-mortar retailers • Higher attrition may create workforce skill gaps and affect achievement of strategic goals • Possibility of missing compliance to dynamic regulations, policies, and laws • Changes in economic factors such as inflation, disposable income, and fluctuations in consumer spending patterns • An economic downturn could have a direct impact on overall economy • Unforeseen/Black-Swan events could pose a risk to operational business and profitability

Human Resource Development

The Company values its human capital for ensuring business continuity, fostering personal and professional growth in a secure, supportive, and productive environment. With a skilled management team driving growth, it relies on its experienced workforce to enhance efficiency, develop strategies, and adapt to industry changes. Regular training programs maintain morale. Core values of customer focus, agility, prudence, and a process-driven approach are instilled in all employees. An open-door policy and employee-friendly HR policies promote a strong sense of belonging, with prompt issue resolution. This work culture attracts and retains a solid employee base crucial for business growth. In FY 24, the Company carried out several learning and development programmes, online learning platforms, internal workshops and seminars, 'Saarthi Mentorship' programmes, and cross-functional projects. The Company works towards retaining its top performers and reducing overall attrition rates. It is dedicated to upholding the privacy and personal dignity of each employee. As of March 31, 2024, the Company had a total of 10,935 permanent employees.

[Read more on page 56](#)

Internal Control

The Company upholds a robust internal control system to safeguard assets and ensure accurate transaction recording and reporting. An Internal Audit Department conducts audits, reporting findings to management and the Audit Committee. A Risk Management Committee identifies and mitigates various risks, reporting to the Board. Periodic reviews of the risk management framework and policies are conducted by

the Risk Management Committee, reporting to the Board of Directors. The Control Self-Assessment process aids in process improvement. A Code of Conduct and Whistle blower Policy ensure ethical standards, accessible on the Company's website. The Company ensures compliance with all applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other relevant laws and regulations concerning internal control and risk management.

Risk Management

Enterprise Risk Management

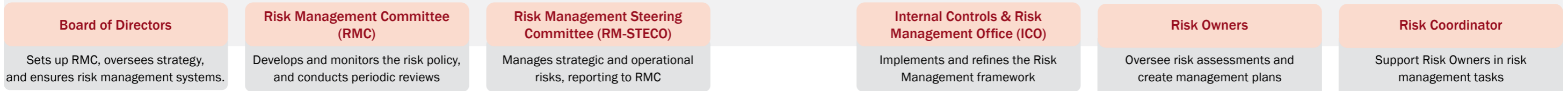
The organisation has established an integrated risk management framework that draws upon principles from COSO ERM Framework 2017 ISO 31000, and mandatory reporting requirements outlined in the Companies Act and SEBI regulations. This comprehensive framework aligns closely with our strategic objectives and addresses a spectrum of risks across financial, operational, strategic, compliance, and reputational aspects of the business. Additionally, we are committed to robust ESG practices, ensuring responsible environmental stewardship, positive social impact, and strong governance.

Our dedication to continuous improvement drives enhancements to our risk and governance framework, supporting our vision of becoming a prominent value retailer in Bharat. The Board of Directors actively oversees and governs this risk management framework, which seamlessly integrates with business functions using a combination of top-down and bottom-up approaches.

Management Discussion and Analysis

V-Mart ERM Framework

Risk Governance Structure



Strategy and Business Objectives

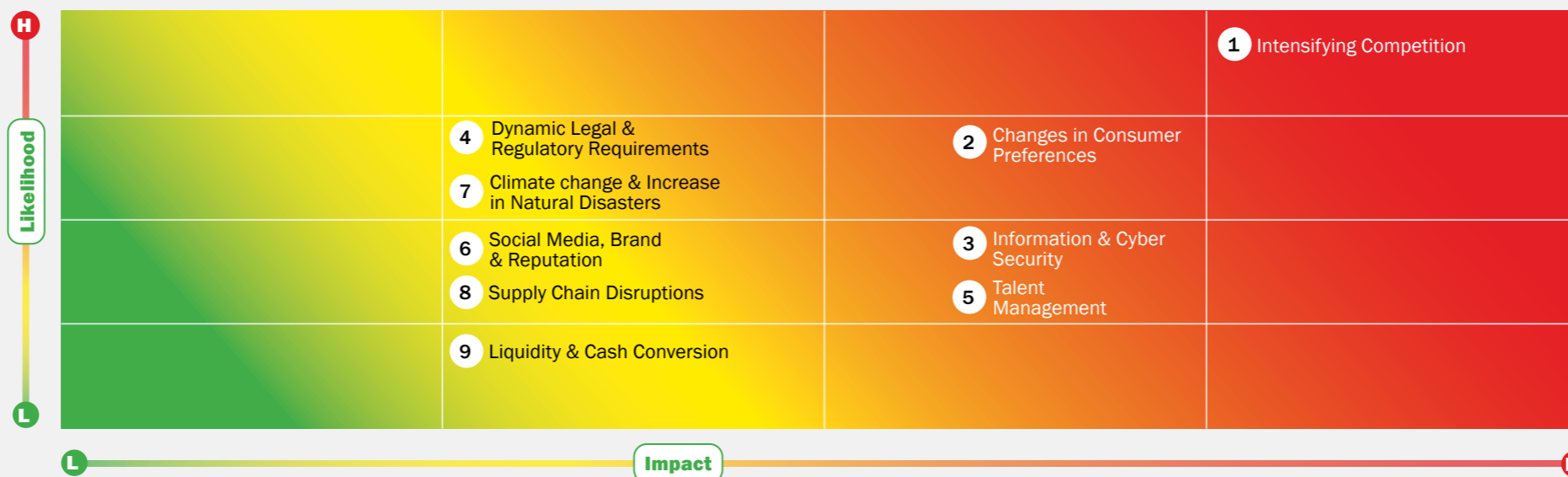
VISION
Be the #1 value fashion omni-retailer of Bharat

MISSION
To serve the youth & young Indian families in Tier 2 / 3 cities by providing them with the best possible value, as well as the widest possible range in a convenient environment supported by a digital shopping experience.

- VALUES**
- Customer Centricity
 - Commitment
 - Agility
 - Prudence
 - Integrity

- STRATEGIC GOALS**
- S1** Diversify geographically building on our strengths and exploring new horizons
 - S2** Differentiate ourselves through merchandising excellence
 - S3** Delight customers through excellent in-store experience
 - S4** Build the omni-muscle
 - S5** Be an employer of choice, and the most preferred employer in value retail
 - S6** Be the leading value retailer in governance and sustainability practices

Risk Assessment



Risk

	S1	S2	S3	S4	S5	S6	E	S	G
1. Intensifying Competition	✓	✓							✓
2. Changes in consumer preferences	✓	✓	✓					✓	
3. Information & Cyber security				✓		✓			✓
4. Dynamic Legal & Regulatory Requirements	✓					✓			✓
5. Talent Management	✓				✓				
6. Social Media ,Brand & Reputation		✓	✓		✓				
7. Climate change & Increase in Natural Disasters	✓		✓			✓	✓		
8. Supply Chain Disruptions	✓	✓				✓			
9. Liquidity & Cash Conversion	✓	✓							✓

Risk Mitigation



Three lines model

Operational Management

Oversight Function

Independent Assurance

Management Discussion and Analysis

▲ High ▼ Low ◀▶ Medium

Strategic

Intensifying Competition

India's retail sector thrives in a fiercely competitive and varied landscape, boasting numerous players offering similar products and services across various price points and formats. Amidst this diversity, retailers are grappling with competition from both organised and unorganised retailers, as well as e-commerce platforms.

Changes In Risk ▲

Mitigation Measures

We have focused on enhancing its customer value proposition, by successfully launching a pilot for unique in-store experiences tailored to Gen Z preferences. We've also eliminated complex pricing structures for transparency and are building a strong differentiation through quality, trendy designs, and patterns.

Climate Change and Increase in Natural Disasters

The frequency of natural disasters like floods, earthquakes, cyclones, and fires is on the rise globally. These events carry the potential to inflict considerable damage on infrastructure and inventory, disrupt supply chains and logistics, and pose significant risks to the safety and welfare of our stakeholders.

Changes In Risk ▲

Mitigation Measures

Our merchandise planning across different zones and the implementation of a Business Continuity Management (BCM) policy, including forming a BCM committee and extending practices to logistics and operations, serve as vital steps in mitigating the risks posed by natural catastrophes. We're also evaluating suppliers' business continuity plans using an ESG framework and conducting workshops on quality standards and vendor sustainability to further enhance our preparedness.

Operational

Change in Consumer Preferences

Consumer preferences are influenced by various factors such as income levels, fashion trends, cultural norms, social media, etc. We risk losing market share and customer loyalty if we don't adapt to changing customer preferences.

Changes In Risk ▲

Mitigation Measures

Keeping pace with customer preferences, we conduct market research and update its product assortment frequently. We also strengthened our Entry Price Point (EPP) offerings, streamlined monitoring processes, and enhanced packaging efficiency to reduce costs apart from introducing differentiated designs for younger customers, all in response to changing consumer preferences.

Talent Management

Navigating challenges in attracting, retaining, developing, and motivating human capital is crucial. As the workforce ages, the potential scarcity of skilled and experienced employees capable of fostering innovation and driving growth becomes apparent.

Changes In Risk ▲

Mitigation Measures

In our workforce strategy, we have prioritised competitive compensation, benefits, learning and development, diversity and inclusion, and succession planning. We've conducted workshops on Culture Assessment and EHS Survey, initiating discussions on policy and interventions. We're mapping skills, linking growth, and conducting workshops on AI and productivity tools. Additionally, a Compensation Matrix has been established, and sales incentive plans have been further fortified.

Information and Cyber Security

Malicious attempts by hackers or other entities may target breaching the security of the company's IT systems and networks with an aim to steal or manipulate data, disrupt operations, or cause reputational damage.

Changes In Risk ▲

Mitigation Measures

Prioritising cyber security, robust solutions are invested in, along with regular audits and employee training on cyber hygiene. Vulnerability assessments and penetration testing remain perpetually embedded as routine preventive maintenance exercises. Ongoing cyber security awareness ensures a proactive approach to cyber threats.

▲ High ▼ Low ◀▶ Medium

Supply Chain Disruptions

There are situations such as strikes, lockdowns, transport delays, raw material shortages, etc. that can hamper the availability and quality of the products that companies' sources from its vendors and suppliers.

Changes In Risk ◀▶

Mitigation Measures

We emphasise on the cultivation of robust relationships with vendors and suppliers, diversification of its sourcing base, and the implementation of rigorous quality control measures. Furthermore, we maintain multiple vendors for the same product, thereby ensuring contingency plans in the face of unforeseen risks. Having warehouses situated both in the north and the south enhances our ability to mitigate significant disruptions.

Reporting

Liquidity and Cash Conversion

Our liquidity and cash conversion may be affected by various factors such as seasonal fluctuations in sales, inventory management, credit terms, working capital requirements, etc.

Changes In Risk ▼

Mitigation Measures

To mitigate this risk, V-Mart follows prudent financial policies and practices such as maintaining adequate cash reserves, optimising inventory levels, managing receivables and payables efficiently.

Compliance & Reputational

Dynamic Legal and Regulatory Requirements

The retail sector in India is subject to various laws and regulations at the central, state and local levels, such as taxation, labor, consumer protection, environmental, data privacy and e-commerce. These laws and regulations may change from time to time, affecting the operations, profitability and compliance of the companies.

Changes In Risk ◀▶

Mitigation Measures

A Comprehensive Compliance Tool has been implemented to effectively manage compliances. Ongoing user training is in progress, accompanied by strengthened monitoring of licenses and regulations at the Head Office. Store compliance assessments have been completed. Additionally, a time-based action plan is being formulated to rectify any identified compliance gaps.

Social media, Brand and Reputation

Social media is a powerful tool that can influence the perception and behavior of customers. Social media can also be a source of negative publicity and criticism for a business if it fails to meet the expectations of its stakeholders or faces any controversies or scandals.

Changes In Risk ◀▶

Mitigation Measures

We prioritise safeguarding V-Mart's brand and reputation for continued success. Actively engaging with customers across platforms like Facebook, Instagram, and Twitter helps us maintain our image. High-quality standards and exceptional customer service in both physical stores and online channels are our priority. We utilise NPS scores and Google reviews to manage customer queries, supported by a dedicated call center to handle customer queries and complaints, with plans to extend this service for online reputation management.

Cautionary Statement

This Management Discussion and Analysis (MD&A) contains forward-looking statements that are subject to inherent risks and uncertainties, which could cause actual results to differ materially from our expectations. Factors such as market conditions, economic factors, regulatory changes, and unforeseen events may adversely impact our financial performance and business operations. Readers are advised to carefully review the information provided, consider the risk factors disclosed in our filings, and not place undue reliance on forward-looking statements as they are based on current expectations and may change. We undertake no obligation to update these statements, and investors are encouraged to seek professional advice before making investment decisions based on this MD&A.

Financial Intellectual Manufactured Human Natural Social and Relationship

Corporate Overview

Creating Value for stakeholders

Our Capitals

Statutory Reports

Financial Statements

V-MART RETAIL LIMITED

(CIN - L51909DL2002PLC163727)

Regd. Office: 610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, New Delhi – 110092

Corp Office: - Plot No.862, Udyog Vihar, Industrial Area, Phase V, Gurugram – 122016 (Haryana)

Tel. No.: 0124-4640030, Fax No. 0124-4640046,

Website: www.vmart.co.in, Email: cs@vmart.co.in

NOTICE

Notice is hereby given that the Twenty-Second (22nd) Annual General Meeting of the Members of the Company will be held on Wednesday, July 31, 2024 at 11:00 A.M. (IST) through Video Conferencing/Other Audio-Visual Means to transact the following Business.

ORDINARY BUSINESS:

To consider and, if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

Item No. 1: Adoption of financial statements

To receive, consider, and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, along with the reports of the Auditors and the Board of Directors thereon.

“RESOLVED THAT the Company's audited financial statements for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon be and are hereby received, considered, and adopted.”

Item No. 2: Appointment of Mr. Madan Gopal Agarwal (DIN: 02249947) as Director, liable to retire by rotation

To appoint a director in place of Mr. Madan Gopal Agarwal (DIN: 02249947) who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT Mr. Madan Gopal Agarwal (DIN: 02249947), who retires by rotation as a Director and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

Item No. 3: Appointment of Mr. Raghuvesh Sarup (DIN: 10626162) as an Independent Director of the Company

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 Section 149, 150, 152 read with Schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time

being in force), and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Raghuvesh Sarup (DIN: 10626162) who was appointed as an Additional Director in the capacity of Independent Director of the Company with effect from May 14, 2024, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Non-Executive Director of the Company for a period of five (5) years with effect from May 14, 2024 till May 13, 2029 and not to be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Lalit Agarwal, Managing Director, Mr. Anand Agarwal, Chief Financial Officer and Ms. Megha Tandon, Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, & things as may be necessary to give effect to this resolution.”.

Item No. 4: Appointment of Ms. Shweta Kumar (DIN: 08596612) as an Independent Director of the Company

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 Section 149, 150, 152 read with Schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board Ms. Shweta Kumar (DIN: 08596612) who was appointed as an Additional Director in the capacity of Independent Director of the Company with effect from May 14, 2024, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013,

be and is hereby appointed as an Independent Non-Executive Director of the Company for a period of five (5) years with effect from May 14, 2024 up to May 13, 2029. She shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Lalit Agarwal, Managing Director, Mr. Anand Agarwal, Chief Financial Officer and Ms. Megha Tandon, Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, & things as may be necessary to give effect to this resolution.

Item No. 5: Appointment of Mr. Aakash Moondhra as a Non-Executive Non-Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) (the “Act”), on the recommendation of Nomination and Remuneration Committee and the Board of Directors, Mr. Aakash Moondhra (DIN: 02654599), in respect of whom the Company has received notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Non Independent Director, of the Company, liable to retire by rotation, for a period of five (5) years with effect from September 23, 2024.

Place: Gurugram
Date: May 14, 2024

RESOLVED FURTHER THAT Mr. Lalit Agarwal, Managing Director, Mr. Anand Agarwal, Chief Financial Officer and Ms. Megha Tandon, Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, & things as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 6: Approval for Adoption of new set of Articles of Association of the Company

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 Section 5 and 14 of Companies Act, 2013 ('the Act'), read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for adoption of the new set of Articles of Association of the Company in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT that any one of the Directors of the Company and the Company Secretary, be and are hereby authorized severally to file, sign, verify and execute all such e-forms, papers or documents as may be required by and to all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this resolution, including agreeing to any change to the aforesaid changes in the Articles of Association of the company, as may be required by the Registrar of Companies and / or any Statutory/ Regulatory Authority.”

By Order of the Board
For **V-Mart Retail Ltd.**

Megha Tandon
Company Secretary & Compliance Officer
M. No.: F10732

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 09/2023 dated September 25, 2023, 10/2022 dated December 28, 2022, 02/2022 dated May 5, 2022, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, permitted to conduct the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without the physical presence of Members at a common venue. Considering the pandemic situation and in accordance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 22nd AGM of the Company is being held through VC / OAVM. The deemed venue for the 22nd AGM shall be the Registered Office of the Company for a term up to the conclusion of 22nd Annual General Meeting of the Company in the calendar year 2024.
2. The Company has appointed M/s. KFin Technologies Limited, Registrars and Transfer Agent ('RTA') of the Company, to provide VC/OVAM facility for the AGM of the Company.
3. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") which sets out details relating to Special Businesses to be transacted at the Annual General Meeting, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") & Secretarial Standard-2 of the persons seeking Appointment as Directors & alteration of Articles of Association under are also annexed.
4. In terms of Section 152 of the Companies Act, 2013, Mr. Madan Gopal Agarwal (DIN: 02249947), Director, retiring by rotation at the Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.
5. Since this AGM is being held pursuant to MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by Members will not be available for this AGM. Hence, Proxy Form, Route Map and Attendance Slip are not annexed to this Notice.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Institutional/Corporate members are encouraged to attend and vote at the Meeting through VC/OAVM. We also

request them to send, a duly certified copy of the Board Resolution authorising their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at cs@vmart.co.in with a copy marked to evoting@kfintech.com pursuant to Section 113 of the Companies Act, 2013.

8. Each member present at the meeting shall be entitled to one vote for every equity share held.
9. Only bona fide members of the Company, whose name appears first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
10. In the case of joint holders attending the AGM, only such joint holders who are higher in the order of names will be entitled to vote.
11. The company has notified closure of the Register of Members and Share Transfer Books from Thursday, July 25, 2024 to Wednesday, July 31, 2024 (both days inclusive) in connection with Annual General Meeting and voting (through remote e-voting and during the AGM) on the resolutions set forth in the Notice.

M/s. KFin Technologies Limited
Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad, Telangana - 500 032
Phone No.: 040 67162222/ +91 40-7961 1000
Email: einward.ris@kfintech.com
Website: www.kfintech.com
12. Members are requested to send all communications relating to shares (Physical & Electronic Mode) to our Registrar & Share Transfer Agent (R&T Agent) at the following address:
13. Instructions and other information relating to remote e-voting, participation in the AGM through VC/OAVM and e-voting during the AGM are given in this Notice. The Company will also send a communication which inter-alia would contain details about User ID and Password along with a copy of this Notice to the members, separately.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and the certificate from Auditors of the Company certifying that V-Mart Retail Limited Employee Stock Option Scheme 2012 & Employee Stock Option Scheme 2020 in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available for inspection by Members in electronic mode

during the AGM. Members who wish to seek inspection, may send their request through an email at cs@vmart.co.in up to the date of AGM.

15. Members holding shares in Electronic (Demat) form are advised to inform the particulars of their bank account, change of postal address and email IDs to their respective Depository Participants only. The Company or its RTA i.e. KFin Technologies Limited, cannot act on any request received directly from the members holding shares in demat mode for changes in any bank mandates or other particulars.
16. Members are requested to quote their DPID & Client ID or Folio details respectively in all correspondences, including dividend matters to the RTA i.e. KFin Technologies Limited or the Secretarial Department of the Company.
17. Members who have not registered their email ID with the depository participants, are requested to register their email ID with their depository participants are requested to submit their request with their valid email ID to our RTA at einward.ris@kfintech.com or to the Company at cs@vmart.co.in for receiving all communications including the annual report, notices, letters etc., in electronic mode from the Company.
18. Pursuant to Section 101 and Section 136 of the Act, read with relevant Companies (Management and Administration) Rules, 2014, and Regulation 36 of SEBI (Listing Obligation Disclosures Requirement) Regulations, 2015 ("SEBI Listing Regulations"), Companies can serve Annual Report and other communications through electronic mode to those Members who have registered their email ID either with the Company or with the Depository Participants.
19. In compliance with the provisions of MCA vide its General Circular 09/2023 dated September 25, 2023, 10/22 dated December 28, 2022, General Circular No. 02/2021 dated January 13, 2021, Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 and SEBI Circular dated October 7, 2023, January 5, 2023, January 15, 2021 & May 12, 2020, Notice of the AGM along with the Annual Report 2023-24, are being sent only through electronic mode to those Members whose email IDs are available with the Company/Depositories/RTA.
20. Members may note that the Notice of the AGM and Annual Report 2023-24 will also be available on the Company's website www.vmart.co.in and the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and <https://www.nseindia.com/> respectively and on the website of KFin Technologies Limited at URL: <https://evoting.kfintech.com/>.
21. Pursuant to the Notification issued by the Ministry of Corporate Affairs on May 7, 2018 amending section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of the appointment

of Auditors by the Members at every AGM has been omitted. Accordingly, no resolution is being proposed for ratification of the appointment of Statutory Auditors at this AGM.

22. AGM Live Webcast Facility: Pursuant to Regulation 44 of SEBI Listing Regulations and para 3 Clause A (III) of Circular No. 14/2020 dated April 8, 2020 issued by MCA, Government of India, the Company has made arrangements for a two-way live webcast for the proceedings of the AGM. The details of the webcast link shall be made available on the website of the Company at www.vmart.co.in.
23. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility of remote e-voting to all the members as per applicable Regulations relating to e-voting. The complete instructions on the e-voting facility provided by the Company are annexed to this Notice, explaining the process of e-voting with the necessary user id and password. Members who have cast their vote by remote e-voting prior to the meeting may attend the meeting but will not be entitled to cast their vote again.
24. The Company has fixed Wednesday, July 24, 2024 as the cut-off date for determining the eligibility of Members entitled to vote at the AGM. The remote e-voting shall remain open for a period of 5 days commencing 9.00 a.m. (IST) on Friday, July 26, 2024 up to 5.00 p.m. (IST) on Tuesday, July 30, 2024 (both days inclusive).
25. Members who are present in the meeting through video conferencing facility and have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through the e-voting system during the meeting.
26. The Company has appointed Mr. Harsh Oberoi, Practising Company Secretary (C.P. No. 17834), as Scrutinizer to scrutinise the e-voting process in a fair and transparent manner.
27. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company/ Electronic mode during normal business hours (8:15 hours to 17:15 hours) on all working days except Saturdays and Sundays, up to and including the date of the AGM of the Company. Members who wish to seek inspection, may send their request through an email at cs@vmart.co.in up to the date of AGM.
28. Information required under Regulation 36 of SEBI Listing Regulations, Directors seeking Appointment at the AGM is furnished as annexure to this Notice. The Directors have furnished consent/ declarations for their appointment/ re-appointment as required under the Act and Rules made thereunder.

29. In line with the measures of "Green Initiatives", the Act provides for sending Notice of the AGM and all other correspondences through electronic mode. Hence, Members who have not registered their mail IDs so far with their depository participants are requested to register their email ID for receiving all the communications including Annual Report, Notices, etc., in electronic mode. The Company is concerned about the environment and utilises natural resources in a sustainable way.
30. Members are requested to note that as per Section 124(5) of the Act, the dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account, is liable to be transferred by the Company to the "Investor Education Protection Fund" (IEPF) established by the Central Government under Section 125 of the Act. Therefore, the amount of unclaimed dividend for the financial year ended March 31, 2016 is due for transfer to IEPF in November 2024. Pursuant to IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on, September 15, 2023 (date of last AGM) on the website of the Company at www.vmart.co.in and also on the website of the Ministry of Corporate Affairs. Members may approach the IEPF Authority to claim the unclaimed dividend transferred by the Company to IEPF. Members may approach the Company Secretary and Compliance Officer of the Company for claiming the unclaimed dividend which is yet to be transferred to IEPF by the Company.
31. Members are requested to note that as per Section 124(6) of the Act, read with IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF Authority. Consequently, the Company will transfer the eligible equity shares to the Demat Account of the IEPF Authority. Members are entitled to claim the same from IEPF by submitting an application in the prescribed online web-based Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed, to the Nodal Officer of the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
32. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of Listed Companies can only be transferred in demat form with effect from April 1, 2019, except in case of request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or our RTA for assistance in this regard.

33. The Securities and Exchange Board of India (SEBI) vide Circular Ref No. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid Circular, it is hereby clarified that for securities market transactions and off-market/private transactions involving transfer of shares of Listed Companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.
34. Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to our RTA, for consolidation into a single folio.
35. Non-Resident Indian Members are requested to inform our RTA/ respective Depository Participants, immediately of any:
 - a) Change in their residential status on return to India for permanent settlement.
 - 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.

INSTRUCTIONS FOR REMOTE E-VOTING

1. Use the following URL for e-voting from Kfintech website: <https://evoting.kfintech.com>.
2. Members of the Company holding shares as on Wednesday, July 24, 2024 the cut-off date, may cast their vote electronically.
3. Enter the login credentials i.e. User ID and Password mentioned in your email. Your Folio No. DP ID Client ID will be your User ID. However, if you are already registered with Kfintech for e-voting, use your existing User ID and Password for casting your votes.
4. After entering the details appropriately, click on LOGIN.
5. You will reach the Password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. You need to login again with the new credentials.
7. On successful login, the system will prompt you to select the EVENT of the Company.
8. On the voting page, the number of shares (which represents the number of votes) held by you as on the

- cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
9. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio / demat account.
 10. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.
 11. The Portal will be open for voting from 9.00 a.m. on Friday, July 26, 2024 up to 5:00 p.m on Tuesday, July 30, 2024.
 12. Members of the Company who have purchased their shares after the dispatch of the Notice but before the cut-off date Wednesday, July 24, 2024 may contact Kfintech

- at Tel No. 1800 309 4001 (toll-free) to obtain Login ID and Password or send a request to einward.ris@kfintech.com.
13. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.kfintech.com> or contact Kfintech at Phone no. +91 40-7961 1000.
 14. Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facilities.

PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES

NSDL	CDSL
Users already registered for IDeAS facility of NSDL	Users already registered for Easi / Easiest facility of CDSL
<ol style="list-style-type: none"> i. Click on URL: https://eservices.nsd.com. ii. Click on the "Beneficial Owner" icon under 'IDeAS' section. iii. Enter your User ID and Password for accessing IDeAS, iv. On successful authentication, you will enter your IDeAS service login v. Click on "Access to e-Voting". vi. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period. 	<ol style="list-style-type: none"> i. Click on https://web.cdslindia.com/myeasitoken/Home/Login and click on New System Myeasi. ii. Enter your User ID and Password for accessing Easi / Easiest. iii. Click on Company name or e-voting service provider for casting the vote during the remote e-voting period.
2. Users not registered for IDeAS facility of NSDL	2. Users not registered for Easi / Easiest facility of CDSL
<ol style="list-style-type: none"> i. To register, click on URL: https://eservices.nsd.com/ ii. Select "Register Online for IDeAS" iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number, etc. iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote. 	<ol style="list-style-type: none"> i. To register, click on URL https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration. ii. Proceed to complete registration using your DP ID, Client ID, Mobile Number, etc. iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote
3. Users may directly access the e-voting module of NSDL as per the following procedure:	3. Users may directly access the e-voting module of CDSL as per the following procedure:
<ol style="list-style-type: none"> i. Click on URL: https://www.evoting.nsd.com/ ii. Click on the button "Login" available under "Shareholder / Member" section. iii. Enter your User ID (i.e. 16-digit demat account number held with NSDL), login type, Password / OTP and Verification code as shown on the screen iv. On successful authentication, you will enter the e-voting module of NSDL v. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period. 	<ol style="list-style-type: none"> i. Click on URL: www.cdslindia.com. ii. Provide demat account number and PAN iii. System will authenticate the user by sending OTP on registered mobile & email as recorded in the demat account. iv. On successful authentication, you will enter the e-voting module of CDSL. v. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period.

NSDL	CDSL
Individual Members (holding securities in demat mode) login through their Depository Participants.	
Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against the name of Company or select e-Voting service provider "KFintech" and you will be redirected to the e-Voting page of KFintech to cast your vote without any further authentication	
Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" / "Forgot Password" options available on the websites of Depositories / Depository Participants.	
Contact details in case of technical issue on NSDL website	Contact details in case of technical issue on CDSL website
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 022-24997000	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43.

Login method for non-individual Members and Members holding shares in physical form are given below:

Procedure and Instructions for remote e-voting are as under:

- The initial password is provided in the body of the email.
- Launch the internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- Enter the login credentials i.e. User ID and Password mentioned in your email. Your Folio No. /DP ID Client ID will be your User ID. However, if you are already registered with RTA for e-voting, you can use your existing User ID and Password for casting your votes.

User ID: For Members holding shares in Demat Form:
For NSDL: 8 character DP ID followed by 8 digits Client ID. For CDSL: 16 digits Beneficiary ID.

User ID: For members holding shares in Physical Form:
Event Number followed by Folio No. registered with the Company.

Password: Your unique password is sent via email forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons.
- After entering the details appropriately, click on LOGIN.
- You will reach the password change menu wherein you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the EVENT i.e. V-Mart Retail Limited.

- On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
 - Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
 - Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
 - Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (pdf/jpg format) of certified true copy of relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/ are authorised to vote, to the Scrutinizer through email at harsh@oberoiassociates.com and may also upload the same in the e-voting module in their login.

INSTRUCTIONS FOR PARTICIPATING THROUGH VC/OAVM

- Members will be able to attend the Twenty Second AGM of the Company through VC/OAVM through KFintech e-voting system at <https://evoting.kfintech.com> under the shareholders login by using the remote e-voting credentials and selecting the EVENT for the Company's Twenty Second AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice of AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging in to the e-voting system.

- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches and Members are encouraged to join the Meeting through Laptops with Google Chrome for a better experience.
 - Members are advised to use stable Wi-Fi or LAN connection to ensure smooth participation at the AGM. Participants may experience audio / video loss due to fluctuation in their respective networks.
 - Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
 - Shareholders queries: Members who wish to seek any clarification on Annual Report from the Company may visit <https://emeetings.kfintech.com> and click on the tab "Post Your Queries Here" to write their queries in the window provided, by mentioning your name, demat account number/ folio number, email ID and mobile number. Please note that, members' questions will be answered during the meeting or subsequently via email, only if, the shareholder continues to hold the shares as on the cut-off date i.e. Wednesday, July 24, 2024. The window shall remain active during the remote e-voting period.
 - Speaker Registration: Members who wish to speak at the AGM may register themselves as a speaker by visiting <https://emeetings.kfintech.com> and click on 'Speaker Registration' starting from 9.00 a.m. on Friday, July 26, 2024 up to 5:00 p.m. on Monday, July 29, 2024. Members shall be provided a 'queue number' before the AGM. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves and depending on the availability of time at the AGM.
 - Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through the e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. Members may click on the voting icon ('vote now') on the left side of the screen to cast their votes.
 - Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be closed on expiry of 15 minutes from the scheduled time of the AGM.
 - Facility of joining the AGM through VC / OAVM shall be available for 1,000 Members on a first come first served basis. However, the participation of Members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
 - Those Members who register themselves as speaker will only be allowed to express views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time and to ensure the smooth conduct of the AGM.
 - Members who have casted their votes by remote e-voting may also attend the AGM through VC / OAVM but shall not be entitled to cast their votes again.
 - Members who need assistance or help during the AGM, can contact KFintech, Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032, Telangana, Phone : +91 40 6716 2222.
- The scrutinizer shall immediately after the conclusion of voting at the AGM, count the votes and shall submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, within a period of not exceeding two working days as the case may be from the conclusion of the voting to the Chairperson of the Company or a person authorised by him in writing who shall countersign the same.
- The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.vmart.co.in and on the website of KFin Technologies Limited <https://evoting.kfintech.com> and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed, for placing the same in their website.

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies and as per Rule 18 of the Companies (Management and Administration) Rules, 2014 allowed Companies to send any notice/document (including Annual Report) to its members via e-mail. To support this green initiative of the Government in letter and spirit, the Company has taken an initiative to collect email addresses of all its members.

Members holding shares in physical form are requested to provide/update their email addresses to KFin Technologies Ltd. (Registrar and Share Transfer Agent).

Note: Members holding shares in dematerialised form may kindly update their email addresses with their respective Depository Participant (DP's)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”)

Item No. 3

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Mr. Raghuvesh Sarup (DIN: 10626162) as an Additional Director in capacity of Independent Non-Executive Director of the Company with effect from May 14, 2024 to hold office for a term of five years subject to approval of the members at ensuing Annual General Meeting.

As an Additional Director, Mr. Sarup holds office till the date of the upcoming AGM and is eligible for being appointed as an Independent Director. The Company has also received-

- (a) A declaration of independence from Mr. Raghuvesh Sarup as prescribed under Section 149 (6) of the Act and under Regulation 16 of the Listing Regulations;
- (b) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”);
- (c) A declaration in Form DIR-8 to the effect that he is not disqualified from being appointed as Director in terms of Section 164 (1) or 164 (2) of the Act.
- (d) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- (e) Confirmation that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact her ability to discharge his duties as an Independent Director of the Company;
- (f) A declaration that he complies with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The Nomination and Remuneration Committee (NRC) has finalized the criteria for selecting Independent Directors. Based on these criteria, the NRC recommended Mr. Raghuvesh Sarup for the role. The Board believes Mr. Sarup possesses the necessary skills, experience, and knowledge and meeting the requirements outlined in the Companies Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director.

Mr. Sarup brings three decades of experience and a passion for helping individuals and organizations thrive. He embodies core values of integrity, insights, and inclusion. His leadership is marked by a profound understanding of market dynamics and

a relentless drive to achieve results while fostering a culture of collaboration and shared accountability.

Mr. Sarup’s career spans multiple industries, including technology, telecom, retail, and consumer goods. He has held leadership roles at Microsoft, Ola, Nokia, Yum! Brands, and Procter & Gamble. Currently, he is a co-founder in Search Value, an advisory and consulting firm. He holds an MBA from XLRI, a Commerce degree from SRCC, University of Delhi and several certifications in technology and commercial functions in both B2B and B2C sectors.

At V-Mart, Mr. Sarup’s extensive experience and strategic acumen are expected to make a significant impact. His track record includes leadership roles in some of the world’s largest and best-known organizations, where he successfully drove digital transformation, brand building, and innovation. His commendable skill set encompasses executive leadership, marketing expertise, sales and channel management, and growth strategies.

The Board believes Mr. Sarup’s induction will bring considerable strength to the Company. As a Non-Executive Director, he will be entitled to a sitting fee for attending Board/Committee Meetings and a commission on company profits.

Required information pursuant to Listing Regulations relating to Mr. Raghuvesh Sarup, the nature of his expertise in specific functional areas, names of Companies in which he holds Directorships, Committee Memberships/ Chairmanships, his shareholding etc., are separately annexed hereto in **Annexure 1**.

Mr. Raghuvesh Sarup is independent of the management and is not related to any Director(s) or Key Managerial Personnel(s) of the Company.

A copy of the letter of appointment, setting out the terms and conditions of appointment will be available for inspection, without any fee, by the members at the Company’s registered office during normal hours on working days (except Saturday & Sunday) up to the date of the AGM, and also at the Meeting.

Save and except Mr. Raghuvesh Sarup and his relatives; to the extent of his shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 3 of the Notice for the approval of the members.

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Ms. Shweta Kumar (DIN: 08596612) as an Additional Director in capacity of Independent Non-

Executive Director of the Company with effect from May 14, 2024 to hold office for a term of five years subject to approval of the members at ensuing Annual General Meeting.

As an Additional Director, Ms. Shweta Kumar holds office till the date of the upcoming AGM and is eligible for being appointed as an Independent Director. The Company has also received-

- (a) A declaration of independence from Ms. Shweta Kumar as prescribed under Section 149 (6) of the Act and under Regulation 16 of the Listing Regulations;
- (b) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”); and
- (c) A declaration in Form DIR-8 to the effect that he is not disqualified from being appointed as Director in terms of Section 164 (1) or 164 (2) of the Act.
- (d) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- (e) Confirmation that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact her ability to discharge his duties as an Independent Director of the Company;
- (f) A declaration that he complies with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Director maintained by the Indian Institute of Corporate Affairs.

The Nomination and Remuneration Committee (NRC) has finalized the criteria for selecting Independent Directors. Based on these attributes, the NRC recommended Ms. Shweta Kumar for the role. The Board believes Ms. Kumar possesses the necessary skills, experience, and knowledge, meeting the requirements outlined in the Companies Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director.

Ms. Shweta Kumar brings over 25 years of global experience, working across India, Africa, the Middle East, and Latin America. She excels in organizational transformation, leadership development, and cultural evolution. Her career includes key roles at Intel, Motorola, Honeywell, and Naspers Limited. She co-founded Watsimp and Invincible You, focusing on executive coaching and leadership development. Ms. Shweta holds Master’s Degrees in Human Resources from TISS, Masters in Change Management from INSEAD, and Masters in Applied Neuroscience from King’s College London. Passionate about development, Ms. Shweta also holds coaching certifications (John Mattone, Transformative Alignment Mapping) and specializes in Psychodrama.

At V-Mart, Ms. Shweta’s strategic insights and leadership skills are poised to elevate the organization. As a Non-executive Director, Ms. Shweta Kumar will be entitled to sitting fee for attending Board/Committee meeting(s) and commission on profits of the Company.

Required information pursuant to Listing Regulations relating to Ms. Shweta Kumar, the nature of her expertise in specific functional areas, names of companies in which she holds Directorships, Committee Memberships/ Chairmanships, her shareholding etc., are separately annexed hereto in **Annexure 1**.

Ms. Shweta Kumar is independent of the management and is not related to any Director(s) or Key Managerial Personnel(s) of the Company.

A copy of the letter of appointment, setting out the terms and conditions of appointment will be available for inspection, without any fee, by the members at the Company’s registered office during normal hours on working days (except Saturday & Sunday) up to the date of the AGM, and also at the Meeting.

Save and except Ms. Shweta Kumar and her relatives; to the extent of her shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 4 of the Notice for the approval of the members.

Item No. 5

Pursuant to the provisions of the Clause 49 of Listing Agreement Mr. Aakash Moondhra first appointed as an Independent Director of the Company on the Board of the Company on March 18, 2010. His appointment has been effective since then and he has been serving as an Independent Director of the Company ever since.

Following the implementation of the Companies Act 2013, he was appointed as an Independent Director on the Board of the Company for a term of 5 years, pursuant to the provision of Section 149 and MCA General Circular 14/2014. The shareholders, during their Annual General Meeting held on September 23, 2014, appointed him as an Independent Director for the first term of 5 years, and he held the office up to September 22, 2019.

After the successful completion of the first term and based on his performance evaluation and the recommendations of the Nomination and Remuneration Committee and Board, given his background, experience and contribution, the shareholders of the Company in their Annual General Meeting held on August 2, 2019 had approved his appointment for the second term of 5 years, effective from September 22, 2019, to hold office up to September 22, 2024. His term is due for retirement from the second term as an independent director on September 22, 2024. He was also appointed as Chairperson of the Company in 2022.

Annexure-1

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING

{Pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 & Secretarial Standard - 2}

Sl. No.	Particulars	Mr. Raghuvesh Sarup	Ms. Shweta Kumar
1.	DIN	10626162	08596612
2.	Date of Birth/ Age	12 th October 1969 /54	10 th May 1976/48
3.	Brief Resume/ Qualification	Bachelor's in Commerce with honors from SRCC - Delhi University & MBA (Marketing & Finance) from XLRI- Jamshedpur.	Masters Degrees in Human Resources from TISS, Masters in Change Management from INSEAD, and Masters in Applied Neuroscience from King's College London
4.	Experience	30 years of executive experience and knowledge in Technology and Consumer Goods. Passionate about helping people succeed. Deeply value Integrity, Insights, and Inclusion.	Over the span of 25 years, she expertises in Organizational Transformation, Team Empowerment, Leadership Development, and Cultural Evolution.
5.	Nature of Expertise in specific functional areas	Executive Leadership, Marketing, Sales and Channel Management, Innovation, and Growth.	Human Resources, Leadership, Stakeholder Management, and Strategic Thinking
6.	Terms & conditions of re-appointment	As per the resolution	As per the resolution
7.	Details of remuneration to be paid	Sitting fees & commission as approved by the Members	Sitting fees & commission as approved by the Members
8.	Remuneration last drawn (during FY 2023-24)	Not Applicable	Not Applicable
9.	Date of appointment at Board	14 th May, 2024	14 th May, 2024
10.	Shareholding in the Company as on 31st March, 2024*	Nil	Nil
11.	Relationship with other Directors/ KMPs/ Managers	None	None
12.	No of Board Meetings attended during the FY 2023-24	Not applicable	Not applicable
13.	Other Directorships	None	Vedanga Solutions Private Limited
14.	Membership/ Chairmanship of Committee of the Company	None	None
15.	Membership/ Chairmanship of Committee of other Board	None	None
16.	Listed entities from which the person has resigned in the past three years	None	None
17.	Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Extensive knowledge, expertise, and experience in Technology and Consumer Goods. Worked with companies having deep understanding of marketing, branding, consumer relations, channel management & technology led transformation. He deeply values Integrity, Insights, and inclusion.	Extensive knowledge, expertise, and experience in Organizational Transformation, Team Empowerment, Leadership Development, and Cultural Evolution. She excels in guiding leadership teams through transformative journeys, instigating paradigm shifts, and ushering in cultural dynamism across diverse industries.

*includes only in individual capacity

Mr. Aakash Moondhra is an accomplished professional with diverse global experience. Mr. Aakash was the Global CFO of Naspers Fintech and PayU. Previously, he has held senior positions at Nokia India Private Limited, Baring Private Equity Partners (India) where he headed the Retail vertical, he has also worked at Bharti Retail Private Limited, Bharti Airtel Limited and AT&T Corporation and was also the ex-CFO of Snapdeal. His expertise lies in Finance, Governance and Risk Management. Mr. Aakash is a steady member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He holds a Bachelor's Degree in Commerce from SRCC, University of Delhi and an MBA from Southern Methodist University, Texas. He also attended the International Directors Programme at INSEAD in 2017 and attained the IDP-C certification for driving corporate governance at Board level.

The Nomination and Remuneration Committee (NRC), and Board after taking into account the performance evaluation and his past performance, skills, expertise in governance, finance, risk management, tax & regulatory advisory, and vast business experience, contribution to the Company's Business Strategy, among others, substantial contribution and time commitment, firmly believe that his continued association will significantly benefit the Company and recommends the appointment of Mr. Aakash Moondhra (DIN: 02654599) as a Non-Executive Non-Independent Director of the Company, effective from September 23, 2024, for a term of five years subject to the approval of the members at the ensuing Annual General Meeting.

The Company is guided by a well-balanced Board that includes Executive, Non-Executive, and Independent Directors. We have been fortunate to attract Independent Directors with extensive experience in finance, governance, international growth, and technical expertise. Looking ahead, we believe the Company will greatly benefit from this diverse knowledge base. Mr. Aakash Moondhra's leadership will play a crucial role in connecting our management team with the Board, ensuring strong corporate governance and continued growth.

The Company has received-

(a) his consent to act as a Non-Executive Non Independent Director of the Company who will be liable to retire by rotation, and

(c) A declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 (1) or 164 (2) of the Act.

Mr. Moondhra will continue to be the Chairperson of the Board of Directors of the Company, post his appointment as Non-Executive Non Independent Director of the Company.

Required information pursuant to Listing Regulations relating to Mr. Aakash Moondhra the nature of his expertise in specific functional areas, names of companies in which he holds Directorships, Committee Memberships/ Chairmanships, her shareholding etc., are separately annexed hereto in **Annexure 2**.

As a Non-Executive Director, Mr. Aakash Moondhra will be entitled to sitting fee for attending Board/ Committee meeting(s) and commission on profits of the Company, as approved by the Board of Directors or the members of the Company, from time to time.

Mr. Aakash Moondhra is independent of the management and is not related to any Director(s) or Key Managerial Personnel(s) of the Company.

A copy of the letter of appointment, setting out the terms and conditions of appointment will be available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days (except Saturday & Sunday) up to the date of the AGM, and also at the Meeting.

Save and except Mr. Aakash Moondhra and his relatives; to the extent of his shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5.

The Board of Directors accordingly recommends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval of the members.

Item 6

The existing Articles of Association ("AOA") of the Company were framed in terms of the provisions of the Companies Act, 1956 in 2002 with the incorporation of the Company. With the enactment of the Companies Act, 2013 some provisions of the Companies Act, 1956 are no longer in force. Thus, with the coming into force of the Companies Act, 2013, the existing AOA requires alteration in its several clauses. Hence, it is considered expedient to wholly replace the existing AOA with the new AOA in line with the new Companies Act, 2013 in continuation of our effort to comply with the provisions of applicable laws in true letter and spirit. A copy of the proposed AOA will be available for inspection by the members at the registered office of the Company. The members may follow the process for inspection as mentioned in the Notes annexed to this Notice. The adoption of AOA requires the approval of the Shareholders by means of a Special Resolution as per the Companies Act, 2013 and accordingly the approval of the members is being sought. Board of Directors in its meeting held on May 14, 2024 has accorded its approval for adoption of the AOA. None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions, except to the extent of their shareholdings in the Company, if any.

The Board of Directors recommends passing of the Special Resolutions set forth in Item No. 6 by the members of the Company.

By Order of the Board
For **V-Mart Retail Ltd.**

Megha Tandon

Place: Gurugram Company Secretary & Compliance Officer
Date: May 14, 2024 M. No.: F10732

Annexure-2

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING

{Pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 & Secretarial Standard - 2}

Sl. No.	Particulars	Mr. Aakash Moondhra
1.	DIN	02654599
2.	Date of Birth/ Age	24-08-1973/ 51
3.	Brief Resume/ Qualification	Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He holds a Bachelor's Degree in Commerce from the University of Delhi and an MBA from Southern Methodist University
4.	Experience	He is an accomplished professional with diverse global experience
5.	Nature of Expertise in specific functional areas	Finance, Accounts, Risk Management, Leadership Development and Corporate Governance
6.	Terms & conditions of re-appointment	As per the resolution
7.	Details of remuneration to be paid	Sitting fees & commission as approved by Members
8.	Remuneration last drawn (during FY 2023-24)	As mentioned in the Corporate Governance Report (forming part of Annual Report 2023-24)
9.	Date of appointment at Board	18/03/2010
10.	Shareholding in the Company as on 31st March, 2024*	924 shares 924 shares (Aakash Moondhra HUF)
11.	Relationship with other Directors/ KMPs/ Managers	None
12.	No of Board Meetings attended during the FY 2023-24	5 out of 5
13.	Other Directorships	NA
14.	Membership/ Chairmanship of Committee of the Company	Member of Audit Committee, Risk Management Committee and Corporate Social Responsibility Committee.
15.	Membership/ Chairmanship of Committee of other Board	NA
16.	Listed entities from which the person has resigned in the past three years	Nil
17.	Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Extensive knowledge, experience and expertise in Finance, Accounts, Audit, Risk Management, Leadership Development and Corporate Governance

BOARD'S REPORT

Dear Members,

The Board of Directors of your Company are pleased to present the 22nd Annual Report, along with Audited Financial Statements, for the financial year ended March 31, 2024.

FINANCIAL RESULTS

Your Company's financial performance for the year under review is summarised below:

Particulars	(Rs. lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Income	2,80,655	2,47,981
Profits/(Loss) before Depreciation & Tax	9,163	16,697
Less: Depreciation	22,213	17,998
Loss/Profit before tax	(13,050)	(1,301)
Less: Tax Expense	(3,374)	(516)
Net Loss/Profit for the period	(9,676)	(785)
Less: Utilised for Dividend Issue including DDT	0	148
Other comprehensive income	64	65
Balance carried forward to Balance Sheet	(9,612)	(868)

PERFORMANCE REVIEW

The Net Sales of the Company increased by 13% to Rs. 2,78,560 lakhs in the FY 2023-24 as against Rs. 2,46,484 lakhs in FY 2022-23. The Company has posted Operating Profits (EBITDA) for FY 2023-24 of Rs. 21,305 lakhs (FY 2022-23 of Rs. 26,891 lakhs) and PAT/(loss) for FY 2023-24 of Rs. (9,676) lakhs (FY 2022-23 of Rs. (785) lakhs).

A detailed analysis of the Company's operations in terms of performance in markets, business outlook, risks and concerns forms part of the Management Discussion and Analysis Report, a separate section forming part of the Annual Report.

CONFIRMATION

There was no revision of financial statements and Board's Report of the Company for the preceding financial years, during the year under review.

Further, it is confirmed that there is no change in the nature of business.

OPERATIONS REVIEW

During the FY 2023-24, your Company expanded its reach by opening 46 new stores across the nation. In addition to this, your Company has also worked towards enhancing its omni-channel capabilities to cater to the evolving needs of its customers. As a result, customers can now engage with your Company seamlessly across all channels.

Your Company has also successfully relocated its Warehouse and Handling System (WHS) from Bilaspur to Palwal. The decision to relocate was driven by the need to efficiently manage the growing stock volumes that are in line with the planned growth of the business. Your Company's strategic move has helped it to streamline its operations and achieve greater efficiencies.

Your Company has undertaken significant initiatives to improve both digital capabilities and operational processes, leading to enhanced customer experiences and overall business performance. Key digital and the operational initiatives undertaken by your Company includes:

- **Product Strategy Evolution:** Understanding the dynamic preferences of the youth demographic, your Company focused on offering fashionable designs, with improved quality that resonate with their evolving tastes.
- **Store Renovations:** Significant investments have been made in renovating existing stores to create an exceptional customer experience. These infrastructure enhancements not only strengthened our physical presence but also facilitated seamless digital integration.
- **Store Optimization:** Your Company strategically replaced underperforming stores with new, high-potential locations, resulting in a 6% improvement in overall network performance.
- **Supply Chain Transformation:** By adopting advanced tools and streamlining supply chain operations, your Company has achieved greater efficiency and responsiveness.
- **Digital Invoices via WhatsApp:** To protect environment, your Company has introduced digital invoices via WhatsApp across all V-Mart stores.
- **Enhanced CRM Capabilities:** Your Company has strengthened its Customer Relationship Management (CRM) system by implementing proactive measures to better engage with customers.
- **Seamless Digital Integration:** Successful digital integration efforts bridged the gap between offline and online customer experiences, positioning the Company for continued growth in the market.

DIVIDEND

Due to the operational losses in the FY 2023-24, the Board of Directors has decided not to recommend any dividend payment for the year under review.

RESERVES

During the year under review, the Company has transferred Rs (10,202) Lakhs to reserves. Post transfer, the reserves stood at Rs. 72,721 Lakhs as on March 31, 2024.

CREDIT RATING

Investment Information and Credit Rating Agency of India Limited (ICRA) has maintained the long-term rating of [ICRA] AA- (pronounced ICRA double A minus) and also maintained the short-term rating of [ICRA] A1+ (pronounced ICRA A one plus) assigned to the overall Rs. 300 crores Line of Credit of your Company.

The credit rating of the Company as on March 31, 2024 is as under:

Facilities	Previous Rating	Current Reaffirmed Rating
Long-term bank limits	[ICRA] AA- (ICRA double A minus) (with stable outlook)	[ICRA] AA- (ICRA double A minus) (with stable outlook)
Short-term bank limits	ICRA A1 + (ICRA A one plus)	ICRA A1 + (ICRA A one plus)

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis for the period under review as required under Schedule V read with Regulation 34(2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been dealt with extensively in a separate section forming part of the Annual Report.

AWARDS AND ACCOLADES

During the FY 2023-24, your Company has earned widespread recognition, receiving numerous esteemed awards and honors that reflect our significant accomplishments in diverse areas of the retail sector. This recognition serves as a powerful affirmation of the steadfast dedication and persistent effort we pour into our endeavors, maintaining a consistent standard of excellence year upon year

- Retail ICON of the year 2023 by UBS Forum
- Value E-Retailer of the year 2023 by Star Retailer Awards
- Department Store of the year 2023 Star Retailer Awards
- Retail Brand of the Year by Great India Retail Awards
- Value Retailer of the Year 2024 by IReC Awards

LISTING

The Equity Shares of your Company are currently listed on BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE), and we have ensured the listing fees for the FY 2024 are fully paid across all platforms where the equity shares of the Company are listed.

Exchange	Scrip Code	ISIN
NSE	VMART	INE665J01013
BSE	534976	

WEBLINK OF ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013, and Rule 12 of the Companies (Management and Administration) Rules, 2014, it is mandatory to display the Annual Return in the specified MGT-7 form on the Company's website. This document is to be made available at <https://vmart.co.in/other-disclosures/> following its submission to the Registrar of Companies (ROC).

CORPORATE GOVERNANCE

In accordance with the SEBI (Securities and Exchange Board of India) (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Report is accompanied by a comprehensive Report on Corporate Governance, which forms an integral part of this Report.

NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the FY 2023-24. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013 and SEBI Listing Regulations

BOARD EVALUATION

To ensure the effective functioning of the Board and its Committees, as well as compliance with statutory mandates, the annual performance evaluation of the Board, its Committees, and individual directors was conducted during the year. The outcome of the evaluation was presented to the Committee and the Board. This evaluation was performed in accordance with the criteria and framework established by the Nomination & Remuneration Committee, adhering to the stipulations set forth in the Companies Act, 2013, and aligning with the Corporate Governance standards mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, during the year under review, the Board Evaluation was validated by an external agency and the certificate forms part of Corporate Governance Report. The parameters for evaluation

and the methodology employed have been detailed in the Corporate Governance Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2024, the Board of Directors consists of six members, of which four are Independent Directors including one woman Independent Director.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Ms. Shweta Kumar (DIN: 08596612) and Mr. Raghuvesh Sarup (DIN: 10626162) as Additional Directors in their capacity of Independent Non-Executive Director of the Company with effect from May 14, 2024 to hold office for a term of five years subject to approval of the members at ensuing Annual General Meeting.

The tenure of Mr. Aakash Moondhra (DIN: 02654599) as an Independent Director will end on 22nd September 2024 upon the completion of the second term of 5 (five) consecutive years. Considering his deep understanding of the Company's business, corporate governance expertise, values, extensive knowledge of the retail sector, and his immense contributions as a member of the Board, Committee, and Chairperson of the Company over the years, the Nomination & Remuneration Committee and Board had recommended the appointment of Mr. Moondhra as a Non-Independent Non-Executive Director for a term of 5 (five) consecutive years liable to retire by rotation from the completion of his term as Independent Director w.e.f. 23rd September, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Madan Gopal Agarwal (DIN: 02249947) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment and the matter is being placed for the approval of members at the ensuing Annual General Meeting of the Company.

Based on performance evaluation and recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends his re-appointment as Whole Time Director of the Company, liable to retire by rotation.

None of the Directors of the Company have resigned during the year under review.

KEY MANAGERIAL PERSONNEL

In pursuance of section 203 of the Companies Act, 2013, the key managerial personnel of the Company are as follows:

Mr. Lalit Agarwal, Managing Director, Mr. Madan Gopal Agarwal, Whole-time Director, Mr. Anand Agarwal, Chief Financial Officer and Ms. Megha Tandon, Company Secretary.

During the year under review, there were no changes to the Key Managerial Personnel of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary disclosures from each of its four Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet all the criteria laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 and there has been no change in the circumstances which may affect their status as Independent Director during the year. During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than payments towards the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company has a Nomination & Remuneration Policy to ensure a competent Board. The Committee identifies competency gaps, evaluates candidates, and recommends suitable members. It also fills Board vacancies as needed. The selected candidates are invited to join the Board and subject to approval of Shareholders.

Additionally, a Nomination & Remuneration Committee has been established to set criteria for board member selection, which includes:

- Identification of candidates who are qualified to become directors and senior management personnel
- Determining the tenure of independent directors, whether to extend or continue the term of appointment of the independent director, based on the Report of performance evaluation
- Formulating a remuneration policy for directors, senior executives, and staff, covering ESOP, pensions, and other compensations.

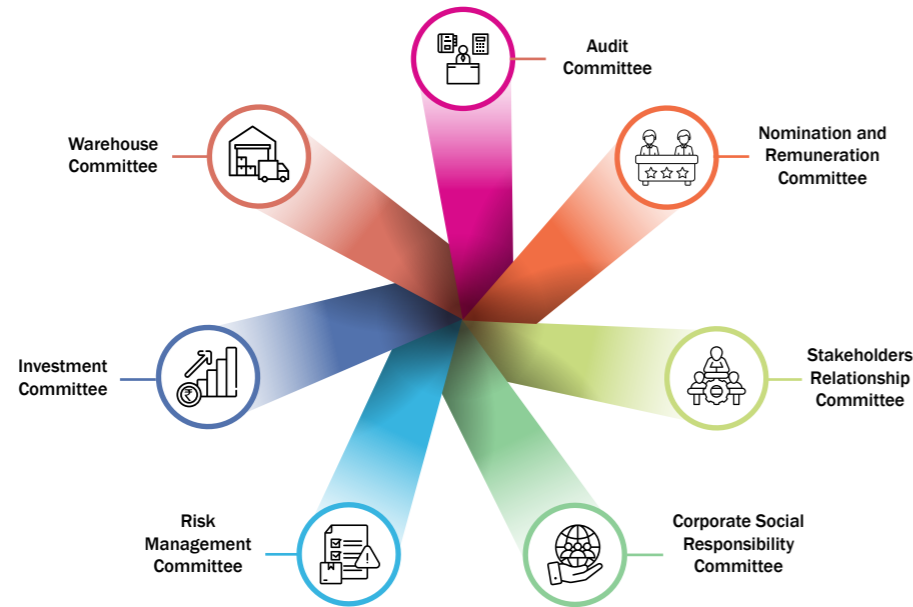
The policy of the Company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 is appended as **Annexure-A** to this Report.

TRAINING OF INDEPENDENT DIRECTORS

Independent directors receive training on the Company's operations and functioning at the time of their appointment and continue to stay informed about the Company's affairs. Details of the training and familiarization program are provided in the Corporate Governance Report and are also available on the Company's website at www.vmart.co.in.

COMMITTEES OF THE BOARD

As on March 31, 2024, the Board has seven Committees namely:



A detailed note on the Board and its Committees is provided under the Corporate Governance Report forming part of this Annual Report.

SHARE CAPITAL

- a. Buy Back of Securities: The Company has not bought back any of its securities during the year under review.
- b. Issue of Sweat Equity: The Company has not issued any sweat equity shares during the year under review.
- c. Issue of Bonus Shares: The Company has not issued any bonus shares during the year under review.
- d. Employees Stock Option / Restricted stock units: The Company has adopted the ESOP Scheme 2012 and the ESOP Scheme, 2020 as per the applicable SEBI Regulations and approved by the members at the Annual General Meeting of the Company. A certificate from the Secretarial Auditors under share-based payment regulations has been obtained and shall be available for inspection at the Annual General Meeting of the Company.

The Company has implemented an Employee Stock Option Scheme, 2012, which was approved by the Board of Directors and the shareholders vide resolution dated 2nd July, 2012 and 10th July, 2012 respectively ('the V-Mart ESOP Scheme 2012'), consequent to which 300,000 equity shares of Rs. 10 each were to be granted upon exercise as stock options (ESOPs) to eligible employees. Subsequently, the shareholders in its meeting held

on September 18, 2017 approved an amendment in the said ESOP scheme by increasing the total number of stock options from 300,000 to 600,000 options. The exercise price of these options will be determined by the Nomination & Remuneration Committee and the options will vest over a period of 12 months to 36 months of continued employment from the grant date.

Further, the Company has also implemented an Employee Stock Option Scheme 2020, which was approved by the Board of Directors and the shareholders vide resolution dated 10th August, 2020 and 30th September, 2020 respectively ('the V-Mart ESOP Scheme 2020'), consequent to which 200,000 equity shares of Rs. 10 each were to be granted upon exercise as stock options (ESOPs) to eligible employees. Subsequently, the shareholders in its meeting held on August 30, 2022 approved an amendment in the said ESOP scheme by increasing the total number of stock options from 200,000 to 500,000 options. The exercise price per option in performance-based ESOP scheme 2020 shall be based on the closing price of the day prior to the date of Grant on the recognized stock exchange and shall be decided by the Nomination & Remuneration Committee, subject to compliance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulation, 2021. The Nomination and Remuneration Committee may provide a maximum discount of up to 50% (fifty percent) on the above price.

The grant details under both the scheme(s) during the year are as follows:

Scheme	Grants	Vesting	Timeline
V-Mart ESOP Scheme 2012	During the FY 2023-24 – No grant has been made	30% of the total grant	After 12 months from the date of grant
		30% of the total grant	After 24 months from the date of grant
		40% of the total grant	After 36 months from the date of grant
V-Mart ESOP Scheme 2020	During the FY 2023-24 - 3 grants have been made comprising a total of 24,100 options	10% of the total grant subject to achievement of specified targets	After 12 months from the date of grant
		20% of the total grant subject to achievement of specified targets	After 24 months from the date of grant
		30% of the total grant subject to achievement of specified targets	After 36 months from the date of grant
		40% of the total grant subject to achievement of specified targets	After 48 months from the date of grant

Details of equity shares allotted during the year are as follows:

Sr. No.	Date of Allotment	No. of shares Allotted (ESOP Scheme 2012)	No. of shares Allotted (ESOP Scheme 2020)
1	May, 2023	-	47
2	August, 2023	4115	-
Total		4115	47

The information required to be disclosed under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2024 are as follows:

Particulars	Details
Date of Shareholders Approval	ESOP Scheme 2012: July 10, 2012 and amended on September 18, 2017 ESOP Scheme 2020: September 30, 2020 and amended on August 30, 2022
Total number of options approved	ESOP Scheme 2012: 6,00,000 ESOP Scheme 2020: 5,00,000
Vesting Requirements	ESOP Scheme 2012: Tenure Based ESOP Scheme 2020: Performance Based
Maximum Terms of options granted	Options to be exercised within 8 years of vesting
Sources of Shares	Primary Issuance
Variation of terms of options	NIL
Number of options outstanding at the beginning of the year	ESOP Scheme 2012: 29,809 ESOP Scheme 2020: 3,92,808
Number of options granted during the year	ESOP Scheme 2012: Nil ESOP Scheme 2020: 24,100
Number of options forfeited / lapsed during the year	ESOP Scheme 2012: Nil ESOP Scheme 2020: 24,909
Number of options vested during the year	ESOP Scheme 2012: Nil ESOP Scheme 2020: Nil
Number of options exercised during the year	ESOP Scheme 2012: 4115 ESOP Scheme 2020: 47
Number of shares arising as a result of exercise of Options	ESOP Scheme 2012: 0 ESOP Scheme 2020: 0
Money realized by exercise of options (Rs.in Lakhs)	ESOP Scheme 2012: 72,49,435 ESOP Scheme 2020: 58,468
Number of options outstanding at the end of the year	ESOP Scheme 2012: 25,694 ESOP Scheme 2020: 3,91,952
Number of options exercisable at the end of the year	ESOP Scheme 2012: 25,694 ESOP Scheme 2020: 2,706
Pricing Formula	ESOP Scheme 2012: The Nomination & Remuneration Committee is authorized to determine the exercise price of ESOPs. ESOP Scheme 2020: The Nomination and Remuneration Committee may provide a maximum discount of up to 50% (fifty percent) on the closing price of the day prior to the date of Grant on the recognized stock exchange.

Particulars	Details
Person-wise details of options granted during the FY2023-2024:	
Senior managerial personnel/key managerial personnel	
A ESOP Scheme 2012.	
B ESOP Scheme 2020.	
A. Details of options granted (ESOP Scheme 2012)	
Name of SMP/ KMP	Nil
Number of shares	Nil
Exercise Price Per share	Nil
B. Details of options granted (ESOP Scheme 2020)	
Name of SMP/ KMP	Suchi Mukherjee
Number of shares	10,000
Exercise Price Per share	1,415
Any other employee who received a grant in any one year of options amounting to 5% or more options granted during the year	Nil
Identified employees who are granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil
Fully-diluted EPS pursuant to issue of shares on exercise of options in accordance with relevant Accounting Standards	-48.94
Lock-in	Nil
Impact of the difference on the profits of the Company and on the EPS	Impact on profit: Rs. (663) Lakhs Impact on EPS: Nil
Difference, if any, between employee compensation cost (calculated according using the intrinsic value of stock options) and the employee compensation cost (calculated on the basis of fair value of stock options)	(2 Lakhs)
Weighted average exercise price of options whose exercise price either equals or exceeds or is less than the market price of the stock	Exercise price exceeds market price: Not applicable Exercise price equals market price: Not applicable Exercise price is less than market price: As mentioned in Below table
Weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	Exercise price exceeds market price: Not applicable Exercise price equals market price: Not applicable Exercise price is less than market price: As mentioned in below table
Method and significant assumptions used to estimate the fair value of options granted during the year	The fair market value has been calculated on the basis of the 'Black Scholes model'.
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The volatility has been calculated based on one year average of standard deviation of the daily changing share price of V-Mart Retail Ltd. / Company.
Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	The fair value is calculated using Black Scholes Option pricing model

Particulars	ESOPs Grant VIII	ESOPs Grant IX	ESOPs Grant X	ESOPs Grant XI	ESOPs Grant XII	ESOPs Grant XIII	ESOPs Grant XIV	ESOPs Grant XV	ESOPs Grant XVI	ESOPs Grant XVII (V-Mart)	ESOPs Grant XVIII (LR)	ESOPs Grant XIX	ESOPs Grant XX (V-Mart)	ESOPs Grant XXI (LR)
ESOP Scheme	Scheme 2012	Scheme 2012	Scheme 2012	Scheme 2012	Scheme 2012	Scheme 2012	Scheme 2020	Scheme 2020	Scheme 2020	Scheme 2020	Scheme 2020	Scheme 2020	Scheme 2020	Scheme 2020
Price per option (In Rs.)	2044	2347	7.33%	1683	1769	1244	1400	1842	1487	1415	1415	1415	1415	855
Risk free return (In%)	7.42%	7.33%	3 years	7.26%	6.93%	6.93%	6.41%	6.41%	6.38%	6.44%	6.44%	6.44%	6.44%	6.64%
Expected Life (In years)	3 years	3 years	3 years	3 years	3 years	4 years	4 years	4 years	4 years	4 years	4 years	4 years	4 years	4 years
Expected Volatility	41.49%	22.90%	23.61%	23.61%	25.68%	24.32%	20.07%	16.30%	18.07%	15.67%	15.67%	15.67%	15.67%	10.40%
Dividend Yield	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.00%	0.10%	0.10%	0.10%	0.10%	0.00%	0.00%
Closing market price of share as on date of option grant	2,270.95 (NSE)	2,594.85 (NSE)	1,871.00 (NSE)	1,911.40 (NSE)	1,966.80 (NSE)	2,487.55 (NSE)	2,799.85 (NSE)	3,683.15 (NSE)	2,974.34 (NSE)	2,829.65 (NSE)	2,829.65 (NSE)	2,829.65 (NSE)	2,829.65 (NSE)	1,689.80 (NSE)
Weighted average exercise price (In Rs.)	2,367.05 (BSE)	2,544.20 (BSE)	1,911.40 (BSE)	1,980.95 (BSE)	1,980.95 (BSE)	2,501.75 (BSE)	2,701.60 (BSE)	3,694.15 (BSE)	2,979.85 (BSE)	2,827.15 (BSE)	2,827.15 (BSE)	2,827.15 (BSE)	2,827.15 (BSE)	1,710.30 (BSE)
Weighted average fair value of stock option (In Rs.)	2044	2347	1683	1769	1244	1400	1842	1487	1487	1415	1415	1415	1415	855
	913	807	591	443	1473	1726	2177	1738	1738	1725	1725	1725	1725	1,034.00

EMPLOYEE STOCK OPTION DETAILS:

Grant No.	ESOP Scheme	Grant Ratio	Vesting Period	Grant date	ESOPs outstanding	Exercise price	Market value of equity shares on the date of grant (In Rs.)
1	Scheme 2012	30:30:40	1 to 3 years	23-Jul-2018	9,686	2,044	2,271
2	Scheme 2012	30:30:40	1 to 3 years	10-May-2019	2,859	2,347	2,595
3	Scheme 2012	30:30:40	1 to 3 years	02-Aug-2019	2,328	1,683	1,871
4	Scheme 2020	30:30:40	1 to 3 years	10-Nov-2020	10,821	1,769	1,967
5	Scheme 2020	10:20:30:40	1 to 4 years	24-Dec-2020	1,15,789	1,244	2,488
6	Scheme 2020	10:20:30:40	1 to 4 years	28-May-2021	7,007	1,400	2,800
7	Scheme 2020	10:20:30:40	1 to 4 years	10-Feb-2022	6,279	1,842	3,683
8	Scheme 2020	10:20:30:40	1 to 4 years	05-Aug-2022	18,365	1,487	2,974
9	Scheme 2020	10:20:30:40	1 to 4 years	11-Nov-2022	9,024	1,415	2,830
10	Scheme 2020	10:20:30:40	1 to 4 years	11-Nov-2022	2,11,388	1,415	2,830
11	Scheme 2020	10:20:30:40	1 to 4 years	15-May-2023	4,012	1,072	2,143
12	Scheme 2020	10:20:30:40	1 to 4 years	09-Aug-2023	10,000	1,415	2,394
13	Scheme 2020	10:20:30:40	1 to 4 years	06-Nov-2023	8,684	855	1,690
14	Scheme 2020	10:20:30:40	1 to 4 years	06-Nov-2023	1,404	855	1,690

MOVEMENT OF STOCK OPTIONS DURING THE YEAR OF ESOP SCHEME 2012 AND ESOP SCHEME 2020

Total for all Grants	No. of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	4,22,617	1,413
Granted during the year	24,100	1,438
Forfeited/ Cancelled during the year	(24, 909)	1,438
Expired during the year	-	-
Exercised during the year	(4,162)	1,763
Outstanding at the end of the year	4,17,646	1,392
Exercisable at the end of the year	2,706	1,244

Weighted average remaining contractual life (in years)

Particulars	As at March 31, 2024
Weighted average remaining contractual life (in years)	5.90

AUTHORISED SHARE CAPITAL

The Authorized Share Capital of your Company as on March 31, 2024 stood at Rs. 25,00,00,000 (Rupees Twenty-Five Crores only) divided into 2,50,00,000 (Two Crores and Fifty Lakhs only) equity shares of Rs. 10/- (Rupees Ten only) each.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of the business. There were no materially significant related party transactions made by the Company with the Promoters, Key Management Personnel or other designated persons and have no potential conflict with interest of the Company at large. The Company has formulated a policy on Related Party Transaction which is available on the website of the Company at the link: <http://vmart.co.in/wp-content/uploads/2023/07/Related-Party-Transaction-Policy.pdf>.

The details of related party transactions entered during the year are provided in the accompanying financial statements. The particulars of the contract or arrangement with related parties referred in section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2, is annexed as **Annexure-B** to this Report.

DEPOSITS

During the FY 2023-24, your Company has not accepted any deposits from the public, and as such no amount of principal or interest was outstanding as on the date of the Balance Sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

Loans, Guarantees & Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, form part of the notes to the financial statement provided in this Annual Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN MARCH 31, 2024 AND THE DATE OF BOARD'S REPORT

There have been no such material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

SUBSIDIARY COMPANIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

REGISTERED OFFICE

The Registered Office of the Company is situated at 610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, New Delhi - 110092.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with the guidelines prescribed under Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board. The CSR Committee comprises four members, namely Ms. Sonal Mattoo (Chairperson), Mr. Lalit Agarwal (Member) Mr. Madan Gopal Agarwal, (Member) and Mr. Aakash Moondhra, (Member). The Committee is responsible for formulating and monitoring the CSR policy of the Company. The CSR Policy is available on Company's website at URL <https://vmart.co.in/wp-content/uploads/2022/09/CSR-Policy.pdf>

In accordance with Section 135(5) of the Companies Act, 2013, and its subsequent rules, the Company is mandated to allocate a minimum of 2% of its average net profits from the past three financial years towards Corporate Social Responsibility (CSR) initiatives, as calculated under Section 198 of the Act. For the FY 2023-24, the Company was not required to earmark funds for CSR activities as per the stipulated criteria.

Nevertheless, your Company has voluntarily contributed Rs. 17.80 Lakhs (Rupees Seventeen Lakhs Eighty Thousand only) to CSR projects, surpassing its statutory obligation. This exemplifies our commitment to social welfare beyond the mandatory requirements

The brief outline of the Corporate Social Responsibility ('CSR') Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies ('CSR Policy') Rules, 2014 are set out in **Annexure - C** of this Report.

CONSERVATION OF ENERGY

Although your Company doesn't use a lot of energy, we still prioritize conservation. We have ongoing programs to reduce energy use, train employees, and maintain our equipment efficiently. Some of our key initiatives include Project Go Green, where we are building eco-friendly warehouses, and the V-Green Project, which uses recycled plastic and sustainable cotton in our products. Project Solar involves installing solar panels at our warehouse and exploring expansion to stores and the head office. We also focus on optimizing fuel use across our operations and finding alternatives to minimize plastic use. Our solar panels at the Palwal warehouse generate 68,282 kWh annually, cutting CO₂ emissions by 36 tonnes. Additionally, we emphasize water conservation through rainwater harvesting at our head office in Gurugram, and our warehouse established at Palwal for reducing water wastage with float valves, reusing treated wastewater for horticulture via a sewage treatment plant at our warehouse, and reusing water in 346 stores with plans to expand. Further details on these efforts are available in the Management Discussion and Analysis Report.

TECHNOLOGY ABSORPTION

To drive long-term growth and create sustained value for all stakeholders, your Company is strengthening its organizational structure, processes, and capabilities to be more robust and future-ready. We are enhancing our data analytics architecture to provide decision-enabling insights directly to store managers, regional heads, and zonal heads. This includes upgrading technology across our planning, supply chain, and logistics infrastructure.

This year, we implemented several technological changes at our head office, warehouse, and stores. We integrated WhatsApp Business for customer queries and digital invoices, and enabled customers to search offline vouchers via WhatsApp. Our Customer Relationship Management (CRM) now allows stores to engage with customers on special occasions and issue product-specific coupons. We adopted 'Tableau' for data visualization and analysis, and use ANOVA to optimize stock allocation. These efforts enhance convenience, efficiency, and scalability. Further details on these efforts are available in the Management Discussion and Analysis Report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Sr. No	Particulars	Foreign Exchange Earning (Amount in Rs.)	Foreign Exchange Outgo (Amount in Rs.)
1	Services in relation to Advertisements	Nil	184 Lakhs

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNELS

The Board of Directors has approved a Code of Conduct applicable to both board members and senior management personnel. This code outlines guiding principles for ethical business conduct, equitable treatment, and avoidance of practices like bribery, corruption, and anti-competitive behavior.

During the year under review, the Code of Conduct for Board and Senior Management was amended to redefine senior management and address other legal requirements.

All board members and senior management personnel have affirmed their compliance with the Code of Conduct for the FY 2023-24. Mr. Lalit Agarwal, the Managing Director, has signed a declaration confirming adherence to the Code of Conduct which is available under the Corporate Governance Report forming part of this Annual Report.

The Code is also available on the website of the Company at https://vmart.co.in/wp-content/uploads/V-Mart_Code-of-Conduct-for-Directors-SMPs_May-2024.pdf

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company is dedicated to managing its operations with fairness and transparency, upholding the utmost levels of professionalism, honesty, integrity, and ethical standards. Reflecting this dedication, the Vigil Mechanism/Whistle Blower Policy ("the Policy") has been established. It serves as a structured process for stakeholders, encompassing Directors, Employees, Customers, Vendors, Associates, and Suppliers, to voice any suspicions of fraud, breaches of legal or regulatory obligations, or the Company's code of conduct/policies, as well as any inaccuracies or misstatements in financial documents and reports.

The objective of this policy is to enable V-Mart stakeholders to safely report any suspected wrongdoing or violations of the code of conduct or applicable laws. It guarantees protection against any form of retaliation, punishment, or discrimination. Whistle-blowers are provided with a secure channel to submit confidential reports either to the Audit Committee's Chairperson or the Vigilance Officer. This policy can be found on the company's website i.e. <https://vmart.co.in/wp-content/uploads/2023/07/Whistle-Blower-Policy.pdf>

CODE ON PROHIBITION OF INSIDER TRADING

In accordance with the SEBI Insider Trading Regulations, the Company has a Code of Conduct to Regulate, Monitor and

Report trading by Designated Person (“Code of Conduct for Insider Trading”) and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code of Fair Disclosure”). Further, the Company has established systems and procedures to prohibit insider trading activity. The Code of Conduct for Insider Trading is reviewed and amended suitably from time to time, to incorporate the amendments carried out by SEBI.

The Company periodically circulates the informative emails on Prevention of Insider Trading, Do’s and Don’ts, etc. to the employees to familiarise them with the provisions of the Code for Prevention of Insider Trading and educate and sensitize them on various aspects of Code for Prevention of Insider Trading. The Code, inter alia, lays down the procedures to be followed by DPs while trading/ dealing in Company securities and while sharing Unpublished Price Sensitive Information (UPSI). The Code outlines the duties and responsibilities of Designated Persons (DPs), including the maintenance of a Structured Digital Database (SDD). This database serves as a crucial tool for preventing insider trading and managing Unpublished Price Sensitive Information (UPSI).

In compliance with SEBI regulations, the company has adopted the SDD Module to meticulously monitor the flow of UPSI. It is mandatory for all DPs to diligently record any UPSI dissemination, ensuring the integrity and confidentiality of sensitive information. This systematic approach reinforces the Company’s commitment to upholding the highest standards of information security and regulatory adherence.

During the year under review, the Audit Committee has reviewed the compliance with the provisions of the SEBI Insider Trading Regulations and has verified that the systems for internal controls are adequate and operating effectively. The Audit Committee reviews cases of non-compliances, if any, and makes necessary recommendations to the Board with respect to action taken against such defaulters in accordance with the penalty framework. The said non-compliances are promptly intimated to the Stock Exchanges in the prescribed format and penalty, if any, is being directly deposited by the Designated Person with SEBI’s Investor Protection and Education Fund.

The Code of Conduct for Insider Trading and Code of Fair Disclosure have been uploaded on the Company’s website at https://vmart.co.in/wp-content/uploads/2022/09/Insider_Trading_Code_of_Conduct_V-Mart.pdf respectively.

All Directors and the designated person have confirmed compliance with the code.

COMPLIANCE MANAGEMENT

The Company has established a dynamic and comprehensive online legal compliance management system. This system is meticulously designed to ensure adherence to all relevant laws affecting the Company’s operations. It features automated notifications that prompt compliance owners to fulfill their

obligations within the prescribed timelines. These owners are responsible for verifying compliance, which is then examined by approvers. A unified dashboard, showcasing compliance status, is regularly presented to the respective functional leaders and the Compliance Officer. Furthermore, a certificate of compliance of all applicable laws and regulations along with corrective and preventive action, if any, is placed before the Board of Directors on a quarterly basis.

In addition, the Company has deployed a centralized, automated system for the ongoing surveillance, management, and archival of communications from regulatory bodies. This proactive approach ensures that the Company remains vigilant and responsive to statutory requirements.

RISK MANAGEMENT

Your Company has implemented an integrated Risk Management framework that incorporates principles from COSO’s Enterprise Risk Management, ISO 31000, and compliance with the requirements under the Companies Act and SEBI Regulations. This comprehensive framework is strategically designed to manage a spectrum of risks, including financial, operational, strategic, compliance, and reputational. The Company is dedicated to enhancing its Risk and Governance framework continuously to fulfil its vision of becoming a prominent value retailer in Bharat. The framework is governed by the Board of Directors, employing both top-down and bottom-up approaches for seamless integration with business operations.

Pursuant to Regulation 21 of the Listing Regulations, the Board constituted a Risk Management Committee to frame, implement and monitor risk management plans of the Company. The Board has adopted the Risk Management Policy and framework to mitigate foreseeable risks, avoid events, situations or circumstances, which may lead to negative consequences on the Company’s businesses.

The detailed analysis of the business risks and opportunities is given under Management Discussion and Analysis Report, which forms part of this Report.

HUMAN RESOURCE MANAGEMENT

During the FY 2023-24, the Company continued to invest in the growth, progression, welfare and well-being of its employees.

Moreover our organizational culture emphasizes collaboration, effective communication, and teamwork. We actively promote diversity and inclusion by providing targeted training to address biases. Additionally, we create diverse development opportunities and encourage internal mobility. As part of our commitment to social responsibility, we engage in CSR initiatives that focus on sustainability and community involvement. Our unwavering commitment to diversity lies at the heart of our customer-centric approach. We aspire to be the employer of choice by eliminating any biases or discrimination within our organization through a comprehensive range of initiatives.

The statement containing the names and other particulars of employees in accordance with section 197 (12) of the Companies Act, 2013, read with rules 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure-D** to the Board Report.

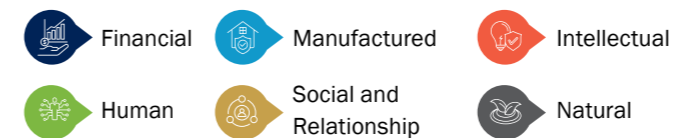
The details of the employees of the Company employed throughout the financial year was in receipt of a remuneration of Rs 1.02 crores or more, or employed for the part of the year and in receipt of Rs 8.5 lakhs or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are mentioned in **Annexure-D** to this Report.

For more details refer Human Capital forming part of this Annual Report.

INTEGRATED REPORT

Your Company is committed to transparency and comprehensive reporting, as evidenced by our voluntary Integrated Report. This Report provides a holistic view of the company’s performance, combining financial and non-financial information to facilitate informed decision-making and enhance understanding of our strategic direction by the Members.

This Report provides a deep dive into the essence of our business activities, illuminating our governance framework, strategic aims, and capacity to create enduring value across the six pillars of capital:



Our methodology emphasizes our commitment to sustainable value creation and the importance we place on engaging with our stakeholders, ensuring that our operations benefit all parties involved and contribute positively to the broader ecosystem.

AUDITORS & AUDIT REPORT

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005) were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 21st Annual General Meeting held on September 15, 2023 until the conclusion of 26th Annual General Meeting of the Company to be held for the FY 2027-28 subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be decided. However, vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, the requirement of annual ratification has been omitted.

Further, the Auditors’ Report “with an unmodified opinion”, on the financial statements of the Company for FY 2023-24, forms part

of this Annual Report. There was no observation or qualification in the Auditor’s Report. The Notes on Financial Statements referred to in the Auditors’ Report are self-explanatory and therefore do not require any further comments.

Secretarial Auditors

M/s. VKC & Associates, Company Secretaries, a partnership firm was appointed as Secretarial Auditors to conduct the Secretarial Audit of the Company for the FY 2023-24, pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the FY 2023-24 under the Act read with Rules made thereunder and Regulation 24A of the Listing Regulations in form MR-3 is enclosed herewith as **Annexure-E** to the Board’s Report.

The Secretarial Compliance Report received for the FY 2023-24, in relation to compliance of all applicable SEBI Regulations/ Circulars/Guidelines issued thereunder, Secretarial Standards, pursuant to the requirement of Regulation 24A of the Listing Regulations, The Annual Secretarial Compliance Report is available on the Company’s website at the link: https://vmart.co.in/wp-content/uploads/V-Mart_Annual-Secretarial-Compliance-Report-FY-23-24.pdf

Internal Auditors

In our commitment to uphold the highest standards of internal audit, we have entrusted KPMG Assurance & Consulting Services LLP, a firm constituted under the Limited Liability Partnership Act, 2008, with the task of conducting our internal audits. KPMG, renowned for their expertise in Audit, Tax, and Advisory services, performs comprehensive quarterly audits of our different business operations. The observations/remarks obtained from these audits are systematically reported to the Audit Committee, ensuring continuous enhancement of our business practices.

This steadfast approach to internal auditing is a testament to our dedication to transparency and excellence in corporate governance.

Reporting of Frauds by Auditors

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

INTERNAL FINANCIAL CONTROL

The Board has adopted adequate policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the Company’s policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The details regarding internal financial control and its adequacy are included in the Management Discussion and Analysis, which forms part of this Report.

SIGNIFICANT AND MATERIAL ORDERS

There was no such order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future during the year under review.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013

Our Company laid down an Anti-Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee (IC) has been set up to redress complaints regarding sexual harassment, if any.

The disclosures for the period under review as per the Anti-Sexual Harassment Policy of the Company and applicable Act thereof are as follows:

- a) Number of complaints of sexual harassment received during the year: 12
- b) Number of complaints disposed-off during the year: 12
- c) Number of cases pending for more than ninety days: 0
- d) Number of workshops on awareness program against sexual harassment carried out:

POSH Course is a default, mandatory course that every new employee has to undertake in the organization. The Company had assigned the POSH training to its employees via its in-house e-learning module - ALT Learning. This type of training focuses on educating employees on proper workplace behaviour, how to handle uncomfortable situations, and what to do if they experience or witness sexual harassment in the workplace.
- e) Nature of action taken by the employer or district officer: A detailed investigation was carried out by the Company and the appropriate action was taken to resolve the matter.

INCIDENT OF FRAUD

No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our auditors

INVESTORS EDUCATION & PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer & Refund) Rules 2016 all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by Central Government after completion of seven years.

Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are

required to be transferred by the Company in the name of Investor Education and Protection Fund.

Further details of unpaid or unclaimed dividends and shares are provided on our website at <https://vmart.co.in/shareholding-information/>

ENVIRONMENT SOCIAL GOVERNANCE (ESG)

Your Company is dedicated to strong Environmental, Social, and Governance (ESG) practices to ensure long-term sustainability and value creation. We have implemented comprehensive initiatives across all areas of our operations. These include energy efficiency measures, waste management, water conservation, and social programs supporting community welfare and diversity. Additionally, we maintain stringent governance practices to ensure compliance and ethical conduct. Our commitment to these ESG efforts reflects our dedication to responsible growth and a positive impact on our stakeholders and the environment.

The environmental initiatives of the Company focus on energy efficiency, waste management, and water conservation. Solar power activation at our warehouse has led to 60-70% energy cost savings, and an electricity consumption indicator has been installed to monitor usage. We have implemented paperless billing, initiated e-waste recycling, eliminated plastic shrink wrapping, and replaced paper cups with reusable ceramic cups. Water conservation efforts include repurposing RO wastewater for various uses.

We maintain a gender ratio of 25% and aim to employ 2% differently-abled individuals. Our Community Free School initiative benefits over 750 people, providing jobs to 16 individuals in nearby villages. The Girls Ashram supports 35 beneficiaries, enhancing education for girls. The Karma Animal Foundation cares for 250 dogs, offering meals and medical aid. Our V-Care program includes sessions on mental wellness and physical fitness.

We have implemented an Integrated Compliance Tool to ensure compliance with applicable laws, with automated alerts and a central repository for notices. The Stakeholder Relationship Committee now includes sustainability responsibilities and ESG commitments, and ESG metrics are part of the KPIs for HODs and SMPs. Additionally, 10,915 employees have been trained on human rights policies, and regular workshops cover cyber security and corporate governance.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

As stipulated in terms of the provisions of Regulation 34 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the Business Responsibility & Sustainability Report describing the initiatives undertaken by the Company from environmental, social and governance perspective is presented in a separate section forming part of this Annual Report.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 are not applicable to the business activity carried out by the Company.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 ("the listing regulations"), the top 1000 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters that will be taken into consideration by the Board of the Company in determining the distribution of dividends to its shareholders and/or retaining profits earned by the Company. The policy is available on the Company's website at the link: <http://vmart.co.in/wp-content/uploads/2023/07/Dividend-Distribution-Policy-1.pdf>.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

No application has been made or any proceeding is pending under Insolvency and bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE DURING ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS OR FINANCIAL INSTITUTIONS

No one time settlement has been made by the Company during the year under review.

SECRETARIAL STANDARDS

During the year under review, your Company has complied with all applicable secretarial standards issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118(10) of the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors hereby state and confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The annual accounts have been prepared on a going concern basis.
- e) The Directors have laid down Internal Financial Controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

The aforesaid statement has also been reviewed and confirmed by the Audit Committee of the Board of Directors of the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their sincere appreciation for the excellent support and coordination extended by the employees, shareholders, customers, suppliers, bankers, and all other business associates.

Your Directors gratefully acknowledge the ongoing cooperation and support provided by Central Government, State Governments, and all regulatory authorities.

Your Directors also appreciate and value the contribution made by every member of the V-Mart family.

By the Order of the Board and
On behalf of the Board

Place: Gurugram
Date: May 14, 2024

Madan Gopal Agarwal
DIN:02249947
Whole-time Director

Lalit Agarwal
DIN: 00900900
Managing Director

ANNEXURE A to Board Report

NOMINATION & REMUNERATION POLICY FOR THE MEMBERS OF BOARD AND EXECUTIVE MANAGEMENT

1. PREAMBLE

- 1.1 The Nomination & Remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
- 1.2 The policy would be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.

2. AIMS & OBJECTIVES

- 2.1 The aims and objectives of this Nomination & Remuneration policy may be summarized as follows:
 - 2.1.1 The Nomination & Remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.
 - 2.1.2 The Nomination & Remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
 - 2.1.3 The Nomination & Remuneration policy will ensure that the interests of Board members & Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
 - 2.1.4 The Nomination & Remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. PRINCIPLES OF REMUNERATION

- 3.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- 3.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 3.3 Internal equity: The Company shall remunerate the board members and the Executives in terms of their roles within the organization. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- 3.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore, the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.
- 3.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- 3.6 Performance-Driven Remuneration: The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
- 3.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

4. NOMINATION & REMUNERATION COMMITTEE

- 4.1 The Board of Directors has constituted the Nomination & Remuneration Committee by renaming the existing Remuneration Committee. The members of the Committee comprises of three independent directors.

4.2 The Committee is responsible for:

- 4.2.1 Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc. for Executives and reviewing it on a periodic basis;
- 4.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the Director.
- 4.2.3 Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.
- 4.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognized;

4.3 The Committee shall:

- 4.3.1 review the ongoing appropriateness and relevance of the remuneration policy;
- 4.3.2 ensure that all provisions regarding disclosure of remuneration, including pensions; are fulfilled;
- 4.3.3 obtain reliable, up-to-date information about remuneration in other companies;
- 4.3.4 ensure that no director or Executive is involved in any decisions as to their own remuneration.

4.4 Without prejudice to the generality of the terms of reference to the Nomination and Remuneration Committee set out above, the Committee shall:

- 4.4.1 Operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes

(subject to the provisions of the schemes relating to amendment);

- 4.4.2 liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors and Director should possess the highest personal and professional ethics, integrity;
- 4.4.3 review the terms of executive Directors' service contracts from time to time; and
- 4.4.4 perform such other acts, things and take such other decisions as provided and authorized by the Board of Directors of the Company to the Committee in terms of the provisions of Companies Act, 2013 and other applicable laws.

5. PROCEDURE FOR SELECTION AND APPOINTMENT OF THE BOARD MEMBERS

5.1 Board membership criteria

The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.

In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

- 5.2 Selection of Board Members/ extending invitation to a potential director to join the Board

ANNEXURE A to Board Report

One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

6. BOARD DIVERSITY

- 6.1 The Company acknowledges the importance of diversity in its broadest sense in the Boardroom as a driver of Board effectiveness. Diversity encompasses diversity of perspective, experience, education, background, ethnicity and personal attributes. The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the role that directors with the right skills and experience can play in contributing to diversity of perspective in the Boardroom.
- 6.2 The Committee shall review and evaluate Board composition to ensure that the Board and its Committees have the appropriate mix of skills, experience, independence and knowledge to ensure their continued effectiveness. In doing so, it will take into account diversity, including diversity of gender, amongst other relevant factors.
- 6.3 The Committee shall monitor and periodically review the Board Diversity and recommend to the Board so as to improve one or more aspects of its diversity and measure progress accordingly.

7. PROCEDURE FOR SELECTION AND APPOINTMENT OF EXECUTIVES OTHER THAN BOARD MEMBERS

- 7.1 The Committee shall actively liaise with the relevant departments of the Company to study

- 7.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, if any, and on the human resources market;
- 7.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- 7.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;
- 7.5 Before the selection of Employee, the recommendations and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;
- 7.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

8. COMPENSATION STRUCTURE

- a. **Remuneration to Non-Executive Directors:**
The Non-executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board and its Committee Meetings. The sitting fees paid to the Non-executive Directors for attending meetings of Board of Directors is Rs. 1,00,000/- and Rs. 75,000/- for meeting of Audit and Nomination and Remuneration Committee per meeting per member. Beside the sitting fees they are also entitled to reimbursement of expenses. The Non-executive Directors of the Company may also be paid other remuneration or commission, subject to requirements of applicable laws and payment matrix as approved by the Board/ Nomination and Remuneration Committee of the Company.

The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.
- b. **Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel (s) (SMPs):**
The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment has to be approved by the Board but any subsequent increments shall be approved by the Managing Director of the Company as per the HR policy of the Company.

The Executive Directors of the Company are also entitled for commission on the profits of the Company as approved by the Board of Directors and Shareholders of the Company in Annual General Meeting.

9. ROLE OF INDEPENDENT DIRECTORS

- 9.1 The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval.
- 9.2 The Independent Directors shall have power and authority to determine appropriate levels of remuneration of executive directors and Employees and have a prime role in appointing

and where necessary recommends removal of executive directors and Employees.

- 9.3 The Independent Directors shall submit its recommendations/ proposals/decisions to the Committee which the Committee shall consult and take to the Board of Directors.

10. APPROVAL AND PUBLICATION

- 10.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.
- 10.2 This policy shall be hosted on the Company's website.
- 10.3 The policy shall form part of the Director's report to be issued by the Board of Directors in terms of Companies Act, 2013.

11. SUPPLEMENTARY PROVISIONS

- 11.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.
- 11.2 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.
- 11.3 The right to interpret this Policy vests in the Board of Directors of the Company.

ANNEXURE B to Board Report

ANNEXURE C to Board Report

FORM NO. AOC - 2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis	NIL
2. Details of material contracts or arrangement or transactions at arm's length basis	
Name(s) of the related party and nature of relationship:	Snehal Shah, Son-in-law of Mr. Madan Gopal Agarwal (Whole Time Director)
Nature of contracts/ arrangements/transactions	Employment
Duration of the contracts/arrangements/transactions	NA
Salient terms of the contracts or arrangements or transactions including the value, if any	In the Normal Course of Business
Date(s) of approval by the Board, if any:	May 24, 2018
Amount paid as advances, if any:	NIL

For and on behalf of the Company

Place: Gurugram
Date: May 14, 2024

Lalit Agarwal
Managing Director
DIN: 00900900

Aakash Moondhra
Chairperson and Independent Director
DIN: 00106795

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

We are giving back and positively impacting local communities through V Mart store clusters and sourcing hubs by enhancing their quality of life and overall wellbeing in a sustainable manner. Our programs designed to cover thematic areas of Education, Entrepreneurship and Skill Development, Community Infrastructure Development, Medical and Health Care, Environment, Social Empowerment, Sports Education, Disaster Relief, Supporting NGOs working for Human and Animal Welfare and various need based initiatives along with providing volunteering opportunities to our employee across the nation.

2. Composition of CSR Committee

We have a CSR Committee that provides oversight of CSR Policy execution to ensure that the CSR objectives of the Company are met. Our CSR Committee comprises:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Sonal Mattoo	Chairperson	4	3
2.	Mr. Lalit Agarwal	Member	4	4
3.	Mr. Madan Gopal Agarwal	Member	4	3
4.	Mr. Aakash Moondhra	Member	4	4

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://vmart.co.in/wp-content/uploads/2022/09/CSR-Policy.pdf>.

4. Provide the executive summary along with the web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

- 5. a. Average net profit of the Company as per section 135(5) : Nil
- (b) Two percent of the average net profit of the Company as per section 135(5) : Nil
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
- (d) Amount required to be set off for the financial year, if any : Rs. 14,70,403
- (e) Total CSR obligation for the financial year (b+c-d) : Nil
- 6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Project) : Rs. 17,80,790
- (b) Amount spent in Administrative Overheads : Nil
- (c) Amount spent on Impact Assessment, if applicable : NA
- (d) Total amount spent for the Financial Year (a+b+c) : Rs. 17,80,790
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
17,80,790	Nil	NA	NA	Nil	NA

(f) Excess amount for set off, if any

ANNEXURE D to Board Report

DISCLOSURES IN BOARD REPORT AS PER SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of the average net profit of the Company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	17,80,790
(iii)	Excess amount spent for the financial year [(ii)-(i)]	17,80,790
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	17,80,790

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance amount in unspent CSR account under section 135(6) (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer.		
1	2022-23	Nil	Nil	61,14,403	NA	NA	Nil	Nil
2	2021-22	Nil	Nil	2,47,77,000	NA	NA	Nil	Nil
3	2020-21	Nil	Nil	3,30,72,873	NA	NA	Nil	Nil

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year. If Yes, enter the number of capital asset created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): NA

For and on behalf of the Company

Place: Gurugram
Date: May 14, 2024

Lalit Agarwal
Managing Director
DIN: 00900900

Sonal Mattoo
Chairperson CSR Committee & Independent Director
DIN: 00106795

The information as per Rule 5(1) are as follows:

1.& 2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY 23-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 23-24 are as under:

Sl. No.	Name of Director, KMP & Designation	% increase/(decrease) in Remuneration in the Financial Year 2023-24	Ratio of remuneration of each director/to median remuneration of employees
1.	Mr. Aakash Moondhra, Chairman & Independent Director	(20.00%)	6
2.	Mr. Lalit Agarwal Managing Director	(8.42%)	150
3.	Mr. Madan Gopal Agarwal, Whole-time Director	15.00%	34
4.	Mr. Murlu Ramachandran Independent Director	(15.38%)	9
5.	Ms. Sonal Mattoo, Independent Director	(52.27%)	4
6.	Mr. Govind Shridhar Shrikhande Independent Director	(15.38%)	9
7.	Mr. Anand Agarwal, Chief Financial Officer	9.95%	135
8.	Ms. Megha Tandon, Company Secretary	10.37%	11

3. The median remuneration of employees of the Company during the FY 22-23 was Rs. 1,17,408 whereas in FY 2023-24 it is Rs. 1,23,300. Therefore in FY 23-24, there is an increase of 5% in the median remuneration of employees.

4. Number of Permanent Employees on the rolls of Company as on March 31, 2024: 9827.

5. The Average percentile increase/decrease in the salaries of the employees (other than Managerial Personnel) for FY 23-24 is 6% whereas the average percentile increase/ decrease in the managerial remuneration for FY 23-24 is 8%. The Company's variable compensation philosophy for its managerial personnel is to ensure its competitiveness in the markets in which it operates for attracting & retaining the best talent.

6. It is hereby affirmed that the remuneration paid is as per the Nomination & Remuneration Policy for Directors, Key Managerial Personnel and other Employees

The information as per Rule 5 (2) are as follows:

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of the Annual Report. Further, the Report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

ANNEXURE E to Board Report

The details of Employees who were employed throughout the FY 23-24 and were in receipt of minimum aggregate Remuneration of Rs. 1.02 Crores:

Employee Name	Designation	Educational Qualification	Nature of Employment	Experience (in years)	Age	Date of joining	Remuneration in FY 2023-24 (in Lakhs)	% of Equity shares held by the Employee in the Company	If relative of Director, Name of such director	Previous employment and designation
Lalit Agarwal	Managing Director	B.com	Permanent	30	53	1-10-2003	185	6.45%*	Madan Gopal Agarwal	Vishal Retail Ltd.
Anand Agarwal	Chief Financial Officer	CA & CS	Permanent	29	50	1-06-2017	155	0.01%	-	HT Media Ltd
Vineet Jain	Chief Operating Officer	CA	Permanent	27	48	2-11-2020	183	0.01%	-	Future Retail Ltd
Jayesh Kothari	President-Merchandising	B.Com (H)	Permanent	30	57	9-06-2022	126	-	-	Reliance Retail Limited
Suchishree Mukherjee	CEO-LimeRoad	M.Sc.	Permanent	27	51	11-11-2022	746	-	-	E-Bay Inc
Akshay Gupta	Vice President	IIT	Permanent	14	34	11-11-2022	117	0.00%	-	Century Link

* Percentage (%) of equity shares held by Mr. Lalit Agarwal includes in individual capacity.

The details of Employees who were employed for that part of FY 23-24 and were in receipt of minimum aggregate Remuneration of Rs. 8.5 Lakhs per month:

Employee Name	Designation	Educational Qualification	Nature of Employment	Experience (in years)	Age	Date of joining	Remuneration in Fiscal 2024 (in Lakhs)	% of Equity shares held by the Employee in the Company	If relative of Director, Name of such director	Previous employment and designation
Ankush Mehra	COO-LimeRoad	MBA	Permanent	34	54	11-11-2022	107	-	-	ITC Limited

The details of Employees who were employed during FY 23-24 (whether for full year or part thereof) and were drawing remuneration [i.e. either Rs. 1.02 Crores or 8.5 Lakhs per month] which is in excess of the remuneration drawn by MD or WTD or Manager and along with this, he is holding minimum 2% of the equity shares of the Company together with his wife & dependent children: NA

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
V-MART RETAIL LIMITED
CIN: L51909DL2002PLC163727
610-611, Guru Ram Das Nagar, Main Market,
Opp. SBI Bank, Laxmi Nagar, New Delhi -110092, India

We report that:

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **V-MART RETAIL LIMITED** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Company's Responsibilities

The Company's Management and Board of Directors are responsible for the maintenance of secretarial record under the Companies Act, 2013 and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards. Further the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

Auditor's Responsibilities Statement

Our responsibility is only to examine and verify those compliances on a test basis and express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Where ever required, we have obtained the Management

representation about the compliance of laws, rules and regulations and happening of events etc.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Limitations

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Further, we conducted the secretarial audit by examining the secretarial records including minutes, documents, registers, other records and returns related to the applicable laws on the Company etc. made available to us. The management has confirmed that the records submitted to us are the true and correct. We have also relied upon representation given by the management of the Company for certain areas which otherwise requires physical verification.

Basis of opinion

We have followed the audit practices, secretarial auditing standards and processes as were applicable and appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification in some cases were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We also believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Secretarial Records and Compliances made thereunder

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we

ANNEXURE E to Board Report

hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **Not Applicable**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable as the Company is not a registered Registrar to an Issue or Transfer Agent during the Financial Year under review.**

- (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021; - **Not Applicable**
- (i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; - **Not Applicable**
- (vi) The Company has identified following laws applicable specifically to the Company and we have relied upon the representation made by the Company and its officers for the system and mechanism framed by the Company for compliances made under following laws::
 1. The Shop & Establishment Act, 1954;
 2. The Legal Metrology Act, 2009;
 3. The Food Safety & Standard Act, 2006.

We have also examined compliance with the applicable provisions of the following: -

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above;

We further report that:

The Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice(s) have been given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board & Committee Meetings have been carried out with requisite majority of the members of the Board or committees as the case may be. Further there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board or Committee(s) thereof.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has the following specific event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

During the period under review,

- a. Nomination & Remuneration Committee of the Board has granted 24,100 options and allotted 4,162 Equity Shares to its employees under **V-Mart Retail Limited Employee Stock Option Plan, 2020.**
- b. Certain Designated Persons, on different dates had traded in the shares of the Company during closure of trading

window period under Code of Conduct to regulate, monitor & report trading by insiders of the Company, involving 326 Equity Shares. As informed by management, such incidents were identified and warning letters were issue to the concerned Designated persons.

- c. The Company has paid Rs.226 lacs remuneration to its executive directors pursuant to shareholders approval under Section 197 read with Schedule V of the Companies Act, 2013.

For **VKC & ASSOCIATES**
(Company Secretaries)
Unique Code: P2018DE077000

CS Ishan Khanna
Partner
ACS No. 53517
C P No. 24258

UDIN: A053517F000344291
Peer Review Cer. No. 1955/2022

Date: May 14, 2024
Place: New Delhi

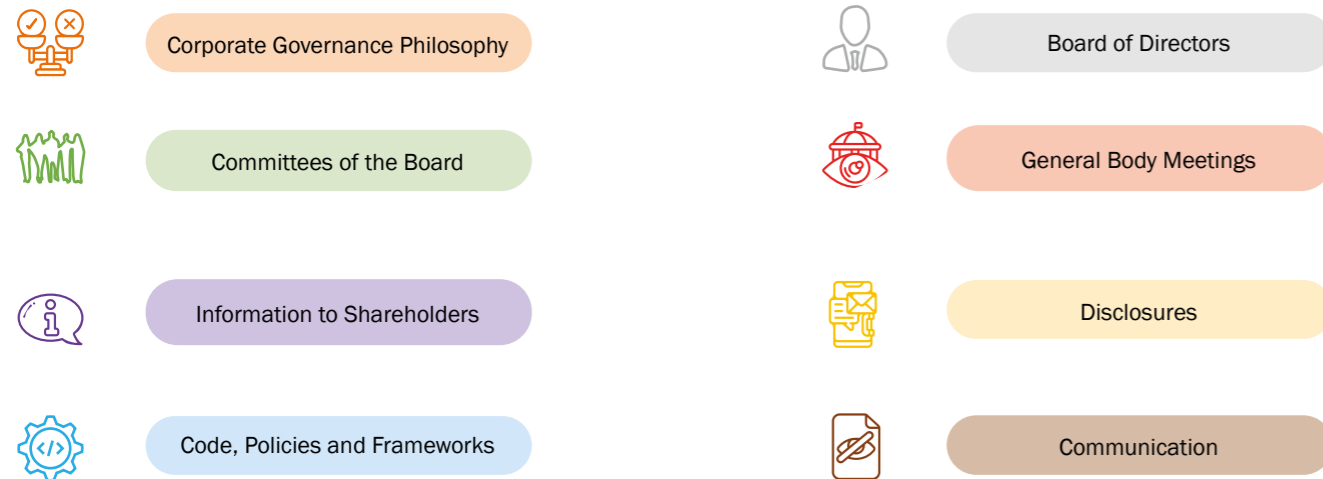
CORPORATE GOVERNANCE REPORT

Our Company's governance framework is anchored in the principles of clarity, fairness, and transparency, seamlessly integrated into our daily operations. Our governance structure emphasizes customer-centricity, commitment, agility, integrity, and prudence. Central to our business model is the fulfillment of customer aspirations, the nurturing of talent, the promotion of ethical growth for stakeholders, and the cultivation of robust vendor relationships, thereby creating value throughout the entire ecosystem.

We continually adapt to and uphold best practices, recognizing their critical role in enhancing stakeholder value. By prioritizing strong corporate governance, we ensure ethical and efficient conduct while maximizing value for all stakeholders, including shareholders, customers, employees, contractors, vendors, and society at large. Our commitment extends beyond regulatory compliance; we strive to set these practices as standards to ensure sustainable growth for our business and stakeholders.

Corporate governance is enforced through a robust board governance system and effective management processes, including stringent internal controls, a comprehensive code of conduct, an extensive risk management framework, and a suite of detailed policies and procedures.

The Corporate Governance Report of the Company is divided into the following parts:

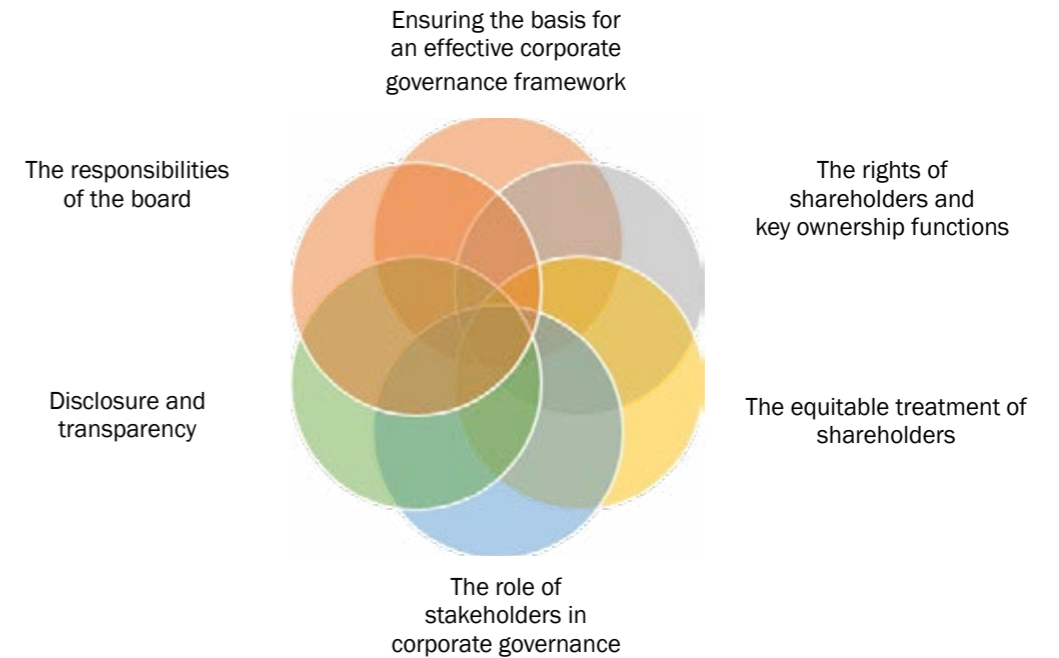


A. CORPORATE GOVERNANCE PHILOSOPHY

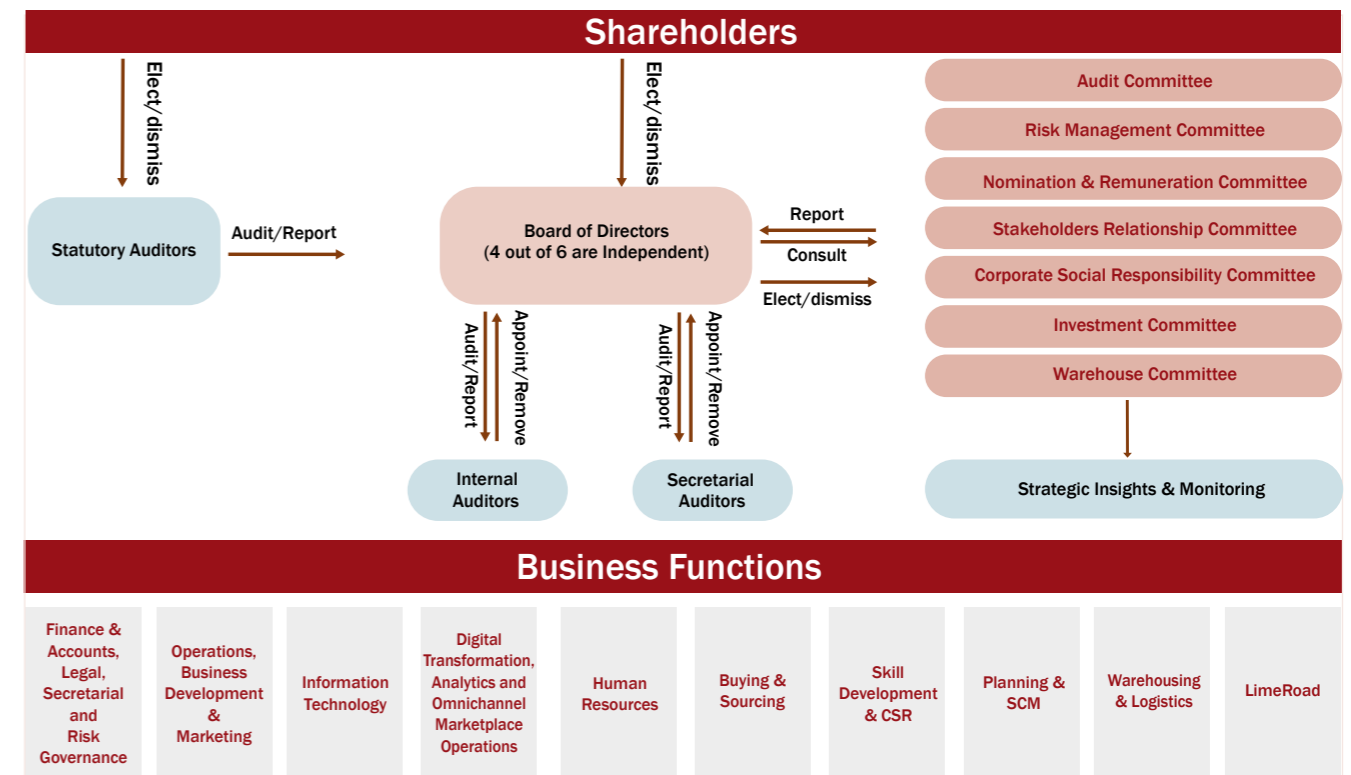
The governance of our Company is guided by the G20/OECD Principles of Corporate Governance, which serve as the global standard for corporate governance. These principles help policy makers evaluate and enhance the legal, regulatory, and institutional framework for corporate governance. They play a crucial role in supporting market confidence, integrity, economic efficiency, sustainable growth, and financial stability across economies.

At our Company, corporate governance is effectively implemented through a robust board governance system and strong management processes. These processes encompass stringent internal controls, a comprehensive code of conduct, an effective risk management framework, and a suite of detailed policies and procedures. By adhering to these principles, we prioritize ethical conduct, transparency, and accountability, ensuring the well-being of our stakeholders and contributing to the overall vitality and stability of our business.

Our corporate governance framework is built on the following G20/OECD Principles:



B. BOARD OF DIRECTORS



The Board of Directors, elected by shareholders, functions as the supreme governing authority of the Company. Its primary responsibilities include overseeing the Company's operations, providing strategic direction, and offering leadership and guidance to the management team. The Board also monitors performance to ensure the creation of long-term value for stakeholders. Complying with the Companies Act, 2013, and Regulation 17 of the Listing Regulations, the Board comprises of a balanced mix of Executive and Non-Executive Directors. Notably, the Chairperson of the Company is an Independent Director.

COMPOSITION OF BOARD OF DIRECTORS

The composition of the Board of Directors ("the Board") adheres to the requirements of the Companies Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As of March 31, 2024, the Board consists of six Directors: a Non-Executive & Independent Chairperson, a Managing Director, a Whole-time Director, and three other Non-Executive & Independent Directors, including one Independent Woman Director.

The composition of the Board as of March 31, 2024, is as follows:

- Executive Promoter Directors: 2
- Non-Executive & Independent Directors (including Woman Director): 4

The Company has secured the necessary disclosures from all four Independent Directors in accordance with Section 149(7) of the Companies Act, 2013. Each Director has confirmed compliance with the criteria set forth in Section 149(6) of the Companies Act, 2013, and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Furthermore, there have been no changes in their circumstances that would affect their status as Independent Directors during the year.

During the year under review, Mr. Govind Shridhar Shrikhande (DIN: 00029419) was re-appointed for a second term as a Non-Executive Independent Director of

the Company, effective from November 2, 2023, to hold office till November 1, 2028.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Ms. Shweta Kumar (DIN: 08596612) and Mr. Raghuvesh Sarup (DIN: 10626162) as Additional Directors in their capacity of Independent Non-Executive Director of the Company with effect from May 14, 2024 to hold office for a term of five years subject to approval of the members at ensuing Annual General Meeting.

Further, the tenure of Mr. Aakash Moondhra (DIN: 02654599) as an Independent Director will end on 22nd September 2024 upon the completion of the second term of 5 (five) consecutive years. Considering his deep understanding of the Company's business, corporate governance expertise, values, extensive knowledge of the retail sector, and his immense contributions as a member of the Board, Committee, and Chairperson of the Company over the years, the Nomination & Remuneration Committee and Board had recommended the appointment of Mr. Moondhra as a Non-Independent Non-Executive Director for a term of 5 (five) consecutive years from the date of completion of his term as Independent Director w.e.f. 23rd September, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The detailed profile of all the Board members is available on the Company's website at <https://vmart.co.in/team-leadership/>.

SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

As per SEBI Listing Regulations, the "required" as well as "the actually available" skills/expertise/competence of the Board of Directors are as follows:

Board of Directors: Mapping Skills/Expertise/Competence						
	Aakash Moondhra	Lalit Agarwal	Madan Agarwal	Govind S. Shrikhande	Murli Ramachandran	Sonal Mattoo
Skills/Expertise/Competence Required	Chairperson & Independent Director	Managing Director	Whole-time Director	Independent Director	Independent Director	Independent Director
Buying & Procurement		√	√	√		
Supply Chain & Logistics		√		√		
Planning & Allocation		√	√	√		
Retail Operations		√	√	√		
Visual Merchandising		√	√	√		
CRM & Analytics	√			√		
Digital Technology	√					
Labour Relations & Compliance		√				√
Financial Planning & Analysis	√	√		√	√	
Leadership Development	√	√	√	√	√	√

Board of Directors: Mapping Skills/Expertise/Competence						
	Aakash Moondhra	Lalit Agarwal	Madan Agarwal	Govind S. Shrikhande	Murli Ramachandran	Sonal Mattoo
Skills/Expertise/Competence Required	Chairperson & Independent Director	Managing Director	Whole-time Director	Independent Director	Independent Director	Independent Director
Talent Management	√	√		√	√	√
Change Management	√			√	√	
Diversity & Inclusion						√
Corporate Governance	√	√	√	√	√	√
Investor Relations	√	√		√		
Strategic Planning	√			√	√	√
Scalability & Expansion	√	√	√	√	√	
Project Management	√			√	√	

Details of Equity shares held by the Directors in the Company and Names of the listed entities where he/she is a Director as on March 31, 2024

Name of Director	Indian Listed Companies	Relationship with Directors	**Holding of Equity Shares of the company
Executive Directors			
Mr. Lalit Agarwal	V-Mart Retail Limited	Son of Mr. Madan Gopal Agarwal	12,77,275
Mr. Madan Gopal Agarwal	V-Mart Retail Limited	Father of Mr. Lalit Agarwal	Nil
Non-Executive & Independent Directors			
Mr. Aakash Moondhra	V-Mart Retail Limited	None	924
Mr. Murli Ramachandran	V-Mart Retail Limited	None	Nil
*Ms. Sonal Mattoo	V-Mart Retail Limited	None	Nil
	Ashiana Housing Limited		
	Poly Medicure Limited		
*Mr. Govind S. Shrikhande	V-Mart Retail Limited	None	Nil
	Donear Industries Limited		
	Brand Concepts Limited		
	Arvind Fashions Limited		

*All the directorships held by the directors in other listed companies are in the capacity of Non-Executive, Independent directors.

**It includes holding in the individual capacity only.

INDEPENDENT DIRECTORS

All Independent Directors have confirmed that they meet the 'Independence' criteria as outlined in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 ("Act"), along with the associated Rules. The Board has reviewed and recorded the declarations of independence received from the Independent Directors.

In the opinion of the Board, the Independent Directors fulfill the independence criteria specified in Section 149(6) of the Act, the relevant rules, and Regulation 16(1)(b) of the Listing Regulations. They are deemed to be independent of the management. None of the Independent Directors of the Company have resigned before the expiry of their tenure.

An Independent Director is expected to possess a balanced mix of skills, experience, and knowledge in areas

such as finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other relevant disciplines related to the Company's business.

Each Independent Director has registered their name in the online databank maintained by the Indian Institute of Corporate Affairs. Furthermore, all Independent Directors are exempted from passing the online proficiency test as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Board has implemented a Familiarization Program for Independent Directors, detailing the procedure to familiarize them with the Company, including their roles, rights, responsibilities, the industry in which the Company operates, and the Company's business model.

Familiarization Programme for Independent Directors

Independent directors receive training on the company's operations and functioning at the time of their appointment and thereafter continue to stay informed about the company's affairs.

a. Familiarization upon induction of new Independent Directors

The Company has a structured induction program for new Directors, providing them with an opportunity to familiarize themselves with the Company, its Board, management, operations, products, services, business model, values, culture, and industry in which the Company operates.

The induction program includes one-on-one sessions with top management and business heads, as well as store visits to understand operations, market, and customers. Independent Directors also receive an induction kit with information on the Company's organizational and governance structure, governance principles, Code of Conduct, key policies, Board procedures, information-sharing protocols, Directors' roles, responsibilities, and disclosure obligations.

b. Continual Familiarization Programme

The Company prioritizes informed decision-making by ensuring that all Directors stay up-to-date. Regular presentations and updates during Board meetings, conducted by the Managing Director or Senior Management, cover a wide range of Operational and Strategic topics. These include industry insights, Company performance, product updates, strategic plans, budgets, risk management, investments, funds flow, HR policies, and management succession planning etc. The goal is to equip Directors with comprehensive information about all important parts of the Company for effective governance.

Business and functional heads, along with Company executives, actively participate in board or committee meetings. Their presence provides a platform for interaction with the Company's Senior Management, allowing the Directors to have better understanding of business operations. Additionally, an established communication channel enables Independent Directors to seek clarifications and raise queries. This transparency fosters fairness in decision-making and contributes to a robust corporate governance structure. Furthermore, formal meetings and conference calls focus on strategic matters, ensuring ongoing involvement and progress. The Board members also visit outlets/stores and meet customers and frontend staff for gaining first-hand experience about the market, products and customers from time to time.

The details of the familiarization programme has been posted on the Company's website (https://vmart.co.in/wp-content/uploads/V-Mart-Familiarization-Programme_FY-23-24.pdf)

Separate Meeting of Independent Directors

Pursuant to the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, the Independent Directors meet without the presence of the Management and non-executive directors. During the year under review, 1 (one) Meeting of Independent Directors was held on December 20, 2023 to inter alia review the performance of Non-Independent Directors and the Board as a whole and, the performance of the Chairperson, taking into account the views of Executive and Non-Executive Directors. The quality, quantity and timeliness of flow of information between the management and the Board is also assessed. The attendance of the independent directors at the meeting of the independent directors held in FY 2023-24 is provided below:

Name of Independent Director	Meeting attended
Mr. Aakash Moondhra	Yes
Mr. Murli Ramachandran	Yes
Ms. Sonal Mattoo	Yes
Mr. Govind S. Shrikhande	Yes

BOARD PROCEDURES

Scheduling and Calendar Management

The scheduling and calendar management of board and board committee meetings are crucial for effective governance and meaningful participation. The meetings and conference calls are pre-scheduled, with a rolling yearly calendar shared with all directors well in advance. This ensures directors to block their schedules, reducing conflicts and ensuring maximum attendance. Advance notice also allows directors to prepare, review agendas, go through circulated pre reads and allocate time for meeting-related tasks, enhancing their ability to contribute effectively.

Before the meetings, any queries or clarifications regarding items to be taken on record by the Board are addressed in advance, ensuring focused and effective discussions during the meetings.

Preparation and Distribution of Meeting Materials

Prior to each meeting, a comprehensive agenda containing explanatory notes and relevant information is circulated to all board members.

The Board has unrestricted access to all Company related information. The Company Secretary ensures that the Board members and the members of the Committees of the Board are provided with all the relevant information,

details and documents required for decision making. The Company Secretary determines the agenda for every meeting in consultation with the Managing Director & Chief Financial Officer of the Company, before finally aligning the same with the Chairperson

With a view to ensure high standards of confidentiality of the agenda and other Board documents and to leverage technology and eliminate paper consumption, the Company circulates the agenda and explanatory notes to the Directors/Committee members, electronically and through a web-based application which can be securely accessed by the Directors/Committee members through their hand-held devices, laptop, tablets and browsers.

All material information is circulated to the Directors atleast 3-4 days before any meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. With the unanimous consent of the Board, all information which is in the nature of Unpublished Price Sensitive Information ("UPSI"), is circulated to the Board and its Committees at a shorter notice before the commencement of the meetings. The management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company.

Board Engagements/Conduct of Meetings

A. Board and Committee Meetings: Board and committee meetings are vital to our governance structure, providing a platform for strategic decision-making, oversight, and planning. These meetings bring together directors and committee members who collectively oversee the company's operations, ensuring alignment with our mission and adherence to legal and ethical standards. During these sessions, participants review financial statements, evaluate performance metrics, discuss policy issues, and make critical decisions that shape the future of the Company. Effective board and committee meetings foster transparency, accountability, and collaborative leadership, driving our company toward its goals.

B. Board Calls: In addition to the regular Board and Committee Meetings, the Company conducts periodic pre-scheduled conference calls with the Board and Senior Management Team to ensure continuous involvement and review of strategic and significant matters. These board calls are pre-scheduled for the entire year, with calendars of all relevant participants finalized at the beginning of the financial year. These calls serve as important touch points for the Board and senior management to discuss key initiatives,

address emerging challenges, and make informed decisions in a timely manner.

C. Short Notice Meetings and Circular Resolutions: When urgent business matters arise, the company swiftly obtains approvals through short notice meetings or circular resolutions. Short notice meetings are promptly convened to address pressing issues, while circular resolutions streamline the approval process without the need for physical gatherings. These efficient mechanisms ensure timely decision-making while maintaining governance standards and transparency.

D. Strategy Board Meeting: At each quarterly Board Meeting and during monthly Board calls, the company's board dedicates specific time for strategic discussions ensuring that key decisions align with the company's long-term vision and objectives. Additionally, the board demonstrates its commitment to strategic planning by organizing special events like the two-day offsite meeting. The last such meeting was held on October 8, 2023, and October 9, 2023. During this offsite gathering, board members immerse themselves in the company's operations by personally visiting its stores and other retail locations to gain firsthand insights into the company's growth trajectory, market conditions, and customer experience.

By engaging directly with frontline staff and observing operations on-site, board members can better understand challenges, identify opportunities, and contribute valuable perspectives to strategic decision-making. They analyze market trends, assess the competitive landscape, and evaluate the company's performance against predetermined targets. The board also reviews and approves strategic initiatives, such as market entry, product line expansion, and potential mergers and acquisitions.

During these meetings, comprehensive presentations encompass all significant functions and activities are presented to the Board members. Additionally, management is encouraged to provide updates on crucial areas, including functional performance, risk management, operations, and overall business performance. This ensures that the Board Members receive necessary strategic and material information, facilitating transparent decision-making processes.

The Company Secretary attends all the meetings of the Board and its Committees and is, also, responsible for recording the minutes of all such meetings. The Management Team or Head of Departments are also invited to join the meetings with permission of the

Chairperson(s) of the Board/Committee Meetings/Calls. The Management Team joining the said meetings also provides an opportunity for the Board/Committee Members to interact with the members of the management.

Additionally, the Audit Committee independently invites both the Internal and Statutory Auditors to present their audit findings during Committee Meetings. These sessions also include confidential discussions with Statutory Auditors and Internal Auditors, excluding the management team's presence.

The Company adheres to the provisions of the Act and the Rules made thereunder, Secretarial Standards and the Listing Regulations with respect to convening and holding the meetings of the Board, its Committees and the General Meetings of the shareholders of the Company.

Post - Meeting Follow Up

After Board and Committee Meetings and Calls critical decisions are meticulously tracked until their execution. An "Action Taken Report" is compiled and presented to the Board in subsequent meetings for acknowledgement and review. The Company maintains an efficient post-meeting

follow-up, review, and reporting system as part of its governance processes. This ensures that action items and pending discussions from previous meetings receive due attention in subsequent sessions. Robust mechanisms are in place to track decisions, monitor progress, and ensure accountability, contributing to effective governance. Through active listening, clear summaries, and timely follow-up, the Company ensures successful execution of all decisions and initiatives.

Number of Board Meetings

During the FY 2023-24, 5 (five) Board Meetings were held. The time gap between any two Board Meetings did not exceed 120 (One Hundred and Twenty) days as prescribed in the Act and SEBI Listing Regulations. These meetings were held on 16/05/2023, 09/08/2023, 09/10/2023, 06/11/2023 and 06/02/2024.

The Board Members are encouraged to attend meetings in person, while practical constraints may arise due to the geographical diversity of Independent Directors. Consequently, the Company conducts meetings via video conferencing to facilitate their participation. Importantly, the necessary quorum was met for all Board Meetings, whether in person or through video conferencing.

The Composition of the Board of Directors, their attendance in the Board Meetings and other particulars are as follows:

Name of Directors	Meeting Dates					% of Attendance	No. of other directorships in Public Companies* as on 31/03/2024	Attendance in the last AGM	No. of Committee** positions held in other Public Companies as on 31/03/2024	
	16-05-2023	09-08-2023	09-10-2023	06-11-2023	06-02-2024				Chairperson	Member
	Mr. Aakash Moondhra (02654599) (Non-Executive Chairperson/ Independent)	Video Conference	Yes	Yes	Video Conference				Yes	100
Mr. Lalit Agarwal (00900900)(Executive Managing Director)	Yes	Yes	Yes	Yes	Yes	100	-	Yes	-	-
Mr. Madan Gopal Agarwal (02249947) (Executive Whole Time Director)	Video Conference	Yes	Leave of Absence	Yes	Yes	80	-	Yes	-	-
Mr. Murli Ramachandran (00264018) (Independent Director)	Video Conference	Video Conference	Video Conference	Video Conference	Video Conference	100	-	Yes	-	-
Mr. Govind S Shrikhande (00029419) (Independent Director)	Video Conference	Yes	Yes	Video Conference	Video Conference	100	3	Yes	-	3
Ms. Sonal Mattoo (00106795)(Independent Director)	Leave of Absence	Yes	Yes	Video Conference	Leave of Absence	60	2	Yes	3	4

Yes, Leave of Absence, Video Conference

* Alternate directorships and directorships in private companies, foreign companies and Section 8 companies are excluded. **Includes Chairpersonship/Membership of only Audit Committee and Shareholders'/Investors' Grievance Committee.

The number of Directorship, Committee Membership and Chairpersonship of all the Directors of the Company are within the respective limits prescribed under Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Matters placed before the Board

The information/matters being provided to the Board inter-alia includes:

Strategic Matters	Operational Matters	Finance Matters
<ul style="list-style-type: none"> Defining the Long Range Plan of the Company Sale or purchase of investments or assets which are material in nature and not in the normal course of business Corporate restructuring activities including merger/demerger Details of any joint venture or material collaboration agreement Analyzing the Brand positioning & Brand Aesthetics Refreshing our Value propositions for our customers Targeting and defining the core customers 	<ul style="list-style-type: none"> Annual Operating Plans and Budgets and related updates. Capital Budgets and related updates. Significant Labour problems and their proposed solutions. Any significant development in the Human Resource area. Regular update on operations of the Company including updates on merchandising, customers, suppliers CSR activities, investments and warehouse. 	<ul style="list-style-type: none"> Quarterly results for the entity and its operating divisions Any material default in financial obligations Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material. Review, consider and approval of Related Party Transactions.

Governance Matters

- Minutes of meetings of the Board Meeting & Audit Committee and other Committees of the Board of Directors.
- Information on recruitment and remuneration of senior officers just below the level of Managing Director, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.

BOARD EVALUATION

The annual evaluation process for the Board of Directors, Committees, and individual Directors was conducted in accordance with the provisions of the Companies Act, 2013, and the Corporate Governance requirements specified by the Securities and Exchange Board of India (SEBI) under the Listing Obligations and Disclosures Requirements Regulations, 2015.

Board evaluations play a crucial role in enhancing corporate governance and ensuring effective board performance. These evaluations are mandatory and encompass various levels, including the Board as a whole, Committees and individual Directors. Parameters evaluated include board effectiveness, director performance, committee functioning, alignment with goals & vision, and compliance with legal and regulatory requirements.

During the year under review, the Nomination and Remuneration Committee (NRC) has meticulously reviewed and refined the Board Evaluation framework, incorporating feedback from the previous year and aligning with the best practices in the industry. The Board has endorsed the updated framework, which introduces several key enhancements:

- The implementation of the MECE (Mutually Exclusive, Collectively Exhaustive) framework ensures that the evaluation criteria are distinct and comprehensive, eliminating overlaps and covering all necessary aspects.
- The evaluation scale has been streamlined from a traditional 5-Point scale to a more efficient 4-Point scale, which ranges from 1 (indicating the lowest) to 4 (the highest), facilitating a more straightforward assessment process.

- In adherence to SEBI guidelines, the evaluation matrix now includes new sections, reflecting a commitment to regulatory compliance and best governance practices. and
- The evaluation parameters have been articulated in simpler language, and the quantification of the 4-Point scale parameters has been clarified. This is complemented by the allowance for open-ended feedback and comments on each parameter, promoting transparency and comprehensive review.

Further, the Company has engaged an independent firm M/s GBAB & Associates to validate the end-to-end process of conducting Board Evaluation as a part of its commitment to good corporate governance practice. The certificate is annexed as **Annexure- I**

Board Evaluation Criteria and Process

To ensure effective functioning and comply with legal requirements, the performance evaluation of the Board and its Committees and Directors has been conducted in accordance with the requirements of the Companies Act of 2013, rules made thereunder, and SEBI (Listing Regulations and Disclosure Requirements), 2015. The Board of Directors of the Company has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairperson of the Board.

The exercise was carried out through a structured evaluation process and it covers various aspects of the Board functioning such as composition of the Board and its Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues, etc.

A brief description of the evaluation criteria is mentioned below:

Sl. No.	Category	Evaluation Criteria
1.	Board of Directors	Evaluation on various criteria such as board size, composition mix, skills, succession planning, onboarding of new director, agenda of meetings, board meeting and processes, board performance and reporting, strategy and risk management, external relationships, ethics & compliance, director's knowledge, induction and continuing professional development, board & management.
2.	Board Committees	Evaluation on various criteria such as size, diversity, experience, skills & expertise, policies, role understanding, role fulfillment, power, guidance, risk, recommendations, independence, duration of meeting, meeting procedure, frequency of meeting, support available.
3.	Independent Directors	Evaluation on various criteria such as participation in discussion, confidentiality & integrity, knowledge & expertise, professional development, meeting preparation, independent judgment, understanding of role and responsibilities, disqualification, unbiased opinion, compliance of COC, special initiatives, effective team members, availability for meetings, commitment.
4.	Executive Directors	Evaluation on various criteria such as participation in discussion, confidentiality & integrity, knowledge & expertise, understanding of role, disqualification, product and operational skills, business plan, financial affairs, financial targets, relationship with board, team, other stakeholder, effective organization structure, policies, provide adequate information, participation in meetings, contribution towards company's growth, availability, commitment.
5.	Chairperson	Evaluation on various criteria such as participation in meetings, confidentiality and integrity, knowledge and expertise, independent judgment, understanding of role, operations and product knowledge, adequate information, leadership, promotes constructive debate, effective communication, promotes participation of all board members, promotes shareholders confidence, ensures ease of raising issue, commitment.

A structured questionnaire was circulated to the Board Members in this connection. All the Directors participated in the evaluation survey and the review was carried out through a peer- evaluation excluding the Director being evaluated. The Secretarial department compiled responses and the outcome of the evaluation was presented and discussed in the subsequent meetings of the Nomination and Remuneration Committee and Board. The Board then discussed the findings and agreed on an action plan.

Outcome of Board Evaluation and Action Plan

In the FY 2023-24, our Board conducted a thorough review of the evaluation report and is pleased to report a commendable performance by both the Board and its Committees. The Committees have been effective in their roles, adhering to their legal mandates and engaging in comprehensive discussions on significant matters. The Directors have been notably proactive, contributing valuable insights that reflect their high level of commitment to their roles.

Looking ahead, the Board recognizes the importance of strategic levers in shaping our future. We are committed to focusing on these areas, monitoring progress closely, and refining our approach to strategic execution. This focus aligns with our goal to enhance shareholder value and position our Company for long-term growth and stability.

Action taken on Outcome of last year Performance Evaluation

The progress on recommendations from the previous year's performance evaluation was discussed and reviewed. Based on that, the Board has taken the following steps:

- The Managing Director, in consultation with the Chairperson, convenes a dedicated Board Meeting for strategic planning. During this meeting, the Board focused on identifying customers and competitors, evaluating the importance of composite stores in V-Mart's future strategy, examining challenges and opportunities in online and omni-channel retail, balancing attention between the existing business model and exploring omni-channel opportunities, establishing brand positioning, and analyzing the growing trend of pre-loved garments.
- In a significant move to strengthen its corporate governance, the Company has recently expanded its Board of Directors with the appointment of two new Independent Directors. These seasoned professionals bring a wealth of diverse experience and expertise, which is expected to provide fresh perspectives and contribute to the strategic decision-making process. Their appointment aligns with the Company's

commitment to upholding the highest standards of corporate governance and accountability. With the guidance of a robust Board, the Company is poised to navigate the complex business landscape more effectively and drive sustainable growth.

REMUNERATION TO DIRECTORS

Overall remuneration should be reflective of the size of the Company, complexity of the sector/industry/ company's operations and the company's capacity to pay the remuneration.

Independent Directors ("ID") and Non-Independent, Non- Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be members) and commission on profits of the Company within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the Committee and approved by the Board.

The Managing Director and other Executive Directors of the Company are paid remuneration by way of salary, benefits perquisites (fixed component) and commission (variable component) on the net profits of the Company as approved by the Shareholders & Board of Directors of the Company and as recommend by the Nomination & Remuneration Committee.

During the financial year under review, the non-executive directors including independent directors were paid sitting fees of ₹ 1,00,000/- for attending the meeting of Board and ₹ 75,000/- for attending the meeting of Audit Committee and Nomination & Remuneration Committee each, per meeting per member.

Further, shareholders at the Annual General Meeting held on August 30, 2022 approved a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, to be paid and distributed among some or all the Non-Executive Directors of the Company in a manner decided by the Board of Directors & its Committee and this payment will be made with respect to the profits of the Company for each year. The criteria for the above-mentioned commission to be paid to Non-Executive Directors has been considered based on the following factors:

- Revenue achieved by the Company during the year;
- Profits for the year;
- Performance/contribution of each Director;
- Any other criteria, if applicable.

The details of remuneration paid (including commission due as on 31/03/2024 but not paid, if any) to the Directors (including Independent Directors) for the period of 12 months ended on March 31, 2024 are given below:

(Amount in Rs. lakhs)

Name of Director	Designation	Salary	Commission	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Sitting Fee	Total
Mr. Aakash Moondhra	Chairperson and Independent Director	-	-	-	8	8
Mr. Lalit Agarwal	Managing Director	113	-	72	-	185
Mr. Madan Gopal Agarwal	Whole-time Director	41	-	-	-	41
Mr. Murli Ramachandran	Independent Director	-	-	-	11	11
Ms. Sonal Mattoo	Independent Director	-	-	-	5	5
Mr. Govind S. Shrikhande	Independent Director	-	-	-	11	11

Service Contract, Severance Fees and Notice Period

Mr. Lalit Agarwal was re-appointed as the Managing Director of the Company for a period of 5 years w.e.f. May 31, 2022 by the Board of the Company and his appointment was approved by the Shareholders of the Company at the 20th AGM held on August 30, 2022. There is no separate provision for payment of any severance fees to the Managing Director. There is a notice period of 3 (three) months from either side.

Mr. Madan Gopal Agarwal was re-appointed as the Whole-time Director of the Company for a period of 5 years w.e.f. May 31, 2022 by the Board of the Company and his appointment was approved by the Shareholders of the Company at the 20th AGM held on August 30, 2022. There is no separate provision for payment of any severance fees to the Whole-time Director. There is a notice period of 3 (three) months from either side.

SENIOR MANAGEMENT PERSONNEL

During the year under review, Mr. M Srinivasan, Vice President – Planning and Supply Chain had resigned and Mr. Nitin Goel had been promoted as the head of Planning and Supply Chain in place of Mr. Srinivasan.

The names of the Senior Management Personnel are as under:

- Vineet Jain - Chief Operating Officer
- Anand Agarwal - Chief Financial Officer
- Jayesh Kothari - President (Merchandising)
- Jaideep Jaiman - Vice President (Analytics and Digital Transformation)
- Anjali Goel - Vice President (Human Resource)
- Ramesh Agarwal - Vice President (Supply Chain Management)
- Dinesh Srivastava - Vice President (Information Technology)

- Snehal Shah- Sr. Vice President (Projects & Business Development)
- Nitin Goel - Vice President (Planning) (appointed during the year)
- Syed Ali Athar - Vice President (CSR & Skill Development Initiative)
- Suchishree Mukherjee - Chief Executive Officer (CEO) - LimeRoad
- M. Srinivasan - Vice President (Planning & Supply Chain) (resigned during the year)
- Megha Tandon - Company Secretary & Compliance Officer

The brief Profiles of the Senior Management Personnels are detailed out in creating value for our stakeholders segment forming part of this report.

C. COMMITTEES OF THE BOARD

AUDIT COMMITTEE

The Company has constituted an Audit Committee in line with the provisions of Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

Brief Description of Terms

The terms of reference of the Audit Committee include:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees/remuneration.

- Review and monitor the auditor's independence, performance and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon.
- Approval or any subsequent modification of transaction(s) of the Company with related party/(ies);
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertaking or assets of the Company, wherever it is necessary;
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to;
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified Opinion/Qualifications in the draft Audit Report and Limited Review Reports.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of Statutory and Internal Auditors adequacy of the internal control systems.
- Evaluation of internal financial controls and risk management systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.
- Discussion with Internal Auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower/Vigil mechanism.
- Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The Audit Committee may call for the comments of the auditors about the internal control system, the scope of the audit, including the observations of the auditors and review of financial statements before their submission to the Board and may also discuss any related issues with the Internal and Statutory Auditors and Management of the Company.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger,

amalgamation etc., on the listed entity and its shareholder.

25. The Audit Committee shall also perform other functions/roles as may be specified/prescribed/applicable under Companies Act, 2013, rules made thereunder, including any amendment and Listing Agreement with the stock exchanges from time to time.

The Audit Committee shall mandatorily review the following information:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) Management letters/ letters of internal control weaknesses issued by the statutory auditors, if any;
- 4) Internal audit reports relating to internal control weaknesses; and
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

The composition of the Committee and details of attendance at the Meetings during the period ended March 31, 2024 is as follows:

Name of Members	Category	Status	Meeting Dates				% of Attendance
			16-05-2023	09-08-2023	06-11-2023	06-02-2024	
Mr. Murli Ramachandran	Independent Director	Chairperson	Video Conference	Video Conference	Video Conference	Video Conference	100
Mr. Aakash Moondhra	Independent Director	Member	Video Conference	Leave of Absence	Video Conference	Video Conference	100
Mr. Govind S. Shrikhande	Independent Director	Member	Video Conference	Leave of Absence	Video Conference	Video Conference	100

✓ Yes ⊗ Leave of Absence Video Conference

The Chief Financial Officer, Statutory Auditors and the Internal Auditors are permanent invitees to the Committee Meetings.

The Company Secretary acts as the Secretary to the Audit Committee.

Governance

- 6) Statement of deviations, if any;
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The recommendations of the Audit Committee on any matter relating to financial management, including the Audit Report, are binding on the Board. If the Board is not in agreement with the recommendations of the Audit Committee, reasons for disagreement shall have to be recorded in the Board minutes and the same has to be communicated to the Shareholders. The Chairperson of the Committee is required to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Meetings of the Committee

During the FY 2023-24, 4 (four) Audit Committee Meetings were held. The meetings were held on 16/05/2023, 09/08/2023, 06/11/2023 and 06/02/2024. The time gap between any two meetings was not more than 120 days.

- a. The composition and terms of reference of the Audit Committee are in line with the applicable provisions of the Listing Regulations and the Act.
- b. The members of the Audit Committee are financially literate and have relevant experience in financial management.

- c. The meetings of the Audit Committee are also attended by the Managing Director, Statutory Auditors, Internal Auditors, CFO & Company Secretary and other senior members of the Finance function of the Company.

NOMINATION & REMUNERATION COMMITTEE

The Company has constituted a Nomination & Remuneration Committee in accordance with provisions of Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Brief Description of Terms

The terms of reference of the Nomination and Remuneration Committee include:

1. The Nomination & Remuneration Committee shall identify persons who are qualified to hold the position of directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. To decide on extension or discontinuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation.
3. The Committee shall specify the manner for effective evaluation of performance of the Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
4. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director, and
5. Recommend to the Board a policy, relating to the remuneration for directors, key managerial personnel and other employees including ESOP, pension rights and any other compensation payment.
6. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities

identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

7. The Nomination & Remuneration Committee shall also formulate the criteria for evaluation of Independent Directors and the Board and also laid down the policy on Board's diversity.
8. The Nomination & Remuneration Committee shall recommend to the Board, all remuneration, in whatever form, payable to senior management, Managerial person and Directors of the Company.
9. Framing the Employees Share Purchase Scheme / Employees Stock Option Scheme and recommending the same to the Board/ shareholders for their approval and implementation/administration & monitoring of the scheme approved by the shareholders.
10. Suggesting to Board/ shareholders changes in the ESPS/ ESOP schemes.
11. The Nomination & Remuneration Committee shall also perform other functions/roles as may be specified/prescribed/applicable under the Companies Act, 2013, rules made thereunder, including any amendment and Listing Regulations with the Stock Exchanges from time to time.

The Nomination & Remuneration Committee coordinates and oversees the annual self-evaluation of the Board and of individual Directors. It also reviews the performance of all the Executive Directors on such intervals as may be necessary on the basis of the detailed performance parameters set for each Executive Director. The Nomination & Remuneration Committee may also regularly evaluate the usefulness of such performance parameters, and make necessary amendments.

Meetings of the Committee

The Nomination & Remuneration Committee met 4 (four) times on 15/05/2023, 09/08/2023, 06/11/2023 and 06/02/2024 during the FY 2023-24.

The composition of the Committee and details of attendance at the Meetings during the period ended March 31, 2024 is as follows:

Name of Members	Category	Status	Meeting Dates				% of Attendance
			15-05-2023	09-08-2023	06-11-2023	06-02-2024	
Mr. Govind S. Shrikhande	Independent Director	Chairperson	Video Conference	Yes	Video Conference	Video Conference	100
Ms. Sonal Mattoo	Independent Director	Member	Video Conference	Yes	Video Conference	Leave of Absence	75
Mr. Murli Ramachandran	Independent Director	Member	Video Conference	Video Conference	Video Conference	Video Conference	100

Yes
 Leave of Absence
 Video Conference

The Company Secretary acts as the Secretary to the Nomination & Remuneration Committee.

Governance

- The composition and terms of reference of the Nomination & Remuneration Committee are in line with the applicable provisions of the Listing Regulations and the Act.
- All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

Succession Planning for the Board and Senior Management

The Company recognizes the significance of robust succession plans for both Board Members and Senior Management in ensuring a resilient future. These plans are intricately aligned with the Company's strategy and long-term objectives. To facilitate orderly succession, the Company has implemented an effective mechanism that encompasses the seamless transition of Directors, including Executive Directors, and other key positions within the Senior Management team. This mechanism aims to maintain a well-balanced composition of skills and expertise throughout the organization.

During the year the Nomination and Remuneration Committee analysed the requirement for appointing new Independent Directors for future years and evaluated the required skill set and expertise for a suitable candidate. Additionally it ran processes shortlisting and finalisation of future Independent Directors.

The Company has conducted a comprehensive evaluation of each position, considering various criteria for identifying successors and assessing their readiness and development plans. These plans may include job rotation, exposure, coaching/mentorship, and other development and engagement activities. HR reviews the detailed succession plan on a quarterly basis, which includes a specific listing of critical jobs, identified successors, and readiness timelines or contingency plans for each critical

position. This framework now encompasses a larger set of critical jobs and includes a formalized process for identification, coaching/mentoring, and development. Additionally, it outlines a roadmap for strengthening governance on talent actions, readiness, and risk management. The Board also reviews the succession planning framework for top critical positions and provides essential feedback to enhance the framework further. We are committed to creating a culture of opportunity by developing and nurturing internal talent.

RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee in accordance with provisions of Regulation 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 134 of the Companies Act, 2013.

Brief Description of Terms

The terms of reference of the Risk Management Committee include:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - Measures for risk mitigation including systems and processes for internal control of identified risks;
 - Business continuity plan;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

Name of Members	Category	Status	Meeting Dates				% of Attendance
			16-05-2023	09-08-2023	06-11-2023	06-02-2024	
Mr. Murli Ramachandran	Independent Director	Chairperson	Video Conference	Video Conference	Video Conference	Video Conference	100
Mr. Aakash Moondhra	Independent Director	Member	Video Conference	Yes	Video Conference	Yes	100
Mr. Govind S. Shrikhande	Independent Director	Member	Video Conference	Yes	Video Conference	Video Conference	100

Yes
 Leave of Absence
 Video Conference

Governance

- The composition and terms of reference of the Risk Management Committee are in line with the applicable provisions of the Listing Regulations.
- The Risk Management Committee is responsible for oversight on overall risk management processes of the Company and to ensure that key strategic and business risks are identified and addressed by the management.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders Relationship Committee in accordance with provisions of Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

In addition to the roles and responsibilities provided under SEBI Listing Regulations, the Company has included additional responsibilities to the Committee pertaining to Sustainability and commitment of the Company towards its various ESG initiatives.

Brief Description of Terms

The terms of reference of the Stakeholders Relationship Committee include:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report,

- Such other functions as may be prescribed by the Board or any other applicable laws.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

Meeting of the Committee

The Committee met 4 (four) times on 16/05/2023, 09/08/2023, 06/11/2023 and 06/02/2024 during the FY 2023-24. The composition and attendance of Risk Management Committee during the period ended March 31, 2024 is as under:

- non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- The Committee shall also be responsible to consider/approval of following request from the security holders of the Company on behalf of the Board of Directors of the Company:
 - Approval of split-up/sub-division and consolidation of shares;
 - Approval of demat and remat requests for the shares;
 - Approval of registration of transfers of the shares;
 - Approval of issue of duplicate share certificates in replacement of those which are old, decrepit

- or worn out, or where the cages on the reverse of recording transfers have been fully utilized;
 - e. Approval of issue of duplicate share certificates in replacement of those that are torn, defaced, lost or destroyed;
 - f. Other necessary approval for transfer/demat/remat of shares
 - g. Transfer of shares to IEPF Authority.
 - h. Release of shares from the unclaimed suspense account of the Company.
 - i. Registration of Power of Attorneys, Probate, Letters of Transmission or similar other documents
 - j. Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.
6. The Committee shall:
- a. Guide the creation of the ESG Vision & Ambitions of the Company and continuously take into updates on the ESG vision and goals thereon;
 - b. Ensure that the Company is taking the appropriate measures to undertake and implement actions to further its ESG vision and ambitions. The Committee shall have access to any internal information necessary to fulfill its role, in this regard;
 - c. Periodically report to the Board the performance of the Company with respect to the implementation of ESG goals designed;

- d. Review the methods of communicating V-Mart's sustainability performance including approving the Sustainability Report and the ESG and Business Responsibility & Sustainability Reporting (BRSR) sections published in the Integrated Annual Report prior to publication as deem fit;
- e. Advise the Board on the aspects of diversity (including but not limited to: gender, qualifications, representation, etc.) that need to constitute the leadership committees (including the Board) of the organization in order to drive an ESG culture across all aspects of decision making;
- f. Advise the Board to enable it to discharge its responsibilities, having regard to the law and the expected international standards of sustainability and governance.

The Committee also approves transfer, transmission of shares and issues like split, sub-division, consolidation of securities, issue of duplicate share certificates, dematerialization/ re-materialization of shares etc.

The Stakeholders Relationship Committee comprises one Independent Director and two Executive Directors.

Meeting of the Committee

The Committee met 4 (four) times on 15/05/2023, 09/08/2023, 06/11/2023 and 06/02/2024 during the FY 2023-24. The composition and attendance of Stakeholders Relationship Committee during the period ended March 31, 2024 is as under:

Name of Members	Category	Status	Meeting Dates				% of Attendance
			15-05-2023	09-08-2023	06-11-2023	06-02-2024	
Ms. Sonal Mattoo	Independent Director	Chairperson	📺	✓	📺	⊗	75
Mr. Lalit Agarwal	Managing Director	Member	✓	✓	✓	✓	100
Mr. Madan Gopal Agarwal	Whole Time Director	Member	⊗	✓	✓	✓	75

✓ Yes ⊗ Leave of Absence 📺 Video Conference

Investors' Grievance Redressal

Details of investor complaints received and resolved during the year under review are as follows:

Particulars	Complaints
Received during the year	1
Disposed-off during the year	1
Remaining unresolved as on March 31, 2024	NIL

The complaints received from the investors have been redressed to their satisfaction.

Governance

- a. The composition and terms of reference of the Stakeholders Relationship Committee are in line with the applicable provisions of the Listing Regulations and the Act.
- b. All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with Section 135 of the Companies Act, 2013 read with (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors to formally look into the CSR activities of the Company in line with requirements of the Companies Act, 2013.

Name of Members	Category	Status	Meeting Dates				% of Attendance
			15-05-2023	09-08-2023	06-11-2023	06-02-2024	
Ms. Sonal Mattoo	Independent Director	Chairperson	📺	✓	📺	⊗	75
Mr. Lalit Agarwal	Managing Director	Member	✓	✓	✓	✓	100
Mr. Madan Gopal Agarwal	Whole Time Director	Member	⊗	✓	✓	✓	75
Mr. Aakash Moondhra	Independent Director	Member	📺	✓	📺	✓	100

✓ Yes ⊗ Leave of Absence 📺 Video Conference

Brief Description of Terms

The terms of reference of the Corporate Social Responsibility Committee include:

1. Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
2. Ensure the activities included by the Company in its CSR policy are related to the activities of Schedule VII of Companies Act, 2013;
3. Recommend the amount of expenditure to be incurred on the activities;
4. Develop internal operating structure and transparent monitoring mechanism; and
5. Periodically monitor the implementation of CSR Policy of the Company.

The disclosures as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is appended to the Directors' Report forming part of this Annual Report.

Meeting of the Committee

The Committee met 4 (four) times on 15/05/2023, 09/08/2023, 06/11/2023 and 06/02/2024 during the FY 2023-24. The composition and attendance of the Corporate Social Responsibility Committee are as under:

Governance

- a. The composition and terms of reference of the Corporate Social Responsibility are in line with the applicable provisions of the Act.
- b. All the decisions and recommendations made by the Committee during the year were approved by requisite majority by the members of the Committee.

WAREHOUSE COMMITTEE

The Board vide its Meeting dated January 22, 2021 had approved the constitution of the Warehouse Committee for the purchase/acquisition of land and construction/operation of warehouse.

Brief Description of Terms

The terms of reference of the Warehouse Committee include:

The Committee is authorized to do such acts, deeds, and things, in its absolute discretion, as it deems necessary or desirable in connection with buying/purchasing land, conducting due-diligence, appointing contractors, consultants or vendors for construction & operation of the warehouse, including, without limitation, the following:

1. To conduct the due diligence for the proposed land;
2. To approve the location of the land;
3. Determining the term and conditions of the agreement for acquisition of land and any other relevant activity(ies);
4. Approving, finalizing, executing, ratifying and amending / modifying agreements and documents, including any powers of attorney, letters and agreements in connection with the acquisition of land and construction of warehouse thereon;
5. Providing such declarations, affidavits, certificates, consents and / or authorities as required from time to time;
6. Filing requisite documents with any of the Government of India, and any other statutory and/or regulatory authorities, and any amendments, supplements or additional documents in relation thereto, as may be required;
7. Seeking any clearance, license and approval for the usage of the land/property, To negotiate the commercials;

8. Further authorizing and empowering any officer(s) and/or employee of the Company, to execute and deliver, for and on behalf of the Company, any and all other documents or instruments and to do or cause to be done any and all acts or things as the members may deem necessary, appropriate or advisable in order for the acquisition of land, construction and operation of warehouse; and
9. To do all such incidental and ancillary acts and things as may be deemed necessary, and to give such directions that may be necessary or settle any issues, questions, difficulties or doubts that may arise in regard to or in connection with any matter(s) referred herein.

Further, it is noted that the committee shall meet periodically as required and quorum for a meeting of the Warehouse Committee shall either be two members and the committee may meet as and when required.

Meeting of the Committee

The committee met 3 (three) times on 27/06/2023, 17/09/2023 and 20/03/2024 during the FY 2023-24. The composition and attendance of Warehouse Committee during the period ended March 31, 2024 is as under:

Name of Members	Category	Status	No. of Meeting Attended
Mr. Lalit Agarwal	Managing Director	Chairperson	3
Mr. Madan Gopal Agarwal	Whole- Time Director	Member	3
Mr. Anand Agarwal	Chief Financial Officer	Member	3
Mr. Ramesh Agarwal	VP Warehouse & FMCG	Member	3

INVESTMENT COMMITTEE

The Board of Directors in their Meeting dated January 22, 2021 had constituted an Investment Committee for the purposes of undertaking various actions for the purposes of the proposed QIP, for raising funds aggregating up to ₹ 500 crores through the issuance of securities (including but not limited to the finalization of relevant date, floor price, issue price, approval of the preliminary placement document and the placement document, identification

and finalization of investors, and issuance, allotment and listing of the Equity Shares) in terms of the SEBI ICDR Regulations and Companies Act, 2013 and the applicable rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, each including any amendment(s), statutory modification(s), or re-enactment(s) thereof and other matters incidental thereto.

Brief Description of Terms

The terms of reference of the Investment Committee include:

The Committee is authorized to do such acts, deeds, and things, in its absolute discretion, as it deems necessary or desirable in connection with offering, issuing, and allotting the Equity Shares, including, without limitation, the following:

1. Offer, issue and allot the Equity Shares, subject to such terms and conditions, as determined by the committee, in its absolute discretion;
2. Determining the terms and conditions of the QIP, including among other things, the date of opening and closing of the QIP, pricing (including the determination of any premium or discount, subject to applicable law) and / or finalizing the objects of the QIP and the monitoring of the same;
3. Approving, finalizing, and executing the preliminary placement document and the placement document and to approve and finalize any bid cum application form, confirmation of allocation notes, and any other documents in this regard;
4. Approving, finalizing, executing, ratifying and amending / modifying agreements and documents, including any powers of attorney, lock-up letters, and agreements in connection with the appointment of any intermediaries and / or advisors (including for marketing, listing, trading, and appointment of book running lead managers / legal counsel / bankers / advisors /registrars / any other intermediaries as required) and to pay any fees, commission, costs, charges and other expenses in connection therewith;
5. Providing such declarations, affidavits, certificates, consents and / or authorities as required from time to time;
6. Seeking any consents and approvals, including, among others, consent from the Company's lenders, customers, vendors, and other parties with whom

the Company has entered into agreements and from concerned statutory and regulatory authorities;

7. Filing requisite documents with the Securities and Exchange Board of India, the Stock Exchanges where the Equity Shares are listed ("Stock Exchanges"), the Government of India, the Reserve Bank of India, and any other statutory and / or regulatory authorities, and any amendments, supplements or additional documents in relation thereto, as may be required;
8. Seeking the listing of the Equity Shares on the Stock Exchanges, submitting the listing application to such Stock Exchanges and taking all actions that may be necessary in connection with obtaining such listing approvals (both in-principle and final listing and trading approvals);
9. Opening one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board / its duly constituted Committee;
10. Accepting and appropriating and investing of the proceeds of the QIP including taking decisions to invest the funds from the QIP or other surplus funds of the Company into any avenues as per the Investment Policy of the Company, as modified from time to time by the Board of Directors of the Company;
11. Affixing the common seal of the Company, as required, on any agreement, undertaking, deed or other document, in the presence of any one or more of the directors of the Company or any one or more of the officers of the Company as may be authorized by the Board / its duly constituted Committee in accordance with the memorandum of association and articles of association of the Company;
12. Further authorizing and empowering any director(s) and / or officer(s) of the Company, to execute and deliver, for and on behalf of the Company, any and all other documents or instruments and to do or cause to be done any and all acts or things as the director(s) / officer(s) may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing, or in connection with the QIP, and any documents or instruments so executed and delivered or acts and things done or caused to be done by the director(s)/ officer(s) shall be conclusive evidence of the authority of the director(s) /officer(s) and the Company in doing so; and

13. To do all such incidental and ancillary acts and things as may be deemed necessary, and to give such directions that may be necessary or settle any issues, questions, difficulties or doubts that may arise in regard to or in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions and the members of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Board / its duly constituted committee in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.

of the Investment Committee during the period ended March 31, 2024 is as under:

Name of Members	Category	Status	No. of Meeting Attended
Mr. Lalit Agarwal	Managing Director	Chairperson	1
Mr. Madan Gopal Agarwal	Whole- Time Director	Member	1
Mr. Govind S. Shrikhande	Independent Director	Member	1
Mr. Anand Agarwal	Chief Financial Officer	Member	1

Meeting of the Committee

The meeting of the Committee was held on 15/05/2023 during the FY 2023-24. The composition and attendance

D. GENERAL BODY MEETINGS

The details of Annual General Meetings held and the resolution during the last three years are as follows:

Financial Year	Day & Date	Time	Location of the Meeting	Special Resolution Passed
2022-23	Friday, September 15, 2023	11:00 A.M.	Meeting held through Video Conferencing/ Other Audio Visual Means	1. Re-appointment of Mr. Govind Shridhar Shrikhande (DIN: 00029419) as an Independent Director of the Company
2021-22	Tuesday, August 30, 2022	11:00 A.M.	Meeting held through Video Conferencing/ Other Audio Visual Means	1. Approval for the re-appointment of Mr. Lalit M Agarwal (DIN: 00900900) as Managing Director of the Company and revision in his remuneration. 2. Approval for re-appointment of Mr. Madan Gopal Agarwal (DIN: 02249947) as Whole-time Director of the Company and revision in his remuneration. 3. Approval for amendment in the V-Mart Retail Ltd. Employee Stock Option Plan 2020 ("ESOP Scheme, 2020") of the Company.
2020-21	Wednesday, August 25, 2021	10.00 A.M.	Meeting held through Video Conferencing/ Other Audio Visual Means	1. Approval for remuneration and waiver of excess managerial remuneration paid to Mr. Lalit M Agarwal, Chairman & Managing Director (DIN:00900900). 2. Approval for remuneration and waiver of excess managerial remuneration paid to Mr. Madan Gopal Agarwal, Whole-time Director (DIN:02249947).

During the period of the last four years, no Extra-Ordinary General Meeting of the members was held.

POSTAL BALLOT

During the year under review, no special resolution has been passed through the exercise of postal ballot.

E. INFORMATION TO SHAREHOLDERS

DATE, TIME AND VENUE OF THE 22ND ANNUAL GENERAL MEETING

Wednesday, July 31, 2024 at 11:00 A.M. (IST) through Video Conferencing/Other Audio Visual Means.

FINANCIAL YEAR

April 1, 2023 to March 31, 2024

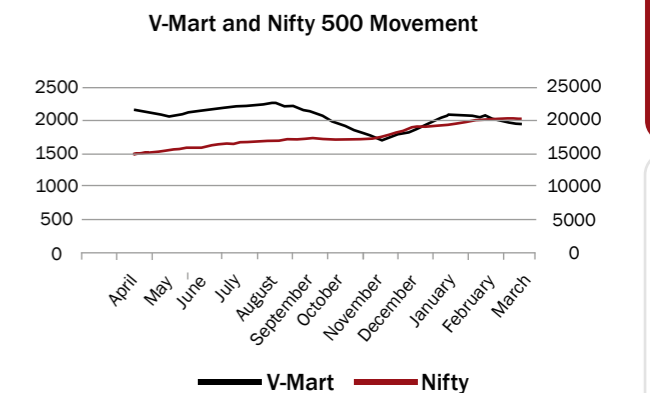
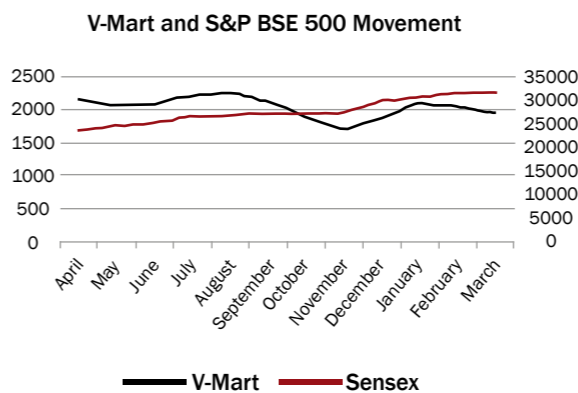
DIVIDEND DATE

Company has not declared any dividend for the year under review.

STOCK MARKET DATA

Monthly High and Low Share Price of V-Mart Retail Ltd. for the FY 2023-24 at BSE and NSE

Month	Bombay Stock Exchange(BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April - 2023	2266.90	2085.00	2244.85	2149.25
May - 2023	2195.00	1994.00	2198.70	2140.05
June - 2023	2220.00	1947.60	2050.85	2032.70
July - 2023	2360.40	2100.05	2297.95	2205.00
August - 2023	2441.90	2125.00	2320.00	2258.00
September - 2023	2277.20	1969.00	2264.20	2200.00
October - 2023	2067.10	1591.00	2015.00	1966.90
November - 2023	1871.95	1619.25	1676.50	1636.05
December - 2023	2110.20	1743.40	1787.45	1743.95
January - 2024	2234.85	1975.00	2031.00	2005.05
February - 2024	2410.00	1878.20	2186.65	2109.05
March - 2024	2171.05	1814.30	1943.15	1906.85



LISTING IN STOCK EXCHANGES

The Equity Shares of the Company are listed in the following Stock Exchanges:

NATIONAL STOCK EXCHANGE OF INDIA LIMITED	BSE LIMITED
"Exchange Plaza" Bandra-Kurla Complex Bandra (E), Mumbai-400 051 Scrip Code: VMART	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 Scrip code: 534976

ISIN No. INE665J01013

The Securities of the Company were listed on both Stock Exchange throughout the year.

Listing Fees: Listing fees, as prescribed for the FY 2024-25, have been paid to all Stock Exchanges where the shares of the Company are listed.

REGISTRAR AND SHARE TRANSFER AGENT

The Company in compliance with SEBI guidelines has appointed a common Share Transfer Agent for both the physical and electronic form of Shareholding. The Company's Registrar and Share Transfer Agent (RTA) namely, **KFin Technologies Limited** can be contacted at the following address:

KFin Technologies Limited

Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad, Telangana - 500 032,
Tel No.: +91 40-67162222/ +91-40-7961 1000
Fax No.: 040 23420814
Email: reghu.veedha@kfintech.com
Website: www.kfintech.com

SHARE TRANSFER SYSTEM

Pursuant to SEBI's Circular, the shares of the Company held in the dematerialized form are electronically traded in the Depository can be transferred and the Company shall not entertain any request for physical transfer of shares, However the request for transmission can be entertained by the Company. In such cases transmission in physical form which are lodged at the above offices of the Registrar and Share Transfer Agent, such transmission requests are processed within the stipulated time period. All share transmissions are approved by the officials authorized by the Board and thereafter ratified by the Stakeholders Relationship Committee.

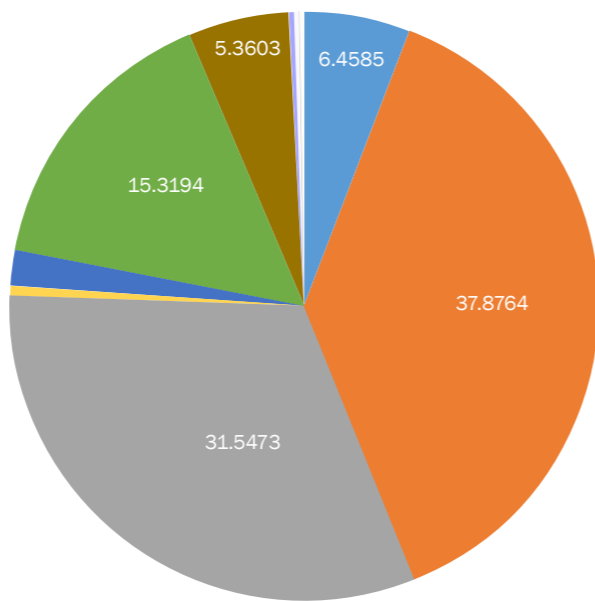
SHAREHOLDING PATTERN

The Shareholding Pattern of the Company as on March 31, 2024 is as follows:

Sl. No	Description	No. of Cases	Total Shares	% Equity
1.	PROMOTER INDIVIDUALS	1	1277275	6.4585
2.	PROMOTER GROUP	1	7490673	37.8764
3.	MUTUAL FUNDS	16	6239001	31.5473
4.	ALTERNATIVE INVESTMENT FUND QUALIFIED	4	110730	0.5599
5.	INSTITUTIONAL BUYER FOREIGN	3	372244	1.8822
6.	PORTFOLIO - CORP (Category - I)	80	3029663	15.3194
7.	DIRECTORS RELATIVES	1	13472	0.0681
8.	KEY MANAGEMENT PERSONNEL	2	2979	0.0151
9.	EMPLOYEES	36	23771	0.1202

Sl. No	Description	No. of Cases	Total Shares	% Equity
10.	RESIDENT INDIVIDUALS	21155	1060084	5.3603
11.	NON RESIDENT INDIAN NON REPATRIABLE	274	25365	0.1283
12.	NON RESIDENT INDIANS	449	45661	0.2309
13.	BODIES CORPORATES	131	66332	0.3354
14.	CLEARING MEMBERS	2	125	0.0006
15.	IEPF	2	205	0.001
16.	H U F	314	19045	0.0963
Total:		22471	19776625	100.00

Shareholding as on March 31, 2024



- PROMOTER INDIVIDUALS
- PROMOTER GROUP
- MUTUAL FUNDS
- ALTERNATIVE INVESTMENT FUND
- QUALIFIED INSTITUTIONAL BUYER
- FOREIGN PORTFOLIO - CORP (Category - I)
- DIRECTORS RELATIVES
- KEY MANAGEMENT PERSONNEL
- EMPLOYEES
- RESIDENT INDIVIDUALS
- NON RESIDENT INDIAN NON REPATRIABLE
- NON RESIDENT INDIANS
- BODIES CORPORATES
- CLEARING MEMBERS
- IEPF
- H U F

Distribution Schedule As On March 31, 2024

Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1 - 500	22145	98.55	621201	3.14
501 - 1000	156	0.69	113483	0.57
1001 - 2000	55	0.24	76374	0.39
2001 - 3000	23	0.10	57892	0.29
3001 - 4000	14	0.06	50153	0.25
4001 - 5000	8	0.04	36033	0.18
5001 - 10000	22	0.10	155182	0.78
10001 - 20000	6	0.03	92162	0.47
20001 and above	42	0.19	18574145	93.92
TOTAL	22471	100.00	19776625	100.00

*with grouping

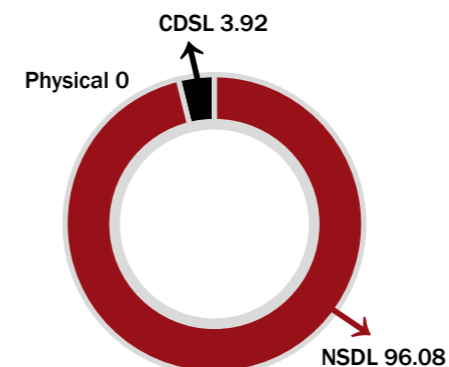
DEMATERIALISATION OF SHARES

The shares of the Company are in the compulsory demat segment. The Reconciliation of the Share Capital Audit Report of the Company obtained from the Practicing Company Secretary has been submitted to Stock Exchanges within a stipulated time period. The below mentioned table contains detail break - up of share capital, held in dematerialized or physical mode, of the Company as on March 31, 2024:

No. of Shares held in Dematerialized and Physical Mode

Sr. No.	Particulars	Number of Shares	% of Total issued Capital
1	Shares held in dematerialized form in CDSL	7,75,569	3.92
2	Shares held in dematerialized form in NSDL	1,90,01,056	96.08
3	Shares held in physical form	0	0.00
Total		1,97,76,625	100

Dematerialized and Physical Shareholding As on March 31, 2024



OUTSTANDING GDRS / ADRS / WARRANTS / OPTIONS

The Company has not issued any GDRs or ADRs or Warrants or Convertible instruments.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The company does not undertake any commodity hedging activities to counter the commodity price risk or foreign exchange risk

PLANT LOCATIONS

The Stores locations and the location of warehouses are forming part of the Annual Integrated Report. Company does not have any plant as it is not a manufacturing concern.

CORRESPONDENCE

Registered Office

610-611, Guru Ram Dass Nagar,
Main Market, Opp. SBI Bank,
Laxmi Nagar, New Delhi - 110092.

Corporate Office

Plot No. 862, Udyog Vihar, Industrial Area, Phase V,
Gurgaon-122016 (Haryana)

Shareholder's Issue

The Shareholders may send their queries to the e-mail address - cs@vmart.co.in, proactively managed by the Company under the 'For Investor Section' of Company's website.

Analyst

Analysts may schedule their conference calls and meetings with the following individuals via email ir_vmart@vmartretail.com.

- Mr. Lalit Agarwal, Managing Director, and
- Mr. Anand Agarwal, Chief Financial Officer

Subsidiary Companies

The Company does not have any subsidiary hence, no such provisions are applicable.

Compliance Officer

In terms of Regulation 7 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Ms. Megha Tandon, Company Secretary was designated as the Compliance Officer for complying with the requirements of Securities Laws and Listing Regulations with the Stock Exchanges in India.

Credit Rating

The Investment Information and Credit Rating Agency of India Limited (ICRA) has reaffirmed the earlier Bank

facilities credit rating of the Company, mentioned here-under as on March 31, 2024:

Facility Existing	Previous Rating	Current Rating Reaffirmed
Long term bank limits	[ICRA] AA- (ICRA double A minus) (with stable outlook)	[ICRA] AA- (ICRA double A minus) (with stable outlook)
Short term bank limits	ICRA AI + (ICRA A one plus)	ICRA AI + (ICRA A one plus)

UPDATE E-MAILS FOR RECEIVING NOTICE/ DOCUMENTS IN E-MODE

The Ministry of Corporate Affairs (MCA) has through its circulars issued in 2011, allowed service of documents by Companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode. This green initiative was taken by MCA to reduce paper consumption and contribute towards a green environment. As a responsible corporate citizen, our Company fully supports the MCA's endeavor.

Accordance with the same, your company will send Notice calling General Meetings, Annual Report and other documents in electronic mode to all the shareholders on their email addresses. It was also requested to inform the Company in case the shareholders wish to receive the above documents in physical form. Accordingly, the Annual Report along with Notice will be sent to the shareholders in electronic mode at their email addresses. Physical copy will be sent to only those shareholders whose e-mail addresses are not registered with the Company or RTA.

The shareholders who have not registered their email addresses with the Company are requested to kindly register their e-mail addresses with the RTA of the Company i.e. KFin Technologies Limited to better service shareholder correspondence through e-mode.

F. COMMUNICATION

The Results of the Company are furnished to the Stock Exchanges on a periodic basis (quarterly, half yearly and annually) after the approval of the Board of Directors. The Company also submits the requisite corporate announcements, material information, periodical fillings etc. through respective web portals of NSE and BSE



Financial Express, Business Standard & Jansatta

The results were normally published in "Financial Express, Business Standard, Jansatta" Newspapers within 48 hours after the approval by the Board.



www.vmart.co.in

The Company's website contains a separate section for investors. Information on various topics such as the Board of Directors, Committees of the Board, Policies, Press Release, Annual Report, Quarterly Results and Shareholding Pattern of the company and other intimations to stock exchanges are available on the website of the Company:



SEBI Complaints Redress System (SCORES) & Online Dispute Resolution Portal (ODR Portal)

The Company has enrolled itself on the unified SEBI Complaints Redress System (SCORES) & Online Dispute Resolution Portal (ODR Portal), for an online grievance redressal facilitation platform provided by SEBI.

After announcing its results, the Company holds earnings calls with analysts and investors. These calls are recorded and transcribed, and the audio/video clips are posted on the Company's website. Additionally, presentations made to institutional investors and financial analysts are submitted to stock exchanges and uploaded on the website.

The details of the publications of the financial results in the year along with the trading window closure are as under:

Description	Result Declaration Date	Trading Window Closure
Unaudited financial results for the first quarter ended June 30, 2023	August 09, 2023	July 01, 2023 till August 12, 2023
Unaudited financial results for the second quarter and the half year ended September 30, 2023	November 06, 2023	October 01, 2023 till November 08, 2023

Description	Result Declaration Date	Trading Window Closure
Unaudited financial results for the third quarter and the nine months ended December 31, 2023	February 06, 2024	January 01, 2024 till February 08, 2024
Audited financial results for the fourth quarter and the year ended March 31, 2024	May 14, 2024	April 01, 2024 till May 16, 2024

G. DISCLOSURES

NON-DISCRETIONARY

Disclosures of Related Party Transactions

There have been no significant material related party transactions. The related party transactions are disclosed in the Notes to the Accounts in this Integrated Annual Report. All details relating to business transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussions nor do they vote on such matters. The policy on material related party transactions is available on <http://vmart.co.in/wp-content/uploads/2023/07/Related-Party-Transaction-Policy.pdf>.

Details of Non-compliance by the Company

During the last three years there has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

Whistle Blower / Vigil Mechanism

The Company believes in the conduct of the affairs of its various constituents fairly and transparently by committing the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with this commitment, this Vigil Mechanism/Whistle Blower Policy ("the Policy") has been formulated to provide a mechanism for all stakeholders, including Directors, Employees, Customers, Vendors, Associates and Suppliers of the Company to raise concerns about suspected frauds, any violations of legal/regulatory requirements or code of conduct/policy of the Company, incorrect or misrepresentation of any financial statements and reports, etc.

This Policy is to encourage V-Mart's stakeholders who have concerns about suspected misconduct to come forward and report any actual or potential unethical practices in

violation of the code of conduct or the applicable laws, without fear of retaliation, punishment or unfair treatment.

The policy provides a mechanism whereby whistle-blowers may send protected disclosures directly to the Chairperson of the Audit Committee or Vigilance Officer. The Policy is available on the website of the Company at i.e. <http://vmart.co.in/corporate-governance/>

During the year under review no person has been denied access to the Audit Committee.

Compliance

The Company has complied with all mandatory requirements and adopted non mandatory requirements as mentioned.

Material Subsidiary

The Company doesn't have any material subsidiary for the year under review.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The company does not undertake any commodity hedging activities to counter the commodity price risk or foreign exchange risk

Details Of Utilization Of Funds Raised Through Qualified Institutions Placement

The Shareholders' of the Company in their 18th Annual General Meeting, had authorized to create, issue, offer and allot as may be decided by the Board in terms of the applicable regulations and as permitted under the applicable law, in one or more tranches, with or without green shoe option for an aggregate amount of up to Rs. 500 Crore (Rupees Five Hundred Crore Only) to such investors, whether Indian or foreign, that may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers (the "QIBs") as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, by way of a public issue, preferential allotment, private placement, including a qualified institutions placement (the "QIP") in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Pursuant to the above approval, the Company through its Investment Committee has issued and listed 1,530,612 equity shares of Rs.10/- each at price of Rs.2,450/- per equity share aggregating to Rs.3,749,999,400 on 03.02.2021 to 30 qualified institutional buyers (the "QIBs") under the applicable provision of the Securities

and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The proceeds of funds raised under Qualified Institutional Placement of the Company are utilized as per Objects of the Issue. From the raised total of Rs.375 Crores, Rs.5 Crores were allocated towards QIP expenses, and the remaining balance of Rs.370 Crores has been fully utilized as of December 31, 2022.

Certificate from Company Secretary in Practice

As per the requirements of the Listing Regulations, a certificate from practicing Company Secretary, confirming that none of the Directors of Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report as **Annexure-II**.

Details of recommendation of any Committee of the Board not accepted by the Board and reasons thereof

During the year under review, the Board of our Company has accepted all the recommendations made by its Committee(s), from time to time.

Details Of The Total Fees Paid To The Statutory Auditors

The details of the total fees for all the services paid by the Company to Statutory Auditors are as follow:

Type of Service	Fees paid in FY 2023-24 (Amount in lakhs)
Audit Fees	53
Tax Audit Fee	-
Reimbursement of Expenses (excluding taxes)	5
Total	58

Disclosures In Relation To The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The disclosure pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been provided in the Board Report for the reference of the stakeholders.

Details of Loan and Advances

There are no loans and advances in the nature of loans to firms/ companies in which directors are interested for the year under review, for more details refer to Financial Statements of the Company being part of this Integrated Annual Report.

Compliance with Corporate Governance Requirements

The company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCRETIONARY REQUIREMENTS

- **Board:** The Chairperson of the Company holds the position of an independent Chairperson. Hence, having an independent Chairperson reinforces the principles of good corporate governance, ensures effective oversight, and contributes to the company's credibility, integrity, and long-term sustainability.
- **Shareholders' Rights/Information:** The Company has adopted the policy of sending quarterly financial results to shareholders at their registered email ids. Further, information like financial results, official news releases, press releases, presentations to analysts etc. is displayed on the Company's website. i.e. www.vmart.co.in
- **Unmodified Audit Opinions/ Reporting:** The Company follows a regime wherein the opinion whether modified or unmodified is reported to the members of the Board and its Committee formed for this purpose.
- **Separation of Role of Chairperson and Managing Director:** In order to strengthen the Corporate Governance framework of the Company, the Board on the recommendation of the Nomination & Remuneration Committee separated the role of Chairman & Managing Director at its meeting held on November 8, 2021.
- **Internal Auditor Reporting:** The Internal Auditor presents reports on the audit being done for the time period directly to the Audit Committee wherein the detailed discussion takes place.

NON-MANDATORY REQUIREMENTS

- **Diversity:** The Company values diversity and inclusivity in top management, considering versatile backgrounds, experiences, and gender to foster better decision-making. It recognizes the significance of diverse perspectives, including gender diversity, in driving effectiveness and organizational success.
- **Transparency:** Transparency is a core value for the Company, and trust is built through regular and authentic communication. Stakeholders along the value chain receive sufficient information using various tools like certifications, labels, ratings, and disclosure platforms, including engagements such as meetings, conference calls, reports, and websites.
- **Standard Operating Procedures (SOPs):** The Company has implemented a range of SOPs that offer detailed instructions for performing routine activities. By following SOPs consistently, the organization ensures compliance with industry regulations and business standards while promoting consistency. These SOPs encompass policies, processes, and standards essential for the Company's success. The benefits

of these SOPs include error reduction, increased efficiency and profitability, a safe work environment, and guidelines for issue resolution and overcoming obstacles. The Company has a total of 155 SOP's covering various aspects of operations which have been audited based on which a total of 1096 store audits have been conducted in the FY 2023-24.

- **Shareholder Satisfaction Survey:** During the year, the Company has rolled out a comprehensive shareholder survey to obtain their views on the subjects mentioned in the survey such as Transparency, Communication to Shareholders, Corporate Governance etc.
- **Quarterly Mails:** The Company shares the financial results to shareholders through emails to ensure transparency and disclosure of information within the timeline.
- **Weekly flashcards:** To increase the awareness among the employees of the Company for the corporate governance practices being followed in the Company, the secretarial department rolled out the weekly informative flashcards highlighting the key information on topics such as Insider Trading, Trading Window Closure and Duties of Designated Persons.
- **Compliance Tool:** The Company has implemented a compliance tool to ensure the repository of statutory records to be maintained through the automated tool and used for conducting the Board meeting through out the year. Additionally the tool integrates multiple modules to streamline management processes. These include Internal Financial Control, Litigation, License, Contract, and Labor compliance.
- **BRSR Review:** The Firm of Chartered Accountants has carried out an independent review on sustainability disclosures presented in this Report. The Independent Assurance Statement issued by M/s GBAB & Associates forms a part of this Report.

Declaration by Managing Director

The Company Board has adopted a Code of Conduct for members of the Board and Senior Management ("Code"). The Code lays down, in detail, the standards of business conduct, ethics and governance.

The Company has revised the code of conduct for Board members and Senior Management Personnel to align it with the recent amendments made in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulation, 2015 and the Board has approved the same in its meeting held on May 14, 2024.

A revised copy of the Code has been posted on the Company's website https://vmart.co.in/wp-content/uploads/V-Mart_Code-of-Conduct-for-Directors-SMPs_May-2024.pdf.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director to this effect is given below:

I hereby confirm that:
The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code in the FY 2023-24.

Lalit Agarwal
Managing Director

Practicing Company Secretary's Certificate On Corporate Governance

The Company has obtained a Certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance as mandated in Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The certificate is annexed as **Annexure-III** to this Annual Report.

Unclaimed Shares

Disclosure in regard to the provisions of Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Schedule V (F) are given below:

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year: Nil
- Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year: Nil
- Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year: Nil
- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year: Nil

Agreements Binding

During the year under review, no contract or agreement has been entered into by the company which is binding on the Listed Entity.

Annexure-I

Independent Assurance on process of Performance Evaluation of the Board

To,
The Board of Directors,
V-MART RETAIL LIMITED
CIN: L51909DL2002PLC163727
610-611, Guru Ram Das Nagar, Main Market,
Opp. SBI Bank, Laxmi Nagar, New Delhi -110092, India

Scope and Approach

We, M/S GBAB & Associates, has engaged by the management of V-Mart Retail Limited to validate the process of conducting Board Evaluation. Our scope of work included reviewing the Board evaluation form to ensure compliance with the Companies Act of 2013, rules made thereunder, and SEBI (Listing Regulations and Disclosure Requirements), 2015.

Responsibilities of the Management

The Company's Management and Board of Directors are responsible for the maintenance of record under the Companies Act, 2013 and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards. Further the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

Basis of our Opinion

In order to form our conclusions, we undertook the following key steps:

- Reviewed the Company's Board evaluation form to ensure that it complies with the requirements of the Companies Act 2013 & rules made thereunder and SEBI (Listing Regulations and Disclosure Requirements), 2015;
- Examined and reviewed documents, data, and other information made available by the Company including minutes and communication to/from the Board in this regard to ensure the fairness and transparency of the process;
- Conducted interviews with the Chief financial officer, Company Secretary, and the Managing Director of the Company to validate the process.

Our conclusion

Based on the verification undertaken, we certify that the performance evaluation of the Board and its committees and Directors has been conducted in accordance with the requirements of the Companies Act of 2013, rules made thereunder, and SEBI (Listing Regulations and Disclosure Requirements), 2015. The Board of Directors of the Company has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process and it covers various aspects of the Board functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues, etc.

A structured questionnaire was circulated to the Board members in this connection. The Directors participated in the evaluation survey and the review was carried out through a peer- evaluation excluding the Director being evaluated. The outcome of the evaluation was presented and discussed in the subsequent meetings of the Nomination and Remuneration Committee and Board held in May 2024.

Restriction on use and distribution

Our work has been undertaken to enable use to express an independent validation on the process of the Board Evaluation undertaken by the Company. This will not be considered as an audit. We do not accept or assume any liability to any party other than the Company, for our work, for the Board Evaluation process or for the conclusion we have reached.

For **GBAB & ASSOCIATES**
Chartered Accountants
FRN: 031384N
Govind Basaiwala
Partner
Membership No. 062389
UDIN: 24062389BKEZK5743

Place: Gurugram
Date: 05 June 2024

Annexure-II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
V-MART RETAIL LIMITED
610-611, Guru Ram Dass Nagar,
Main Market, Opp. SBI Bank, Laxmi Nagar,
East Delhi, New Delhi - 110092, India.

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of **V-MART RETAIL LIMITED** having CIN **L51909DL2002PLC163727** and having registered office at **610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, East Delhi, New Delhi - 110092, India** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications [including "Directors Identification Number" (DIN)] status at the portal www.mca.gov.in, as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2024, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	DIN	NAME OF DIRECTOR	DESIGNATION	DATE OF APPOINTMENT
1	00900900	Lalit Agarwal	Managing Director	24.07.2002
2	02249947	Madan Gopal Agarwal	Whole Time Director	24.07.2002
3	02654599	Aakash Moondhra	Director	18.03.2010
4	00264018	Murli Ramchandran	Director	22.01.2015
5	00106795	Sonal Mattoo	Director	22.01.2015
6	00029419	Govind Shridhar Shrikhande	Director	02.11.2018

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on the verification of the records maintained by the Company, annual disclosure received by the Company from its Directors, and verification of the status of DIN data of the Directors available on the Ministry of Corporate Affairs Portal.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

The certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirement of the SEBI Listing Regulations, 2015. It should not be used by anyone or for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or whose hands it may come without our prior consent in writing.

For **OBEROI & ASSOCIATES;**
(Company Secretaries)

CS HARSH OBEROI
Practising Company Secretary
FCS: 11088 | CP No: 17834
Peer Review Code: 938/2020
UDIN: F011088F000437822
24.05.2024 | Sonipat

Annexure-III

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identification Number: L51909DL2002PLC163727

Nominal Capital: 25,00,00,000/-

To
The Members
V-MART RETAIL LIMITED
610-611, Guru Ram Dass Nagar, Main Market,
Opp. SBI Bank, Laxmi Nagar, New Delhi-110092 India.

We have examined all the relevant records of V-Mart Retail Limited ("the Company") for the purpose of certifying compliance with the conditions of the Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended, for the financial year ended March 31, 2024. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of certification. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Company Secretaries of India ("the ICSI").

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all material requirements of Corporate Governance as stipulated in Regulation 17 to 27, Clauses (b) to (i) and (t) of Sub Regulation 2 of the Regulation 46 and Para C, D and E of the Schedule V of the SEBI Listing Regulations.

The Compliance conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

The certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **OBEROI & ASSOCIATES;**
(Company Secretaries)

CS HARSH OBEROI
Practising Company Secretary
FCS: 11088 | CP No: 17834
Peer Review Code: 938/2020
UDIN: F011088F000437932
24.05.2024 | Sonipat

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

[under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Second Amendment Regulation, 2021]

SECTION A: GENERAL DISCLOSURES

I. Detail of Listed Entity		
1	Corporate Identity Number (CIN) of the Listed Entity	L51909DL2002PLC163727
2	Name of Listed Entity	V-Mart Retail Limited
3	Year of Incorporation	2002
4	Registered Office Address	610-611, Guru Ram Dass Nagar, Main Market, Opp. SBI Bank, Laxmi Nagar, East Delhi, New Delhi -110092, India
5	Corporate Address	Plot No.-882, Udyog Vihar, Industrial Area, Phase-V Gurugram - 122016, Haryana, India
6	E-Mail	cs@vmart.co.in
7	Telephone	+ 0124 4840030
8	Website	www.vmart.co.in
9	Financial year for which reporting is being done	Financial Year 2023-24 (April 01, 2023 to March 31, 2024)
10	Name of the Stock Exchange(s) where shares are listed	NSE (National Stock Exchange of India Limited) and BSE (formerly Bombay Stock Exchange)
11	Paid-up Capital	₹19,77,88,250 (Nineteen Crores Seventy-Seven Lakhs Sixty-Six Thousand Two Hundred and Fifty Rupees Only)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Megha Tandon, Company Secretary and Compliance Officer E-mail: cs@vmart.co.in , Phone No.: + 0124-4840030, + 0124-4840046
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures made in this report are on a Standalone Basis and pertain only to V-Mart Retail Limited.
14	Name of assurance provider	Not Applicable
15	Type of assurance	Not Applicable

II. Products/ services

16. Details of Business Activities (accounting for 90% of the Turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Trading of Fashion Retail	Apparel	80%
		Non-Apparel	9%
2	FMCG	Retail Trading of FMCG	11%

Further details are provided in the Integrated Annual Report's Management Discussion and Analysis section.

17. Product/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Apparel	47711	80%
2	Non-Apparel	47711	9%
3	Retail Trading of FMCG	47110	11%

III. Operations

18 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Stores Covered	Number of Offices and Warehouses	Total
National	0	444 (288 Cities)	9	453
International	-	-	-	-

19. Markets served by the Entity:

a. Number of Locations

Locations	Number
National (No. of States)	25 States
International (No. of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable, as the Company is not involved in international activities.

c. A brief on types of customers: -

Our company has embraced a value retailing approach with focus on value conscious consumers who aspire to look good. We offer a seamless shopping experience through our digital channels (own platform and marketplace) and also our well-established network of physical stores. While our stores are concentrated across Tier 2, 3 & 4 towns our digital channels cater to consumer needs across geographies.

Our business model is strategically designed to match the rising aspirations of the rapidly expanding middle-class families and young adults, providing them with access to affordable yet high quality fashion choices.

IV. Employees

20. Details at the end of the Financial Year:

a. Employees and Workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			NO. (B)	% (B/A)	NO. (C)	% (C/A)
Employees						
1	Permanent (D)	9,827	7,348	75%	2,479	25%
2	Other than Permanent (E)	1,108	805	73%	303	27%
	Total Employees (D+E)	10,935	8,153	75%	2,782	25%
Workers						
1	Permanent (F)					
2	Other than Permanent (G)			NA		
	Total Employees (F+G)					

b. Differently Abled Employees and Workers:

S.No.	Particulars	Total (A)	Male		Female	
			NO. (B)	% (B/A)	NO. (C)	% (C/A)
Differently Abled Employees						
1	Permanent (D)	203	159	78%	44	22%
2	Other than Permanent (E)	7	6	86%	1	14%
	Total Differently Abled Employees (D + E)	210	165	79%	45	21%
Differently Abled Workers						
1	Permanent (F)					
2	Other than Permanent (G)			NA		
	Total Differently Abled Workers (F + G)					

21. Participation/Inclusion/Representation of Women

	Total (A)	No. And Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	1	17%
Key Managerial Personnel	4	1	25%

22. Turnover Rate for Permanent Employees and Workers

(Disclose trends of the past 3 years)

	FY- 2023-24			FY- 2022-23			FY- 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	71%	67%	70%	67%	62%	66%	44%	41%	44%
Permanent Workers	NA								

Note: Increase in the attrition rate from the previous year is majorly due to relocation/ closure of 25 stores during FY 2023-24.

V. Holding, Subsidiary, and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures*

S.No.	NAME OF THE HOLDING/ SUBSIDIARY/ ASSOCIATE COMPANIES/ JOINT VENTURES (A)	INDICATE WHETHER HOLDING/ SUBSIDIARY/ ASSOCIATE/ JOINT VENTURE	NO. OF SHARES HELD BY LISTED ENTITY	DOES THE ENTITY INDICATE IN THE COLUMN A PARTICIPANT IN THE BUSINESS RESPONSIBILITY INITIATIVES OF THE LISTED ENTITY? (YES/ NO)
-			NA	

Note: - As of 31.03.2024, the Company does not have any Holding, Subsidiary, Associate, and/or Joint Venture.

VI. CSR Details

24.

(i)	Whether CSR is applicable as per Section 135 of Companies Act, 2013.	Yes
(ii)	Turnover (in Rs.)	2,78,560 (Lakhs)
(iii)	Net Worth (in Rs.)	74,699 (Lakhs)

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholders group from whom complaint is received	Grievance Redressal Mechanism in place (yes/ no) (If yes, then provide the web link for grievance redressal policy)	FY- 2023-24 Current Financial Year			FY- 2022-23 Previous Financial Year		
		Number of Complaints filed during the year	Number of Complaints pending resolution at the close of the year	Remarks	Number of Complaints filed during the year	Number of Complaints pending resolution at the close of the year	Remarks
Communities	https://vmart.co.in/wp-content/uploads/2023/07/Investor-Grievance-Redressal-Policy.pdf	3	1	Complaints resolved by 15 th May' 2024	0	0	-

Stakeholders group from whom complaint is received	Grievance Redressal Mechanism in place (yes/ no) (If yes, then provide the web link for grievance redressal policy)	FY- 2023-24 Current Financial Year			FY- 2022-23 Previous Financial Year		
		Number of Complaints filed during the year	Number of Complaints pending resolution at the close of the year	Remarks	Number of Complaints filed during the year	Number of Complaints pending resolution at the close of the year	Remarks
Investors (other than Shareholders)	https://vmart.co.in/wp-content/uploads/2023/07/Investor-Grievance-Redressal-Policy.pdf	0	0		0	0	
Shareholders	Yes, https://vmart.co.in/wp-content/uploads/2023/07/Investor-Grievance-Redressal-Policy.pdf and https://vmart.co.in/wp-content/uploads/2023/07/Stakeholder-Engagement-Policy.pdf	1	0		0	0	
Employees	Yes, https://vmart.co.in/wp-content/uploads/2022/09/V_mart_-_stakeholder_engagement.pdf	104	5	Complaints resolved by 15 th May' 2024	98	0	
Customers	Yes, https://vmart.co.in/wp-content/uploads/2023/07/Stakeholder-Engagement-Policy.pdf and https://vmart.co.in/contact/	57,028	17	Complaints resolved by 15 th May' 2024	1,34,359	843	
Value chain partners	Yes, https://vmart.co.in/wp-content/uploads/2022/09/V_mart_-_stakeholder_engagement.pdf	52,402	308	Complaints resolved by 15 th May' 2024	0	0	
other (please specify)	-	0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues

Indicate material responsible business conduct and sustainability issues about environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications as per the following format:

S.No.	Material issues identified	Indicate whether risk or opportunity (r/o)	Rationale for identifying the risk/opportunity	In case of risk, approach to adopt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Climate Change, Energy efficiency and Reduction in emission.	R	Climate changes can be seen worldwide due to GHG impact. Also, water levels are depleting all around the globe due to rising temperatures. Erratic weather patterns and unfavorable climate changes may lead to supply shortages, disrupt logistics network and affect our operations. There could be challenges in availability of resources including water which could impact our business and those of our value chain partners thereby increasing operating cost. Supply Chain disruptions due to energy shortages or price fluctuations also pose risk to business. Companies relying on outdated technologies risk falling behind competitors who prioritize energy efficiency. Consumers are becoming more conscious of environmental issues and are preferring products which are sustainable and environmentally friendly. Maintaining a positive image and brand reputation has now become important. Reducing emissions involves financial risks, potential impact on pricing, and supply chain challenges. These risks must be addressed to stay competitive and resilient in a sustainable future. Engaged customers become loyal, leading to repeat business and positive word-of-mouth. Satisfied shoppers enhance brand perception and contribute to increased sales.	We've implemented water management practices and are using renewable energy like solar panels to reduce carbon emissions. Our goal is to improve business efficiency to lessen the impact of climate change. We're developing a system to track changes in climate-related regulations and ensure compliance. We're also adopting green products and assessing suppliers' sustainability. To reduce plastic use, we've switched to 100% biodegradable corn bags for packaging and started plastic recycling initiatives.	Negative
2	Customer engagement & satisfaction	O	Companies gain a competitive edge by prioritizing customer experiences, adapting to digital trends, and fostering long-term relationships. Overall, customer-centric strategies drive growth and build lasting connections with consumers	NA	Positive

S.No.	Material issues identified	Indicate whether risk or opportunity (r/o)	Rationale for identifying the risk/opportunity	In case of risk, approach to adopt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
3	Sustainable Packaging and Waste Management	R	We use plastic packaging in our products. A reduction in the amount of virgin plastic and an increase in the recyclability of our packaging are critical to our future success. Inadvertent non-compliance to existing and emerging regulations around recycling and the waste management can result in statutory penalties and reputation damage.	We're committed to reducing and reusing plastic by using 100% biodegradable corn bags for packaging and recycling plastic. We use Sewage Treatment Plants (STP) to recycle wastewater and minimize waste, and exploring other environmental substitutes of packaging. Further we conduct awareness programs for our value chain partners for waste management, sustainable raw material and recycle of materials.	Negative
4	Health and Safety of people	R	Health of employees is of paramount importance to us. Neglecting the same may lead to decreased productivity and thereby increasing operational costs.	At V-Mart, we prioritize the health, safety, and overall well-being of our employees, as outlined in our Environment, Health & Safety Policy. We are committed to providing a safe workplace by preventing injuries, illnesses, and hazards. Our measures include: <ul style="list-style-type: none"> • Arranging medical assistance for personnel. • First Aid Boxes available in every store. • Fire detection, alarm, and suppression systems provided and maintained. • Conducting regular fire and medical emergency drills. • Engaging employees through campaigns on health and safety topics like fire safety, road safety, and emergency procedures. • Training employees and contractors on workplace hazards and how to mitigate risks. 	Negative
5	Business Ethics and Corporate Governance	O	Best corporate governance practices help the company to gain investor confidence, build brand reputation and mitigating risks.	NA	Positive

S.No.	Material issues identified	Indicate whether risk or opportunity (r/o)	Rationale for identifying the risk/opportunity	In case of risk, approach to adopt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
6	Business Continuity	R	Business continuity is essential for ensuring the long-term sustainability of a business. By proactively planning for potential disruptions, organizations can mitigate risks, maintain operational resilience, and build customer confidence. Compliance with legal requirements, financial stability, supply chain management, and employee well-being are all critical aspects of sustainable business practices. Ultimately, business continuity contributes to a strong brand reputation and competitive advantage	The Company has a Business Continuity Plan (BCP) that encompasses People, Facilities, and Critical IT infrastructure across the enterprise. Disaster Recovery (DR) sites are in place to ensure that operations continue uninterrupted. These sites undergo testing periodically, and the results are assessed to determine any necessary actions. Our policies and programs help us handle unexpected disasters or challenges that could affect our business. We provide thorough training to retail staff, managers, and leaders in their roles, leadership skills, and safety practices to maintain business continuity.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC Principles and Core Elements.

S.No.	CORE ELEMENT	PRINCIPLES	POLICY/ PROCESS/ STRUCTURE
P1	Ethics & Transparency	Businesses should conduct and govern themselves with integrity in an ethical, transparent, and accountable manner.	V-Mart Ethics Policy, V-Mart Whistle Blower Policy, V-Mart Code of Conduct for Director and Senior Management, V-Mart Fraud Prevention and Reporting Policy, V-Mart Code of Conduct on Insider Trading, V-Mart Archival Policy, V-Mart Preservation of the Documents Policy, V-Mart Materiality Policy.
P2	Product Responsibility	Businesses should provide goods and services that are sustainable and safe.	Environmental, Health and Safety Policy, Policy on Sustainable Sourcing, V-Mart Ethics Policy.
P3	Human Resources	Businesses should respect and promote the well-being of all employees, including those in their value chains.	V-Mart- Environmental, Health and Safety Policy, V-Mart Human Rights Policy, Prevention of Sexual Harassment Policy, V-Mart Ethics Policy.
P4	Responsiveness to the Stakeholders	Businesses should respect the interests of and be responsive to all their stakeholders.	V-Mart CSR Policy, V-Mart Stakeholders Engagement, V-Mart Delivering value to Customers, V-Mart Related Transaction Policy, V-Mart Dividend Distribution Policy, V-Mart Ethics Policy.
P5	Respect For Human Rights	Businesses should respect and promote human rights.	V-Mart Human Right Policy, V-Mart Ethics Policy.
P6	Respect & Protect Environment	Businesses should respect & make efforts to protect and restore the environment.	V-Mart- Environmental, Health, and Safety Policy, V-Mart Ethics Policy.
P7	Public Policy Advocacy	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	V-Mart Public Influencing & Regulatory Policy, V-Mart Ethics Policy.
P8	Inclusive Growth	Businesses should promote inclusive growth and equitable development.	V-Mart Stakeholders Engagement, V-Mart CSR Policy, V-Mart Ethics Policy, V-Mart Enterprise Risk Management.
P9	Customer Engagement	Businesses should engage with and provide value to their consumers in a responsible manner.	V-Mart Delivering value to Customers.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1 (A) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCS. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
(B) Has the policy been approved by the Board?? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
(C) *Web Link of the Policies, if available	Y	Y	Y	Y	Y	Y	Y	Y	Y
2 Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4 Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusts) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.					NA				
5 Specific commitments, goals, and targets are set by the entity with defined timelines if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6 Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	The performance against the set targets undertaken for ESG has been published in the ESG Commitment section forming part of the Annual Report 2024								

* Website Links of the Policies which are covering each principle and its core elements of the NGRBCs

- (a) **V-Mart Ethics Policy**
<https://vmart.co.in/wp-content/uploads/2023/07/V-Mart-Ethics-Policy.pdf>
- (b) **V-Mart Whistle Blower Policy**
<http://vmart.co.in/wp-content/uploads/2023/07/Whistle-Blower-Policy.pdf>
- (c) **Code of Conduct for Director and Senior Management**
https://vmart.co.in/wp-content/uploads/V-Mart_Code-of-Conduct-for-Directors-SMPs_May-2024.pdf
- (d) **V-Mart- Environmental, Health and Safety Policy**
http://vmart.co.in/wp-content/uploads/2022/09/Environmental_Health_Safety_Policy_1.pdf
- (e) **V-Mart Human Rights Policy**
http://vmart.co.in/wp-content/uploads/2022/09/Human_rights_Policy.pdf
- (f) **Prevention of Sexual Harassment Policy**
<http://vmart.co.in/wp-content/uploads/2023/07/Prevention-of-Sexual-Harassment-Policy.pdf>
- (g) **V-Mart CSR Policy**
<http://vmart.co.in/wp-content/uploads/2022/09/CSR-Policy.pdf>
- (h) **V-Mart Stakeholders Engagement**
http://vmart.co.in/wp-content/uploads/2022/09/V_mart_-_stakeholder_engagement.pdf
- (i) **V-Mart Delivering value to Customers**
http://vmart.co.in/wp-content/uploads/2022/09/V_mart_-_Delivering_value_to_customers.pdf
- (j) **V-Mart Public Influencing & Regulatory Policy**
<https://vmart.co.in/wp-content/uploads/2023/07/V-Mart-Public-Influencing-Regulatory-Policy.pdf>
- (k) **V-Mart Policy on Sustainable Sourcing**
http://vmart.co.in/wp-content/uploads/2022/09/Sustainable_Sourcing.pdf
- (l) **V-Mart Policy on investor grievance redressal Policy**
http://vmart.co.in/wp-content/uploads/2022/09/Investor_grievance_redressal_Policy_2_1.pdf

- (j) **V-Mart Fraud Prevention and Reporting Policy**
<https://vmart.co.in/wp-content/uploads/2023/09/V-Mart-Fraud-Prevention-Reporting-Policy.pdf>
- (k) **V-Mart Preservation of the Documents Policy**
<https://vmart.co.in/wp-content/uploads/2022/09/V-Mart-Preservation-Policy.pdf>
- (l) **V-Mart Archival Policy**
<https://vmart.co.in/wp-content/uploads/2022/09/V-Mart-Archival-Policy.pdf>
- (m) **V-Mart Materiality Policy**
<https://vmart.co.in/wp-content/uploads/2023/08/Materiality-Policy.pdf>
- (n) **Dividend Distribution Policy**
<https://vmart.co.in/wp-content/uploads/2023/07/Dividend-Distribution-Policy-1.pdf>
- (o) **Related Party Transaction Policy**
<https://vmart.co.in/wp-content/uploads/2023/07/Related-Party-Transaction-Policy.pdf>
- (p) **Enterprise Risk Management Policy**
<https://vmart.co.in/wp-content/uploads/ERM-Policy.pdf>
- (q) **V-Mart Code of Conduct on Insider Trading**
https://vmart.co.in/wp-content/uploads/2022/09/Insider_Trading_Code_of_Conduct_V-Mart.pdf

Governance, Leadership, and Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure):

Our company prioritises ethics, responsibility, transparency and sustainability in all our operations. We strive to exceed societal and governmental expectations while putting stakeholders first. Despite lacking manufacturing facilities, we work diligently to positively impact the environment through our actions. Energy efficiency, waste management, water conservation, efficient supply chains, and eco-friendly practices are our key focuses. Setting clear ESG Goals guides our sustainable business structure. We prudently use natural resources to minimize environmental impact, securing our long-term viability while preserving the ecosystem for future generations. By integrating sustainability into our core values, we lead by example and contribute to a more sustainable world.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies):

S. No.	Particulars	Detail
1	DIN Number, if applicable	00900900
2	Name	Mr. Lalit Agarwal
3	Designation	Managing Director
4	Telephone No.	0124-4640030
5	E-Mail id.	cs@vmart.co.in

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details:

Yes, The Directors and Senior Leadership Team of the Company monitors various aspects of Social, Environmental & Governance responsibilities of the Company on a continuous basis.

The Business Responsibility performance of the Company is assessed by the Stakeholders Relationship Committee of the Board.

10. Details of review of NGBRCs by the company: -

Subject for Review	Indicate whether review was undertaken by the Director/ Committee of the Board/ any other committee									Frequency (Annually/Half-yearly/ Quarterly/ any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow-up action					Board					The policies are reviewed periodically as per the requirements.								
Compliance with statutory requirements of relevance to the principles and the rectification of any non-compliances					Board					Quarterly								

11.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carrying out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Yes, the Internal Auditors, KPMG, review relevant processes and policies as per the Internal Audit plan approved by the Audit Committee. The Company is also carrying out Internal assessments through its Internal Control Team. The Team undertakes assessment/ evaluation of policies at regular intervals and ensures that all the policies are in conformity with NGRBC. Further, these policies were benchmarked by 'MGC Global Risk Advisory LLP'.								

12. If the answer to question (1) above is No, i.e., not all Principles are covered by a policy, reasons to be stated: -

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)	The policies cover all the principles.								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the principles and core elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programme on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under training and their impact	% of person in respective category covered by the awareness programme
Board of Directors	5	During the year, the Board of Directors and Key Managerial Personnels of the Company invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy & environmental, social and governance parameters.	100%
Key Managerial Personnel	5	During the year, the Board of Directors and Key Managerial Personnels of the Company invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy & environmental, social and governance parameters.	100%
Employees other than KMPs	3	Code of Conduct, Company Values and POSH	100%
Workers		NA	

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
NGRBC principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (in Rs.)	Brief of the case	Has an appeal been preferred (yes/no)	
Pen/ Fine	1	Consumer Dispute Redressal Forum, Murlipura, Jaipur-2	15,007	The order has been issued in respect of complaint filed by a complainant wherein he alleged the deficiency in service as the Company is charging over and above the MRP amount on the product.	Yes
Pen/ Fine	1	Consumer Dispute Redressal Forum, Murlipura, Jaipur-4	20,000	The order has been issued in respect of complaint filed by a complainant wherein he alleged the deficiency in service as the Company is charging over and above the MRP amount on the product.	Yes
Pen/Fine	1	Office of Deputy Commissioner (State Tax) Sector-3 Dehradun ("GST Authority")	61,162	Short payment of Tax in GSTR-3B vis-à-vis GSTR-1 for FY2018-19	Yes
Pen/Fine	1	Consumer Dispute Redressal Forum, Murlipura, Jaipur-2	8,002	The order has been issued in respect of complaint filed by a complainant wherein he alleged the deficiency in service as the Company is charging over and above the MRP amount on the product.	Yes

Monetary					
NGRBC principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (in Rs.)	Brief of the case	Has an appeal been preferred (yes/no)	
Pen/ Fine	1	Consumer Dispute Redressal Forum, Murlipura, Jaipur-2	20,002	The order has been issued in respect of complaint filed by a complainant wherein he alleged the deficiency in service as the Company is charging over and above the MRP amount on the product.	Yes
Pen/ Fine	1	Consumer Dispute Redressal Forum, Nagaur, Rajasthan	10,000	The order has been issued in respect of complaint filed by a complainant wherein he alleged that the company is charging money for the carry bag.	Yes
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
NGRBC principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (in Rs.)	Brief of the case	Has an appeal been preferred (yes/no)	
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or nonmonetary action has been appealed

Case detail	Name of regulatory/ enforcement agency/ judicial institution
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes, the V-Mart Code of Conduct and V-Mart Ethics Policy contain guidelines on anti-corruption and anti-bribery. V-Mart is committed to complying with all the laws and regulations which govern our operations in every location in which we operate.

We are committed to upholding the highest moral and ethical standards and have a zero-tolerance attitude towards corruption and bribery. Further, we provide regular communication mailers on adherence to the Code of Conduct, Anti-Corruption, Anti Bribery and gift policies.

The web link of the policies disseminated on the website is as follows:

V-Mart's Ethics Policy: <https://vmart.co.in/wp-content/uploads/2023/07/V-Mart-Ethics-Policy.pdf>.

5. Number of directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Director	0	0
KMP	0	0
Employees	0	0
Workers	0	0

No disciplinary action was taken against any Directors/ KMPs/ employees/ workers by any law enforcement agency for charges of bribery/corruption.

6. Details of complaints about conflict of interest:

Particulars	FY-2023-24 Current Financial Year		FY-2022-23 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No Complaints were received in relation to the issue of Conflict of Interest of Directors.	0	No Complaints were received in relation to the issue of Conflict of Interest of Directors.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs.	0	No Complaints were received in relation to the issue of Conflict of Interest of KMP.	0	No Complaints were received in relation to the issue of Conflict of Interest of KMP.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest.

There were no cases of corruption or conflicts of interest which required action by regulators/ law enforcement agencies/ judicial institutions.

8. Number of days of accounts payables ((accounts payable *365) / cost of goods/services procured) in the following format:

	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Number of days of accounts payables	93	84

9. Open-ness of business provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

		FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Concentration of Purchases	Purchases from trading houses as % of total purchases	38%	38%
	Number of trading houses where purchases are made from	1579	1641
	Purchases from top 10 trading houses as % of total purchases from trading houses	8%	6%
Concentration of Sales	Sales to dealers / distributors as % of total sales	0	0
	Number of dealers / distributors to whom sales are made	0	0
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	0	0
	Sales (Sales to related parties / Total Sales)	0	0
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	Investments (Investments in related parties / Total Investments made)	0	0

LEADERSHIP INDICATORS

1. Awareness programme conducted for value chain partners on any of the principles during the financial year: -

Total numbers of awareness programmes held	Topic/Principle covered under the training	% of value chain partners covered (by value of Business done with such Partner) under the awareness programme
6	1. Sedex compliance information. 2. Sustainable raw materials use. 3. ETP and CETP to be used for the dyeing and printing units. 4. introduction about the Oke tex, SA8000, ecocert and ZDHC compliance for the factory. 5. Waste disposal and recycle materials. 6. Uses of recycled materials for the apparel.	49%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (yes/no) if yes, provide details of the same.

1) Yes. Every director of the company discloses their concern or interest in any company or companies or bodies corporate, firms, or other association of individuals and any change therein, from time to time, which includes the shareholding, in such manner as prescribed.

Further, every director of the company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement entered into or to be entered into -

(a) with a body corporate in which such director or such director in association with any other director, holds more than two percent shareholding of that body corporate or is a promoter, manager, Chief Executive Officer of that body corporate, or

(b) with a firm or other entity in which, such a director is a partner, owner or member, as the case may be, discloses the nature of his concern or interest at the meeting of the board in which the contract or arrangement is discussed and does not participate in such meetings.

The details of the aforesaid transactions are also entered into a register prescribed for the purpose under the Companies Act, 2013 and placed before the board for noting.

2) The company has framed the different parameters to be considered while determining conflict of interest in its code of conduct. The process to avoid or manage the conflict of interest is placed in V-Mart's Ethic Policy as put on the Website of the Company.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R & D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in Environmental and Social impacts
R&D	0	0	NA
Capex	0.3%	0	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

b. If yes, what percentage of inputs were sourced sustainably?

57%

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste and (d) other waste.

Our company is deeply committed to sustainability, aiming to become a leader in sustainable fashion and generate value for all stakeholders. We prioritise sustainability in every aspect of our business decisions throughout the entire ecosystem.

Our focus includes sustainable sourcing, eco-friendly operations, responsible product packaging, optimised poly bags, and eco-friendly dyeing processes. Notably, we have taken steps to reduce water consumption during denim production. All our products adhere to at least one sustainable attribute as per our company's code of conduct. Our unwavering dedication to sustainability underscores our efforts to make a positive impact on the environment and society, contributing to a greener and more sustainable future.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

No, Since the Company is engaged in the Retail Industry, the Extended Producer Responsibility does not apply to the Company.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or its services (for the service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of Total Turnover Contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by an independent external agency (YES/NO)	Results communicated in the public domain (Yes/No) If yes, provide the web-link
NA					

The company is not into manufacturing. Hence no LCA was conducted. However, the company is conscious of the limited carbon footprint that it may be creating by virtue of using electricity and air conditioners at its stores and working on various initiatives.

2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products/ services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/ Service	Description of Risk/ Concern	Action Taken
Carton dispatched from the vendors to warehouse	The concern is the shrink wrapping of the carton, a cause of environmental concern for V-mart.	The carton is now specified with high quality norms so that damages are minimum.
Electricity Use	Carbon emissions	Implementation of IOT and HVAC efficiency, Solar panels, etc.
Fuel Consumption	Carbon emissions	Expanding the use of CNG Vehicles, promoting public transport vehicles, Car or vehicle pooling by the employees.
Scrap Disposal	Landfill of wastes	Scrap is being sold/recycled
Scrap Metal	Landfill of wastes	Scrap is being sold/recycled

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or reused input material to total material	
	FY-2023-24	FY-2022-23
	Current Financial Year	Previous Financial Year
-	-	-

The Company is in the retail business and trading of goods; there is no hazardous waste generation and minimal scrap waste which is recyclable.

4. Of the products and packaging reclaimed at the end of life of products, the amount (in metric tons) reused, recycled, and safely disposed of, as per the following format:

Particulars	FY-2023-24 Current Financial Year			FY-2022-23 Previous Financial Year		
	Re-used	Re-cycled	Safely Disposal	Re-used	Re-cycled	Safely Disposal
Plastic (including packaging)	0	5	0	0	15	2.29
E-Waste	0	8	0	0	0	0
Hazardous Waste	0	0	0	0	0	0
Other Waste	910	659	0	417	75	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate the product category	Reclaimed products and their packaging material as % of total products sold by respective category
-	-

Refer to Principle 2 Q3 of essential indicators (The Company engages with agencies who recycle scrap material and evaluate evolving technology to recycle materials on an ongoing basis.)

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees: -

Category	Total (A)	% of Employees Covered									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Daycare Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	7,348	7,348	100	7,348	100	0	0	1,546	21	NA	NA
Female	2,479	2,479	100	2,479	100	2,479	100	0	0	NA	NA
Total	9,827	9,827	100	9,827	100	2,479	25	1,546	16	NA	NA
Other than Permanent Employees											
Male	805	805	100	805	100	0	0	79	10	NA	NA
Female	303	303	100	303	100	303	100	0	0	NA	NA
Total	1,108	1,108	100	1,108	100	303	27	79	7	NA	NA

b. Details of measures for the well-being of workers:

Category	Total (A)	% of Workers Covered									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Daycare Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male											
Female											
Total											
Other than Permanent Workers											
Male											
Female											
Total											

Not Applicable because of no manufacturing facility.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the company	0.20%	0.17%

2. Details of retirement benefits for Current Financial Year and Previous Financial Year.

Benefits	FY-2023-24 Current Financial Year			FY-2022-23 Previous Financial Year		
	No. Of employees covered as a % of total employees	No. Of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. Of employees covered as a % of total employees	No. Of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	0	Yes	100	0	Yes
Gratuity	100	0	Yes	100	0	Yes
ESI*	75	0	Yes	85	0	Yes
Others-please specify	-	-	-	-	-	-

* Assumptions have been changed as compared to last year.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. Few stores are accessible for easy movement of differently abled people. Malls located in south zone elevators and infrastructure for differently abled people.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes

If so, provide a web link to the policy.

The Company has in place a Code of Conduct for the workplace culture, which talks about equal opportunities in the following manner: -

- The Company believes in equal opportunity for all its employees.
- The Company strictly follows no discrimination on any ground, including caste, religion, marital status, gender, sexual orientation, age, disability, or any other category protected by applicable law.
- When recruiting, coaching, and promoting employees, decisions should be based solely on performance, merit, competence, and potential. The web link for the same is: <https://vmart.co.in/wp-content/uploads/2023/07/V-Mart-Ethics-Policy.pdf>

5. Return to work and retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	0	0	0	0
Female	65%	42%	0	0
Total	65%	42%	0	0

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (if yes, give detail of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	
Permanent Employees	Yes, details of the mechanism are given below
Other than Permanent Employees	

The Company has established an Ethics Committee, which is responsible for aligning workplace practices with the Code of Conduct. Employees may register their grievances anonymously or otherwise by getting in touch with Ethics Committee members or through mail at speakup@vmart.co.in.

7. Membership of employees and workers in association(s) or unions recognized by the listed entity:

Benefits	FY-2023-24 Current Financial Year			FY-2022-23 Previous Financial Year		
	Total Employees / workers in respective category (A)	No. Of employees / Workers in respective category, who are part of association (s) or union. (B)	% (B/A)	Total Employees / workers in respective category (A)	No. Of employees / Workers in respective category, who are part of association (s) or union. (B)	% (B/A)
Total Permanent Employees	9,827	0	0	9,333	0	0
Male	7,348	0	0	7,082	0	0
Female	2,479	0	0	2,251	0	0
Total Permanent Workers	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY-2023-24 Current Financial Year				FY-2022-23 Previous Financial Year					
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	Details of training given to employees and workers:		Details of training given to employees and workers:	
		No. (B)	% (B/A)	No.(C)	% (C/A)		No. (E)	% (E/D)	No.(F)	% (F/D)
Employees										
Male	8,153	8,153	100	7,974	98	7,463	7,463	100	7,303	98
Female	2,782	2,782	100	2,670	96	2,460	2,460	100	2,299	92
Total	10,935	10,935	100	10,644	97	9,923	9,923	100	9,602	97
Workers										
Male										
Female						0				
Total						0				

9. Details of performance and career development reviews of employees and workers:

Category	FY-2023-24 Current Financial Year			FY-2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	8,153	6,103	75	7,463	6,094	82
Female	2,782	1,995	71	2,460	1,898	77
Total	10,935	8,098	74	9,923	7,992	81

Category	FY-2023-24 Current Financial Year			FY-2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Workers						
Male						
Female						NA
Total						

10. Health and safety management system: -

a. Whether an occupational health and safety management system has been implemented by the entity? (yes/ no/na). If yes, the coverage of such a system?

Yes. V-Mart is in the business of retail trading; due to its nature of work, no critical occupational health and safety risks are involved. The Company has a well-defined policy supporting processes to ensure the safety and wellbeing of its employees. Safety lead and lag indicators are measured by the Admin Team in support of the Internal control team and reported to the management on a case-to-case basis.

During the financial year, the Company has conducted various training and awareness programmes on a PAN India basis on basic and advanced fire safety, including evacuation and mock drills.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Admin Team, in support of the Internal control team of the company, has provided a structured approach throughout the organization to identify work-related hazards and assess risk with limited purview.

Fire mock drills are conducted to ensure that all the employees are aware of how to evacuate themselves. Further, Routine Store audits and Mystery audits are conducted to assess the work-related hazards at stores.

c. Whether you have processes for workers to report the work-related hazards and remove themselves from such risks. (Y/N)

Not Applicable.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No/NA)

Yes

11. Details of safety-related incidents, in the following format

Safety Incidents/Numbers	Category	FY-2023-24	FY-2022-23
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one-million person hours worked)	Employee	0	0
	Worker	0	0
Total recordable work-related injuries	Employee	0	0
	Worker	0	0
No. of fatalities	Employee	0	0
	Worker	0	0
High consequences of work-related injury or ill-health (excluding fatalities)	Employee	0	0
	Worker	0	0

There were no lost time injuries and fatalities during the periods mentioned above.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

V-Mart recognises that the health & safety and overall physical & mental well-being of its employees is an integral part of its success and growth aspirations which is spelt out in the Environment, Health & Safety Policy. V-Mart is committed to providing a safe workplace, focusing on preventing injuries and illness and continuously striving to eliminate hazards and reduce risk.

The Company has provided the mitigation measures to prevent or mitigate significant occupational health & safety impacts, including,

- Arranging/providing medical assistance for personnel
- Availability of First Aid Boxes in every store/premises of the Company.
- Provision and maintenance of fire detection, alarm, and suppression systems.
- Regular mock drills for fire as well as medical emergencies.
- Employee engagement campaigns on health & safety topics such as fire safety, road safety, and emergency evacuation.
- Training employees & contractors on workplace hazards, associated risks, and arrangements to mitigate them

13. Number of complaints on the following made by employees and workers: -

	FY-2023-24 Current Financial Year			FY-2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health And Safety	0	0	NA	0	0	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety Practices	0
Working Conditions	0

Though we are not into the manufacturing business, 100 % of locations are reviewed periodically for process gaps.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- V-Mart has imparted comprehensive training to Retail Store Staff, Managerial and leadership staff in areas of functional expertise, leadership, and safety norms to maintain business continuity.
- The Company has placed SOPs at the retail outlets to ensure the safety of the employee and customers

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of

- (a) employees (Y/N)? - Yes
- (b) workers (Y/N)? - No

Yes, the employees are covered under ESI, Group Life Insurance, or Ex-gratia Staff Benevolent Fund.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value partners.

The Company's financial processes/systems are designed to release payments to third-party manpower service providers, like the Security & Housekeeping agencies, only after the proof of payments/dues of deposition with the ESIC, PF authorities are provided on a month-on-month basis for their staff deployed at our Company's location. The Company also encourages its value chain partners to make the payment of statutory dues and regularly validate GST credit & TDS deducted by value chain partners.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in q11 of essential indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total No. Of affected employees and workers		No. Of employees and workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY-2023-24	FY-2022-23	FY-2023-24	FY-2022-23
	Current Financial Year	Previous Financial Year	Current Financial Year	Previous Financial Year
Employees	0	0	0	0
Workers	0	0	0	0

No incidents were reported during F.Y. 2023-24 & 2022-23 related to employees/ workers suffering high consequence work-related injuries/ ill health/ fatalities.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (YES/ NO)

Yes. Skills upgradation of all employees remains a continuous activity during the employee's lifecycle with the company, which helps in getting employment opportunities even after separation from the Company.

5. Details on assessment of value chain partners:

	% Of value chain partners (by the value of business done with such partners) that were assessed
Health & Safety Practices	10%
Working Conditions	10%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The company requires its value chain partners to comply with the Supplier code of conduct policy and will formulate the methodology to assess compliance with Health and Safety practices and working conditions of the value chain partners.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL THEIR STAKEHOLDERS

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

The company evaluates and classifies relevant stakeholders based on inclusivity, materiality, responsiveness, impact, interests, expertise on important matters, level of influence, integrity, willingness, and expectations. Our stakeholder groups are directly or indirectly affected by the company or have the ability to influence value creation in the short, medium, or long term. The company has identified its stakeholders and maintains regular and effective communication with them. Key categories of stakeholders include customers, vendors, suppliers, employees, shareholders, investors, government and regulatory authorities, and the wider community. The company has established effective systems to address grievances for customers, employees, and shareholders. Furthermore, the company undertakes special initiatives to engage with marginalized stakeholders as part of its corporate social responsibility efforts.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as a Vulnerable & Marginalized Group	Channels Of Communication (E-Mail, SMS, Newspaper, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency Of Engagement (Annually/ Half-Yearly/ Quarterly/ Others-Please Specify)
Employees	No	Other Meetings, E-mails, Online HR Portal, Townhalls	Other- Please specify. Continuous- Meetings/e-mail, Online HR Portal, townhall- monthly

Stakeholder Group	Whether identified as a Vulnerable & Marginalized Group	Channels Of Communication (E-Mail, SMS, Newspaper, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency Of Engagement (Annually/ Half-Yearly/ Quarterly/ Others-Please Specify)
Shareholders	No	Other Meetings, Notices, Annual Reports, E-mails, Website, Stock Exchange Intimations, Advertisements, Annual General Meetings	Other- Please specify. Quarterly: Financial Statements, Press Release, exchange notifications, Continuous: Website, Stock Exchange Intimations Annually: Annual General Meeting; Annual Report
Investors	No	Other Meetings, Notices, Annual Reports, E-Mails, Investor calls, Website, Investors Presentations	Others- Please specify. Continuous: Investors page on the website of the Company, Conference calls, E-Mails, Meetings Quarterly: Investor calls, Notices, Investor Presentations Annual: Annual report
Customers	No	Other E-mails, SMS, Website, social media, Chats, Advertisements, Online Feedback Forms, Surveys, Online Reviews, LimeRoad App	Others- Please specify. Continuous: V-Mart website; social media (LinkedIn, Twitter, Facebook, WABA) Quarterly: Customer satisfaction survey.
Communities	No	E Mails	Others- Please specify. As needed transactional meetings; periodic reviews; surveys.
Vendors	No	Community Meetings	Others- Please specify. Need basis
Regulators	No	Other Stock Exchange Intimations, Regulatory Filings, Website, E-Mails	Others- Please specify. Continuous: Stock Exchange Intimations, Regulatory Filings, Website
Government Agencies	No	Other Stock Exchange Intimations, Regulatory Filings, Website, E-Mails	Others- Please specify. As needed: E-Mails
Media	No	Other Press Releases, Interviews, Website, Newspaper	Others- Please specify. Continuous: Stock Exchange Intimations, Regulatory Filings, Website

STAKEHOLDER GROUP	PURPOSE OF ENGAGEMENT
EMPLOYEES	<ul style="list-style-type: none"> To provide staff with strategic direction and keep them informed about Company activities. To ensure that we remain an employer of choice that provides a safe, positive, and inspiring working environment. To understand and respond to the needs and concerns of staff members. Career Management and Growth Prospects. To provide current and future stakeholders with relevant information.
SHAREHOLDERS	<ul style="list-style-type: none"> To manage shareholder expectations and reputational risk. To maintain strong relationships, keep abreast of market developments and inform our shareholder targeting strategy. To ensure good governance and deepen the trust placed in us and our brand"

STAKEHOLDER GROUP	PURPOSE OF ENGAGEMENT
INVESTORS	<ul style="list-style-type: none"> To provide current and future stakeholders with relevant information. To manage shareholder expectations and reputational risk. To maintain strong relationships, keep abreast of market developments and inform our shareholder targeting strategy. To ensure good governance and deepen the trust placed in us and our brand by maintaining transparency.
CUSTOMERS	<ul style="list-style-type: none"> To understand the client, industry, and business challenges. To identify the opportunities to improve V-Mart Services and Products. Deciding on investments and capabilities required to fulfill demand. To enhance their livelihood.
COMMUNITIES	<ul style="list-style-type: none"> To identify the opportunities to improve V-Mart Services and Products. To provide appropriate advice, proactive financial solutions, and value-adding services. To ensure that the Company maintains high service levels that they expect and deserve. To enhance their livelihood.
VENDORS	<ul style="list-style-type: none"> For the performance of contracts and agreements. To obtain suggestions/feedback for the improvisation of their services which leads to the Company's growth. To maintain an ideal and timeous supply of goods and services for operations. To encourage responsible practices across our supply chain, local procurement, supplier conduct and environmental considerations.
REGULATORS	<ul style="list-style-type: none"> To maintain open, honest, and transparent relationships and ensure compliance with all legal and regulatory requirements. To retain our various operating licenses and minimize operational risk To build and strengthen relationships with the government as a partner in the country's development and as a critical client.
GOVERNMENT AGENCIES	<ul style="list-style-type: none"> To provide input into legislative development processes that will affect the economy and our activities and operations. To continue learning through interaction with the industry and cross-sectorial organisations. To use business associations as a forum through which we can promote our viewpoints on crucial industry issues. To influence and promote common agendas To leverage the reach and influence of media channels to share our business and citizenship story with stakeholders.
MEDIA	<ul style="list-style-type: none"> To communicate with relevant stakeholders and the broader public to positively behavior that will lead to desired business results. To protect and manage our reputation.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, and how is feedback from such consultations provided to the board.

The Company maintains regular and authentic communication with its stakeholders, which is indispensable for building trust.

The Company communicates with its stakeholders on ESG and other vital topics via its website and shares information about the Company's performance through the annual report, on a half-yearly and every quarter.

External Stakeholders – We use various media to communicate with external stakeholders. These include face-to-face meetings and events and sharing marketing materials such as brochures. We operate a proactive communications programme with the media and ensure we provide timely, accurate information about our achievements, performance and successes on our websites and social media channels.

Internal Stakeholders – We communicate with our colleagues through informal and formal communication channels, ensuring the mechanisms are in place to promote open and active dialogue between colleagues. These communication channels include intranet sites, staff notices, Townhall and newsletters to ensure colleagues understand Company's aims and objectives and know where they fit in to help achieve these. This also provides a mechanism for knowledge exchange throughout the Company.

In every Board Meeting, the Board is informed about the feedback received from various stakeholders and the proposed and planned initiatives to be considered by our Company.

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (yes / no). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes. Our senior executives monitor and evaluate their departments and ensure that stakeholders are engaged on all issues recognized as material. The Company seeks opinion from its stakeholders and overhauls policies when required. Further, the company had also launched a Shareholders satisfaction Survey to receive the inputs from them and the outcomes of the survey can be found on the website. Furthermore, the company perceives that it is still in the 'learning phase' on various evolving aspects of ESG and considers the stakeholder interactions essential.

3. Provide details of instances of engagement and actions taken to address the concerns of vulnerable/ marginalized stakeholder groups.

The Company has taken various initiatives in its CSR activities to address the concerns of the vulnerable and marginalised segment of society.

- Ujjwal Bhavishya Scholarship- Scholarship awarded to school children belonging to the household income below INR Two Lacs per annum.
- Community Free School - Serving education to street and rural children who belong to the underserved communities.
- Girls Ashram - Providing education, food and shelter to the orphan, abandoned and Child in need of care & protection.
- Animal Care – Providing food and medical care to rescued dogs at the shelter homes and also street dogs.
- Plantation Drive - Sapling plantation through store team and customers in the local communities.
- Disaster Relief - V Mart team participated in flood relief activity at Barabanki (UP) with the local authorities.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY-2023-24			FY-2022-23		
	Current Financial Year			Previous Financial Year		
	Total (A)	No. Of employees/ workers covered (b)	% (B/a)	Total (C)	No. Of employees/ workers covered (d)	% (D/C)
Employees						
Male	9,827	9,313	94.77%	9,333	8,075	86.52%
Female	1,108	1,062	95.85%	590	478	81.02%
Total	10,935	10,375	94.88%	9,923	8,553	86.19%
Workers						
Male						
Female						
Total						

2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY-2023-24 Current Financial Year					FY-2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	NO. (C)	% (C/A)		No. (E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent										
Male	7,348	3,291	45%	4,057	55%	7,082	3,392	48%	3,690	52%
Female	2,479	1,320	53%	1,159	47%	2,251	1,256	56%	995	44%
Other than permanent										
Male	805	675	84%	130	16%	381	306	80%	75	20%
Female	303	227	75%	76	25%	209	159	76%	50	24%
Workers										
Permanent										
Male	NA									
Female	NA									
Other than permanent										
Male	NA									
Female	NA									

3 Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of directors	5	11,00,000	1	5,25,000
KMPs	3	1,66,02,913	1	13,24,422
Employees other than BODs and KMPs	8,150	1,23,300	2781	1,19,268
Workers	0			

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	20%	16%

4 Do you have a focal point (individual / committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (yes/no)

Yes. The Head-Human Resource oversees the human resources function in the Company.

In addition, the Ethics Committee is responsible for addressing any human rights issues caused or contributed by the business.

5 Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company regards respect for human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed.

The company is committed to maintain a safe and harmonious business environment and workplace for everyone, irrespective of ethnicity, region, sexual orientation, race, caste, gender, religion, disability, work, designation and such other parameters. The company believes that every workplace shall be free from violence, harassment, intimidation and/or any other unsafe or disruptive conditions, either due to external or internal threats. Accordingly, the company has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity.

The company also has zero tolerance towards all forms of child labour, violence or physical, sexual, psychological or verbal abuse. All stakeholders (Internal/External) have 24*7 access to raise their grievances and report anonymously any breach with respect to the Human Rights Policy or whistle blower matters at vigilance. officer@vmartretail.com. In case of ambiguity, the employee can raise their concerns to speakup@vmart.co.in also.

6 Number of complaints on the following made by employees and workers:

Particulars	FY-2023-24 Current Financial Year			FY-2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year		Filed during the year	Pending resolution at the end of the year	
		Remarks	Remarks		Remarks	Remarks
Sexual Harassment	12	0	Complaints Resolved	5	0	Complaints Resolved
Discrimination at Workplace	0	0		0	0	-
Child Labor	0	0		0	0	-
Forced Labor/ Involuntary Labor	0	0		0	0	-
Wages	5	0	Complaints Resolved	0	0	-
Other Human Rights-Related Issues	87	5	All Complaints Resolved as on 15 th May 2024.	46	0	Complaints Resolved

7 Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY (2023-24)	FY (2022-23)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	12	5
Complaints on POSH as a % of female employees / workers	0.40%	0.20%
Complaints on POSH upheld	0	0

8 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Our whistle-blower policy has laid the guidelines to prevent retaliation against a complainant. A complainant has the right to complete anonymity unless required by law enforcement agencies.

The organization prohibits retaliation against a complainant, such as job loss, punitive work assignments, threats of physical harm, or impact on salary or wages. A complainant feeling retaliated against may file a written complaint with the chairman of the Audit Committee.

Independent Internal Committee (IC) drawn for cross-functional leadership pool, take independent decisions and actions as per the Sexual Harassment at workplace Act, 2013.

9 Do human rights requirements form part of your business agreements and contracts? (yes/no/na)

Yes, the company has sound policies and effective procedures to monitor and manage human rights concerns. We are progressively looking to encourage our suppliers and vendors to establish sustainable practices in their value chain. We have included human rights clauses in our business agreement with the vendors.

10 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	
Forced Labour/ Involuntary Labour	
Sexual Harassment	100%
Discrimination At Workplace	
Wages	
Other-Specify	

11 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at question 9 above.

We needed to increase the awareness about the laws regarding the workers, contractors, and subcontractors among value chain partners. In FY 2024, we intend to roll out awareness sessions for suppliers on relevant topics.

LEADERSHIP INDICATORS

1 Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

- (a) The company adheres to the human rights principles and complies with applicable laws, regulations, policies & procedures.
- (b) The company respects and promotes human rights in accordance with the guiding principles on business and human rights.
- (c) The company periodically reviews its business processes to identify any issues which may give rise to the human rights grievance. No specific business process can be identified as being modified/influenced as a result of addressing human rights grievances.

2 Details of the scope and coverage of any human rights due diligence conducted.

The company conducts due diligence through internal assessments. Further, the company had achieved certification from 'Great Place to Work', which included a multi-dimensional review of People practices and taking independent employee feedback on the related aspects.

3 Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the rights of persons with disabilities act, 2016?

Yes, many stores are equipped to accommodate the mobility needs of people with disabilities. The malls in the southern zone also have infrastructure and elevators specifically designed for individuals with disabilities.

4 Details on assessment of value chain partners

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labor	
Forced labor/ involuntary labor	
Sexual harassment	10%
Discrimination at workplace	
Wages	
Other-specify	

5- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at question 4 above.

Not Applicable.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT
ESSENTIAL INDICATORS

1. Details of total energy consumption (in joules or multiples) and energy intensity are in the following format:

Parameter	FY-2023-24	FY-2022-23
	Current Financial Year	Previous Financial Year
From Renewable Sources		
Total Electricity Consumption (A)	245.8	0
Total Fuel Consumption (B)	0	0
Energy Consumption through Other Sources (C)	0	0
Total Energy Consumed from Renewable Sources (A+B+C)	245.8	0
From Non-Renewable Source		
Total Electricity Consumption (D)	2,23,345	1,97,962
Total Fuel Consumption (E)	74,777	46,526
Energy Consumption through Other Sources (F)	0	0
Total Energy Consumed from Non-Renewable Sources (D+E+F)	2,98,122	2,44,488
Total Energy Consumption (A+B+C+D+E+F)	2,98,368	2,44,488
Energy intensity per rupee of turnover	1.07*	0.99*
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	1.07*	0.99*
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity.	NA	NA

*The numbers are in Giga Joules/ Lakh Rupees

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the performance, achieve, and trade (pat) scheme of the government of India? (y/n) if yes, disclose whether targets set under the pat scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

No, the Retail sector does not come under the Energy intensive industry, so it does not fall under ambit of the PAT Scheme of the Government of India.

3. Provide details of the following disclosures related to water in the following format:

Parameter	FY-2023-24	FY-2022-23
	Current Financial Year	Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	22,207	4,721
(iii) Third-party water	1,158	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	23,365	4,721
The total volume of water consumption (in kilolitres)	23,365	4,721
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	0.08*	0.02*
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.08*	0.02*
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity.	NA	NA

*The numbers are in Kilo Litres/ Lakh Rupees

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(I) to surface water	NA	NA
- No treatment	-	-
- With treatment-please, specify the level of treatment	-	-
(II) To groundwater	NA	NA
- No treatment	-	-
- With treatment-please, specify the level of treatment	-	-
(III) To seawater	NA	NA
- No treatment	-	-
- With treatment-please, specify the level of treatment	-	-
(IV) Sent to third party	NA	NA
- No treatment	-	-
- With treatment-please, specify the level of treatment	-	-
(V) Others	NA	NA
- No treatment	-	-
- With treatment-please, specify the level of treatment	-	-
Total water discharge (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No

5. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

The capacity of the STP plant is 1,00,000 liters, out of which we prepare 30,000 liters of water per day, out of which we draw 5,000 liters of water and we use 25,000 liters of water per day at our warehouse. Out of 5,000 liters whatever wastewater we generate monthly, we dry it through filter press and use it as compost and if our wastewater is less for compost then it is used in our garden.

6. Please provide details of air emissions (other than GHG emissions) by the entity in the following format:

Parameter*	Please Specify Units	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
NOx	Tones	6.097	271.40
SOx	Tones	0.501	458.30
Particulate Matter (PM)	Tones	0.114	18.80
Persistent Organic Pollutants (POP)	-	-	-
Volatile Organic Compound (VOC)	-	-	-
Hazardous Air Pollutants (HAP)	-	-	-
Others- Please Specify *(Carbon and Its Compounds)	Tones	147.204	472.40

*Assumptions have been changed in Current Year from Last Year

** Carbon and its compounds: - Methane, Carbon Dioxide, Carbon Monoxide, etc.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No

7. Provide details of greenhouse gas emissions (scope 1 and scope 2 emissions) & their intensity in the following format:

Parameter	Units	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Total scope 1 emissions (break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)*	Metric tons of CO ₂ equivalent	147	473
Total scope 2 emissions (break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	50,873	45,091
Total scope 1 and scope 2 emissions per rupees of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tons of CO ₂ equivalent/ lakhs	0.18**	0.18**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.18**	0.18**
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total scope 1 and scope 2 emission intensity (optional) – the relevant metric may be selected by the entity.	NA	0	0

**The numbers are in Metric Tons/ Lakh Rupees

*We have this consolidated figure for CO₂ Equivalent; we don't have a breakup into other gases like CH₄, NO₂ etc.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No

8. Does the entity have any project related to reducing greenhouse gas emissions? If yes, then provide details.

Yes, we have implemented a 700 KWP Solar Power Plant at our Warehouse located in Palwal reduces our reliance on grid electricity. Further we're exploring expanding this initiative to our stores and head office.

9. Provide details related to waste management by the entity in the following format:

Parameter	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Total Waste Generated (In Metric Tons)		
Plastic Waste (A)	5	7
E-Waste (B)	8	NA
Bio-Medical Waste (C)	NA	NA
Construction and Demolition Waste (D)	NA	NA
Battery Waste (E)	NA	NA
Radioactive Waste (F)	NA	NA
Other Hazardous Waste, Please Specify, if any (G)	1570	85
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0057*	0.0004*
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0057*	0.0004*
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category Of Waste		
(I) Recycled	673	92

Parameter	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
(II) Reused	910	0
(III) Other Recovery Operations	0	0
Total	1583	92
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tons)		
(I) Incineration	0	0
(II) Landfilling	0	0
(III) Other Disposal Operations	0	0
Total	0	0

*The numbers are in Metric Tons/ Lakh Rupees

The Company is not into manufacturing business & does not manufacture products; aforesaid laws are not directly applicable. However, at the store level & Warehouse level, the company is compliant with all the applicable environmental laws for waste disposal.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has implemented waste management strategies that prioritize waste prevention, reduction, reuse, removal, and disposal. Their goal is to minimize waste generation to the greatest extent possible. Regular visual inspections are conducted in all waste storage and collection areas to detect any accidental releases, ensuring proper labeling and disposal of waste. As a retail business, the Company procures readymade garments from vendors and value chain partners, ensuring that no hazardous or toxic chemicals are used in their products.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) Where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance being complied with? (Y/N) if no, the reasons thereof and corrective action taken, if any.
-	-	-	-

Not Applicable.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year:

Name and brief detail of the project	EIA Notification No.	Date	Whether conducted by an independent external agency (Yes/No)	Results communicated in public domain	Relevant web link
-	-	-	-	-	-

Not Applicable, as the entity has undertaken no such project.

Yes, the entity does adhere with the compliances with respect to Plastic waste Management.

13. Is the entity compliant with the applicable environmental laws/ regulations/ guidelines in India, such as the water (prevention and control of pollution) act, air (prevention and control of pollution) act, environment protection act and rules thereunder (Y/N)? If not, provide details of all such non-compliances in the following format: -

S.No.	Specify the law/ regulation/ guideline which was not complied with	Provide detail of non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control board or by courts	Corrective actions taken, if any
-	-	-	-	-

Not Applicable

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information: -

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(I) Surface water	-	-
(II) Groundwater	-	-
(III) Third-party water	-	-
(IV) Seawater / desalinated water	-	-
(V) Others	-	-
The total volume of water withdrawal (in kilolitres)		
The total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (water consumed / turnover)	-	-
Water intensity (optional)- the relevant metric may be selected by the entity.	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(I) Into surface water	NA	NA
No treatment	-	-
With treatment-specify the level of treatment	-	-
(II) Into groundwater	NA	NA
No treatment	-	-
With treatment-specify the level of treatment	-	-
(III) Into seawater	NA	NA
No treatment	-	-
With treatment-specify the level of treatment	-	-
(IV) Sent to third parties	NA	NA
No treatment	-	-
With treatment-specify the level of treatment	-	-
(V) Others	NA	NA
No treatment	-	-
With treatment-specify the level of treatment	-	-
Total water discharge (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No

2. Please provide details of total scope 3 emissions & their intensity in the following format:

Parameter	Units	FY-2023-24 Current Financial Year	FY-2022-23 Previous Financial Year
Total scope 3 emissions (break-up of the GHG into CO2, CH4, N2O, HFCS, PFCS, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-

Parameter	Units	FY-2023-24	FY-2022-23
		Current Financial Year	Previous Financial Year
Total scope 3 emissions per rupee of turnover		-	-
Total scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

The Company is working on scope 1 and scope 2 emissions.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by the external agency? (Y/N). If yes, the name of the external agency.

No

3. With respect to the ecologically sensitive areas reported in question 11 of the essential indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable, as provided in Question 10 of essential indicators above.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:

S.No.	Initiatives Undertaken	Details of Initiatives (Web Link, if any, may be provided along with a summary)	Outcomes of Initiatives
1	Save Water	RO water is being used for drinking. Wastewater generated from RO is collected into the bucket & used for cleaning or watering plants etc.	We can save 100-150 Liters of water per day / store, which was getting wasted.
2	DG & EB Light Indication (For diesel saving)	Installed a light indicator (led bulb) near cash counter or gates, in such a way as to be easily visible to cashier or security guards, indicating status of electricity connection wherein green light indicates that electricity line is available in store and Red light will indicate that store is running on DG. This initiative helps us to reduce usage of DG thereby improving our carbon footprint.	This is being used in order to avoid situation where sometimes both DG/ Electricity are running, resulting in wastage of diesel. Green light indicated that electricity is on, we need to quickly shutdown DG, thus saving fuel cost.
3	STP	The capacity of the STP plant is 1,00,000 Liters, out of which we prepare 30,000 liters of water per day, out of which we draw 5,000 liters of water, and we use 25,000 liters of water per day. Out of 5,000 liters whatever wastewater we generate monthly, we dry it through filter press and use it as compost and if our wastewater is less for compost then it is used in our garden.	Water savings by reducing wastage of water and using treated water in gardens, toilet flush etc.
4	Solar Power Panel	We have installed 700 KWP of solar power plant in our warehouse which generates approx. 68,000 KWH of electricity annually.	Use of renewable source of energy thereby improving carbon footprint.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The company has a Business Continuity Plan (BCP) that encompasses people, facilities, and critical IT infrastructure across the enterprise. Disaster Recovery (DR) sites are in place to ensure that operations continue uninterrupted. These sites undergo testing periodically, and the results are assessed to determine any necessary actions. The policies and programs aid in enhancing the ability to withstand and respond to unexpected disasters or hazards that may affect business continuity.

6. Disclose any significant adverse impact on the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The company specialises in the retail of fashion garments and is committed to reducing its ecological footprint throughout the product life cycle. This involves a comprehensive assessment of the environmental impact at every stage, including design, manufacturing (through external vendors), inventory management, and waste disposal. By achieving minimal environmental impact at each of these stages, the company aims to ensure a sustainable product life cycle that is environmentally responsible.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. 10%

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. A. Number of affiliations with trade and industry chambers/ associations.

The Company is a member of 2 (Two) Associations.

B. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of trade and industry Chamber/ Associations	Reach of trade and industry Chambers/ Associations (State/ National)
1	Retailers Association of India (RAI)	National
2	Confederation of Indian Industry (CII)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
-	-	-

Not Applicable, as regulatory authorities have not passed any adverse orders against the Company.

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain	Frequency of review by board (annually/ half yearly/ quarterly/ others-please specify)	Web link, if available
1	RETAILERS ASSOCIATION OF INDIA (RAI)	Active participation in various seminars, conferences and other forums on issues and policy matters that impact the interest of its stakeholders	Yes	Whenever conducted by the associations	http://vmart.co.in/wp-content/uploads/2022/09/Public_Influencing_Regulatory_Policy.pdf
2	CONFEDERATION OF INDIAN INDUSTRIES (CII)	Active participation in various seminars, conferences and other forums on issues and policy matters that impact the interest of its stakeholders	Yes	Whenever conducted by the associations	http://vmart.co.in/wp-content/uploads/2022/09/Public_Influencing_Regulatory_Policy.pdf

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws in the current financial year.

Name and brief detail of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (yes/no)	Results communicated in the public domain	Relevant Web link
-	-	-	-	-	-

Not applicable, since the company has not undertaken any such project which requires Social Impact Assessment.

2- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format:

S.no.	Name of project for which R&R is ongoing	State	District	No. of projects affected families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (in INR)
-	-	-	-	-	-	-

Not Applicable, as there is no ongoing project wherein Rehabilitation and Resettlement (R&R) is being undertaken.

3- Describe the mechanisms to receive and redress grievances of the community.

V-Mart has multiple modes of communication where a community can raise their concerns and present their needs and requirements and address their concerns through respective grievance redressal mechanisms of the company.

Any person can approach V-Mart to register any concerns and register any complaint by way of the following means:

- a. By phone on customer care (+91 9027057057)
- b. By Email- (customercare@vmart.co.in, speakup@vmart.co.in, info@vmart.co.in, cs@vmart.co.in), Whistle Blower Grievances (vigilance.officer@vmartretail.com)
- c. By Customer Support Section in LimeRoad app
- d. By Feedback form (available at stores)

4- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY-2023-24	FY-2022-23
	Current Financial Year	Previous Financial Year
Directly sourced from MSME/ small producers.	0	0
Sourced directly from within the district and neighbouring districts	0	0

Not Applicable, as the company does not carry out any manufacturing activity. It buys readymade garments from the vendors.

5 Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY-2023-24	FY-2022-23
	Current Financial Year	Previous Financial Year
Rural	3%	2%
Semi-urban	21%	21%
Urban	15%	21%
Metropolitan	62%	56%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments (reference: question 1 of essential indicators above):

Detail of negative social impact identified	Corrective action taken
Not Applicable since the Company has not undertaken any Social Impact Assessment.	-

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S.No.	State	Aspirational district	Amount spent (in INR)
1	West Bengal	Nadia.	1,49,000

3. A Do you have a preferential procurement policy where you give preference to purchases from suppliers comprising marginalized /vulnerable groups? (yes/no)

Yes, our company operates in the dynamic fashion industry, where we are dedicated to fostering an environment of equal opportunities for vendors, regardless of their caste, creed, gender, or business size. We believe in providing a level playing field for all vendors who possess the capabilities to cater to the demands of the fashion-oriented market. V-mart actively supports small vendors, ensuring they have a platform to showcase their products in our stores and business premises.

In line with our commitment to inclusivity, we regularly undertake initiatives to empower and uplift suppliers from marginalised and vulnerable groups. We actively source finished products from these suppliers and provide them with opportunities to exhibit their products in our stores and office premises. Through these efforts, we aim to contribute to a more diverse and inclusive fashion industry, where every talented vendor can thrive and succeed.

B From which marginalized /vulnerable groups do you procure?

We actively procure from various marginalised/vulnerable groups, including Widows/Women workers, NGOs, MSME and Self-help groups across the company. Additionally, we encourage our suppliers to follow the same practice, supporting these underrepresented communities. By sourcing from and empowering these groups, we strive to foster a more inclusive and socially responsible business environment.

C What percentage of total procurement (by value) does it constitute?

0

Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/ acquired (yes/no)	Benefit shared (yes/no)	Basis of calculating benefit share
NA	NA	NA	NA	NA

Not applicable, as the company has not derived or shared any benefit from the intellectual properties based on traditional knowledge.

4. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of case	Corrective action taken
-	-	-

Not applicable, as such, no adverse orders passed by any regulatory authorities against the Company related to Intellectual property-related disputes.

5. Details of beneficiaries of CSR projects:

S. No.	CSR projects	No. Of persons who benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Ujjwal Bhavishya Scholarship	51	100
2	Community Free School	243	100
3	Girls Ashram	31	100
4	Animal Care	228	100
5	Plantation Drive	7,570	-
6	Flood Relief	5,000	100
7	Plaksha Education Program	600	100
8	Education for construction workers	40	100

- **Ujjwal Bhavishya Scholarship (51)** - Scholarship awarded to school children belonging to the household income below INR Two Lacs per annum.
- **Community Free School (265 +)**- Serving with education to street and rural children who belongs to the underserved communities.
- **Girls Ashram (30 +)** - Providing education, food and shelter to the orphan, abandoned and Child in need of care & protection.
- **Animal Care (250 +)** - Providing food and medical aid to the rescued dogs at the shelter home and dogs on street.
- **Plantation Drive (7570)** - Sapling plantation through store team and customers in the local communities.
- **Disaster Relief (5000+)**- V Mart store team participated in flood relief activity at Barabanki (UP) with the local authorities.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

V-Mart fosters a 'Customer First' culture in the organization. To ensure customers' reachability, the company has established multiple lines of communication such as telephonic service requests, whatsapp support, social media, and email-id. We also monitor and receive real-time customer feedback through social media platforms like Facebook and Twitter.

We have established a structured data management system and SLA to ensure every query is responded to within a specified period. In case of escalation, a nominated grievance officer takes up the case and communicates with the customer regarding the closure of the complaint. The company ensures that all grievances or complaints received from customers are addressed by the customer care department of the company and resolved the same on time.

The customer can raise their complaints/queries regarding any activities such as a complaint against the products, replacements, schemes, billing issues, staff behaviour & hygiene issues or any HR and corporate-related queries, etc., through respective grievance redressal mechanisms of the company. The same is addressed, resolved, and redressal actions are promptly and equitably.

A customer can approach V-Mart to register any query, request, or complaint by way of the following means: -

- By phone on customer care (+91 9027057057)
- By Email- (customercare@vmart.co.in, speakup@vmart.co.in, info@vmart.co.in, cs@vmart.co.in), Whistle Blower Grievances (vigilance.officer@vmartretail.com)
- By Customer Support Section in LimeRoad app
- By Feedback form (available at stores)

2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about

As a percentage of Total Turnover	
Environmental and Social parameters relevant to the product	-
Safe and responsible usage*	11%
Recycling and safe disposal**	80%

*Our product portfolio includes FMCG & staples meant for safe human consumption.

** Major business focus is apparel that isn't hazardous to customers, and of all the waste generated materials that can be recycled are being reused.

3. A number of consumer complaints in respect of the following: -

	FY 2023-24 Current Financial Year		Remarks	FY 2022-23 Previous Financial Year		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data Privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber Security	0	0		0	0	
Delivery of Essential Service	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others	57,028	17	All complaints resolved by 15 th May'2024	1,34,359	843	

For more details, please refer to Question 23 of Section A.

4. Details of instances of product recalls on account of safety issues: -

	Number	Reasons for recall
Voluntary recalls	0	There has been no instance of a product recall on account of safety issues. Our products undergo rigorous testing and quality assurance from a safe usage and handling perspective. In addition, our product information, such as manual, leaflet and product packaging, carry safe usage instructions.
Forced recalls	0	There has been no instance of a product recall on account of safety issues. Our products undergo rigorous testing and quality assurance from a safe usage and handling perspective. In addition, our product information, such as manual, leaflet and product packaging, carry safe usage instructions.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (yes/no) if available, provide a web link to the policy.

Yes, our company has put in place a thorough policy that addresses issues related to data privacy and cyber security. We have a Segregation of Duties (SOD) Policy in place as part of our security architecture, which specifies how power and duties for information

security management should be distributed throughout our company. This policy makes sure that everyone has information security-related tasks and responsibilities that are well-defined.

In addition, our information security organisation is structured in a way that encourages organised coordination of information security-related tasks. Effective management of a number of areas is made possible by this unified approach, including incident response, access control, risk assessment and mitigation, and compliance.

Furthermore, our company has a strong risk management policy in place that covers information security and cyber security concerns in particular. This strategy describes a methodical way to recognise, evaluate, and keep an eye on the effects of these risks. We can protect our information assets and proactively minimize potential dangers by implementing efficient risk management techniques.

(Only Link to be provided in case answer is Yes)

<http://vmart.co.in/privacy-policy/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

During the Financial Year 2023-2024, no noteworthy problems with consumer data privacy, cyber security, or advertising for vital services, or with product recalls, have come to light. Furthermore, authorities have not imposed any fines or taken any regulatory action in relation to our goods or services.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact- 0
- b. Percentage of data breaches involving personally identifiable information of customers- 0

Throughout the Financial Year 2023-24, the entity did not receive any reports or raise any concerns regarding data breaches from any third part.

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

V-Mart's all products are now available at LimeRoad.com.

The company's vision is to serve customers through its own LimeRoad omni channel platform, and it aims to be a top shopping destination both online and in stores.

OneClick process in all stores has been implemented, through which CSA can offer to customers to place their unavailable size at store through the LimeRoad Platform.

To specifically check out the V-Mart range, the company has built a standalone section on the LimeRoad website and App - <https://www.limeroad.com/vmart/exclusive>.

Through social media platforms like Instagram, YouTube, and Facebook posts, specific products are linked to the curated collection of V-Mart products on the LimeRoad platform.

To spread the online presence of V-Mart products, the company is currently available on Myntra and Flipkart serving Myntra and Flipkart customers through all the stores and warehouses.

In FY 24, the company stopped selling on Amazon due to a strategic tie-up with Myntra. Additionally, the company has stopped operations on vmartretail.com portal and redirected customers to LimeRoad.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Our company ensures that all safety instructions are prominently displayed on the labels of each product. With educational purposes in mind, we provide clear and concise instructions for washing, drying, cleaning, avoiding bleach usage, ironing, and more. Additionally,

we make sure to disseminate comprehensive information about the size, pattern, colour, fabric type, and other relevant details across all channels and platforms where our products are accessible to consumers. Our commitment to transparency and consumer education allows for a seamless and informed shopping experience.

3. Mechanisms are in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (yes/no/not applicable) if yes, provide details in brief. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (yes/no)

Yes, the company displays all requisite information on the product as per the applicable laws (such as Legal Metrology).

Yes, customer surveys, customer data analytics and other customer research were carried out during the year based on the business need. The company conducts surveys through its customer's feedback received via online rating and by filling up questionnaires as provided by company.



V-Mart Retail Limited



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INDEPENDENT AUDITOR'S REPORT

To the Members of V-Mart Retail Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of V-Mart Retail Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements 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 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 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Valuation of inventories with respect to estimated markdown due to slow moving and obsolete inventories (including shrinkage) (as described in notes 31 and 42 of the financial statements)</p> <p>As at March 31, 2024, the carrying value of inventories (including packing material and accessories) amounted to Rs. 81,607 lakhs after considering markdown on account of slow moving, obsolete inventories (including shrinkage) of Rs. 5,085 lakhs.</p> <p>Accordingly, the Company has assessed inventory levels at warehouse and stores, and further, evaluated the process of determining the markdown to be made to the inventories including shrinkage. Such assessment involves significant estimates, such as management expectations of forecasted inventory demand, anticipated future recoverability of such inventory items and the estimated costs to sell.</p> <p>Since it involves significant management's judgement and estimate, this matter has been determined as Key Audit Matter</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over receipt, sorting, tagging and dispatch of inventories to various stores, maintenance of stock records and assessment of carrying value of inventories including markdown. We obtained ageing of inventories and tested on sample basis the ageing and have obtained calculation for inventory markdown. We have reperformed calculation of inventory markdown as per the policy of the Company basis the historic and anticipated sales trend. We have assessed the evaluation of markdown and estimated loss on account of shrinkage based on factors such as historical and anticipated sales performance of

Key audit matters	How our audit addressed the key audit matter
	<p>the products and average value of inventory loss from last inventory count as a % of sales respectively.</p> <ul style="list-style-type: none"> We have obtained management representation in respect of control over inventory count procedures and appropriateness of management assessment for estimated markdown due to slow moving and obsolete inventories (including shrinkage).
<p>Assessment of impairment of goodwill and other intangible assets of Digital Marketplace business (as described in note 5 of the financial statements)</p> <p>As at March 31, 2024, the financial statements include goodwill of Rs. 150 lakhs and other intangible assets of Rs. 4,678 lakhs pertaining to digital marketplace business, acquired in the previous year.</p> <p>As the digital marketplace business has incurred losses, considering the requirements of Indian Accounting Standard (Ind AS) 36 'Impairment of Assets', the management has tested the above-mentioned assets for impairment using a Discounted Cash Flow (DCF) model.</p> <p>We considered this as a key audit matter because of the significant carrying value of the above-mentioned assets and high estimation uncertainty in assumptions used such as discount rate, rate of growth over the estimation period and terminal growth rate which are affected by future market and economic conditions and, hence, are inherently uncertain.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We have obtained an understanding and have evaluated the design and operating effectiveness of internal controls over the impairment assessment process, including preparation of the DCF model; We have evaluated the Company's accounting policy in respect of impairment assessment of goodwill and intangible assets; We have obtained understanding of the cash flow projections and assumptions used in the DCF model and evaluated the mathematical accuracy; We have together with valuation experts, tested the appropriateness of the DCF model and key assumptions therein and performed sensitivity analysis over key assumptions to corroborate that the recoverable amount of the CGU is within a reasonable range; and We have tested related presentation and disclosures in the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, Director's Report, Corporate Governance Report, Management Discussion & Analysis, etc. but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation

of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company has adequate internal financial controls with reference to 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 Company's ability 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 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 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.

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 sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note 32(ii) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary 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 management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), 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; and
- c) Based on such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled for application's underlying database, as described in note 52 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Amit Yadav**
Partner
Membership Number: 501753

UDIN: 24501753BKHIKF4633

Place of Signature: New Delhi
Date: May 14, 2024

“Annexure 1”

referred to in paragraph under the heading “Report on other legal and Regulatory requirements” of our report of even date

Re: V-Mart Retail Limited (“the Company”)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) All property, plant and equipment have not been physically verified by the management during the current year. However, there is regular programme of verification once in three years which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements are held in the name of the Company. Certain lease agreements of retail stores are not duly executed in the name of the Company, the details of immovable assets at these stores are as follows:

Description of the property	Gross carrying value (in Rs. Lakhs)	Net carrying value (in Rs. Lakhs)	Whether held in the name of promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Leasehold improvements and immovable fixtures at 9 retail stores	318	67	No	Various period	The Company is in the process to renew the expired lease agreements with the respective landlords.

- (i) (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.
- (i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and the procedure for such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory have been noted on such verification.
- (ii) (b) As disclosed in note 49(x) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five hundred lakhs in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/ statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of Rs. five hundred lakhs in aggregate from financial institutions during the year on the basis of security of current assets of the Company.
- (iii) (a) During the year, the Company has provided loans to its employees as follows:

Particulars	Loans (Amount in Rs. lakhs)
Aggregate amount granted/provided during the year to:	60
- Others (loan to employees)	
Balance outstanding as at the balance sheet date in respect of above cases:	23
- Others (loan to employees)	

- (iii) (b) During the year, the terms and conditions of the grant of loans to its employees are not prejudicial to the Company’s interest. During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (iii) (c) The Company has granted loans during the year to its employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. Apart from above, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (iii) (d) There are no amounts of loans and advances in the nature of loans granted to its employees which are overdue for more than ninety days. Apart from above, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or
- (vii) (b) According to the records of the Company, the dues outstanding of income tax, sales tax, duty of customs and goods and services tax and other statutory dues on account of any disputes, are as follows:

Name of Statute	Nature of Dues	Amount (in Rs. Lakhs)	Amount paid under protest (in Rs. lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service tax	108	38	FY 2007-08 to FY 2011-12	The Hon’ble Supreme Court of India
The Income Tax Act, 1961	Income tax	192	-	FY 2011-12 to 2013-14, 2015-16 to 2017-18 and 2019-20	Commissioner Income Tax (Appeals), Kolkata
The Income Tax Act, 1961	Income tax	481	-	FY 2019-20	The Hon’ble High Court of Kolkata
Punjab Value Added Tax Act, 2005	Value added tax	2	-	FY 2012-13	Assistant Commissioner, Jalandhar
Uttar Pradesh Value Added Tax Act, 2008	Value added tax	9	9	FY 2013-14	Mobile Squad Unit -1 Muzaffarnagar
Haryana Value Added Tax Act, 2003	Value added tax	8	5	FY 2015-16	The Hon’ble High Court of Haryana

without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained by the management, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees’ state insurance, income tax, duty of customs, cess and other statutory dues applicable to it. Accordingly, to the information and explanation given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable.

Name of Statute	Nature of Dues	Amount (in Rs. Lakhs)	Amount paid under protest (in Rs. lakhs)	Period to which the amount relates	Forum where the dispute is pending
Uttarakhand Value Added Tax Act, 2008	Value added tax	8	-	FY 2016-17	Deputy Commissioner, Dehradun
Central Goods and Services Tax, Act, 2017	Goods and Services Tax	7	-	FY 2018-19	Deputy Commissioner, Dehradun
Central Goods and Services Tax, Act, 2017	Goods and Services Tax	14	-	FY 2017-18	State Tax Office, Kashmir
Minimum Wages Act, 1948	Wages	68	-	FY 2014-15, 2015-16, 2017-18 to 2019-20	Deputy Labour Commissioner, Uttar Pradesh
Industrial Dispute Act, 1947	Salary and wages	34	-	FY 2014-15 and FY 2015-16	Labour Department

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (ix) (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (ix) (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix) (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b) The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi) (b) During the year, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT- 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) (a) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (xii) (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (xii) (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b) The Company is not engaged in any Non-Banking financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi) (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our know ledge of the Board of Directors

and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to Sub-section (5) of Section 135 of the Act. This matter has been disclosed in note 28(B) to the financial statements.
- (xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of Sub-section (6) of Section 135 of the Act. This matter has been disclosed in note 28 (B) to the financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership Number: 501753

UDIN: 24501753BKHIKF4633

Place of Signature: New Delhi
Date: May 14, 2024

Annexure 2

to the Independent Auditor's Report of even date on the Financial Statements of V-Mart Retail Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of V-Mart Retail Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria 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 ("ICAI"). 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 the 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 these 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, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 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 with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to 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 controls with reference to 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav

Partner
Membership Number: 501753
UDIN: 24501753BKHIKF4633

Place of Signature: New Delhi
Date: May 14, 2024

Balance Sheet

as at March 31, 2024

CIN - L51909DL2002PLC163727

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	48,980	31,911
Capital work-in-progress	4	384	10,924
Goodwill	5	150	150
Other intangible assets	5	4,979	6,059
Right of use assets	44	1,11,965	1,06,426
Financial assets			
Other financial assets	8	2,614	3,212
Income tax asset (net)	9(A)	536	42
Deferred tax assets (net)	10	8,206	5,307
Other non-current assets	11	3,241	4,450
Total non-current assets (A)		1,81,055	1,68,481
Current assets			
Inventories	12	81,607	87,063
Financial assets			
Investments	6	470	854
Loans	7	23	43
Cash and cash equivalents	13	2,723	1,806
Other financial assets	8	4,744	2,695
Other current assets	11	13,911	13,311
Total current assets (B)		1,03,478	1,05,772
Total assets (A+B)		2,84,533	2,74,253
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,978	1,977
Other equity	15	72,721	82,923
Total equity (A)		74,699	84,900
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	44	1,19,354	1,10,773
Employee benefit obligations	19	1,260	1,253
Total non-current liabilities (B)		1,20,614	1,12,026
Current liabilities			
Financial liabilities			
Borrowings	16	11,000	14,783
Lease liabilities	44	8,771	7,610
Trade payables			
a) total outstanding dues of micro and small enterprises	17	19,674	14,979
b) total outstanding dues of creditors other than micro and small enterprises	17	43,692	33,854
Other financial liabilities	18	3,815	4,437
Employee benefit obligations	19	599	508
Current tax liabilities (net)	9(B)	69	288
Other current liabilities	20	1,600	868
Total current liabilities (C)		89,220	77,327
Total liabilities (D) = (B+C)		2,09,834	1,89,353
Total equity and liabilities (A+D)		2,84,533	2,74,253
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
Firm Registration No.: 301003E/E300005
Chartered Accountants

per **Amit Yadav**
Partner
Membership Number: 501753

Place: New Delhi
Date: May 14, 2024

For and on behalf of the board of directors of
V-Mart Retail Limited
CIN - L51909DL2002PLC163727

Madan Gopal Agarwal
Whole Time Director
DIN No. 02249947

Anand Agarwal
Chief Financial Officer

Lalit Agarwal
Managing Director
DIN No. 00900900

Megha Tandon
Company Secretary
Mem. No. F10732

Statement of Profit and Loss

for the year ended March 31, 2024
CIN - L51909DL2002PLC163727

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
INCOME			
Revenue from operations	21	2,78,560	2,46,484
Other income	22	2,095	1,497
Total income (I)		2,80,655	2,47,981
EXPENSES			
Purchase of traded goods	23	1,77,053	1,79,951
Decrease/ (increase) in inventories of traded goods	24	5,456	(20,241)
Employee benefits expense	25	28,707	25,551
Finance costs	26	14,237	11,691
Depreciation and amortization expense	27	22,213	17,998
Other expenses	28	46,039	34,332
Total expenses (II)		2,93,705	2,49,282
Loss before tax (III)=(I) - (II)		(13,050)	(1,301)
Tax expense:	29		
Current tax		-	1,023
Tax related to earlier years		(454)	(73)
Deferred tax credit		(2,920)	(1,466)
Total tax expense (IV)		(3,374)	(516)
Loss for the year (V)=(III)-(IV)		(9,676)	(785)
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement gain on defined benefit obligations	34	85	87
Income tax effect	29	(21)	(22)
Total other comprehensive income (net of tax) (VI)		64	65
Total comprehensive loss for the year (VII)=(V)+(VI)		(9,612)	(720)
Loss per share [nominal value of share Rs. 10 (March 31, 2023 : Rs. 10)]	30		
Basic (in Rs.)		(48.93)	(3.97)
Diluted (in Rs.)		(48.93)	(3.97)
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Firm Registration No.: 301003E/E300005
Chartered Accountants

per **Amit Yadav**
Partner
Membership Number: 501753

Place: New Delhi
Date: May 14, 2024

For and on behalf of the board of directors of
V-Mart Retail Limited
CIN - L51909DL2002PLC163727

Madan Gopal Agarwal **Lalit Agarwal**
Whole Time Director Managing Director
DIN No. 02249947 DIN No. 00900900

Anand Agarwal **Megha Tandon**
Chief Financial Officer Company Secretary
Mem. No. F10732

Cash flow statement

for the year ended March 31, 2024
CIN - L51909DL2002PLC163727

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Operating activities		
Loss before tax	(13,050)	(1,301)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	22,213	17,998
Finance costs	14,237	11,691
Loss on sale of property, plant and equipment	237	351
Capital work in progress written off	27	-
Profit on termination of lease	(1,180)	(444)
Impairment allowance on other assets	553	35
Balances written off	30	46
Employee stock option	(663)	454
Interest income	(325)	(263)
Profit on sale of investments (net)	(12)	(220)
Rent Concession on lease rentals	-	(232)
Fair value gain on investment designated at FVTPL	(32)	(21)
Liabilities no longer required, written back	(344)	(74)
Operating profit before working capital changes	21,691	28,020
Changes in working capital :		
Decrease in financial assets and loans	(1,685)	(2,086)
Decrease in other assets	(1,861)	(8,175)
Decrease/(increase) in inventories	5,456	(20,241)
Increase in trade payables	14,877	19,850
(Decrease)/increase in other financial liabilities	(545)	1,814
Increase/(decrease) in other liabilities	732	(60)
Increase in employee benefit obligations	183	349
Cash flow generated from operations	38,848	19,471
Income tax paid (net of refunds)	(259)	(1,819)
Net cash flow from operating activities (A)	38,589	17,652
B. Investing activities		
Purchase of property, plant and equipment (including intangible assets, capital work in progress and capital advances)	(12,091)	(27,832)
Proceeds from sale of property, plant and equipment	32	42
Payment in respect of right of use assets registration charges	(212)	-
Purchase of investments	(11,399)	(27,945)
Proceeds from sale of investments	11,827	39,826
Interest received	69	51
Net cash flow used in investing activities (B)	(11,774)	(15,858)
C. Financing activities		
Proceeds from issue of equity shares including securities premium	74	352
(Repayment)/ proceeds from short term borrowings (net)	(3,783)	14,783
Payment of principal portion of lease liabilities	(7,922)	(6,641)
Finance charges on lease liabilities	(12,436)	(11,219)
Finance charges - others	(1,831)	(419)
Dividend paid	-	(148)
Net cash flow used in financing activities (C)	(25,898)	(3,292)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	917	(1,498)
E. Cash and cash equivalents at the beginning of the year	1,806	3,304
F. Cash and cash equivalents at the end of the year (D+E)	2,723	1,806
Non-cash investing activities		
Acquisition of right of use assets (refer note 44)	25,509	36,057

The accompanying notes are an integral part of the financial statements

Notes:

- 1 Refer note 38 for changes in liabilities arising from financing activities.
- 2 Components of cash and cash equivalents:

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
- on current accounts	21	97
- on cash credit accounts	657	463
- Deposits with original maturity of less than three months	-	623
Cash on hand	1,193	330
Other receivables	852	293
Total	2,723	1,806

Summary of material accounting policies (refer note 2.2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Firm Registration No.: 301003E/E300005

Chartered Accountants

per **Amit Yadav**

Partner

Membership Number: 501753

Place: New Delhi

Date: May 14, 2024

For and on behalf of the board of directors of

V-Mart Retail Limited

CIN - L51909DL2002PLC163727

Madan Gopal Agarwal

Whole Time Director

DIN No. 02249947

Anand Agarwal

Chief Financial Officer

Lalit Agarwal

Managing Director

DIN No. 00900900

Megha Tandon

Company Secretary

Mem. No. F10732

Statement of Changes in Equity

for the year ended March 31, 2024
CIN - L51909DL2002PLC163727

(All amounts in Rs. Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Number of shares	Amount
As at April 01, 2022	1,97,49,454	1,975
Issue of equity share capital under Employee Stock Option Scheme (refer note 35)	23,009	2
As at March 31, 2023	1,97,72,463	1,977
Issue of equity share capital under Employee Stock Option Scheme (refer note 35)	4,162	1
As at March 31, 2024	1,97,76,625	1,978

B. Other equity

Particulars (refer note 15)	Securities premium reserve	Amalgamation reserve (refer note 15)	Retained earnings	Shares option outstanding account	Total
As at April 01, 2022	48,106	155	33,665	1,061	82,987
Loss for the year	-	-	(785)	-	(785)
Other comprehensive income (net)	-	-	65	-	65
Payment of dividend on equity shares	-	-	(148)	-	(148)
Recognition of share based payment expenses (refer note 35)	-	-	-	454	454
Transfer from share option outstanding account on exercise of options	240	-	-	(240)	-
Share premium received against issue of shares to employees under ESOP scheme	350	-	-	-	350
As at March 31, 2023	48,696	155	32,797	1,275	82,923
Loss for the year	-	-	(9,676)	-	(9,676)
Other comprehensive income (net)	-	-	64	-	64
Recognition of share based payment expenses (refer note 35)	-	-	-	(663)	(663)
Transfer from share option outstanding account on exercise of options	19	-	-	(19)	-
Share premium received against issue of shares to employees under ESOP scheme	73	-	-	-	73
As at March 31, 2024	48,788	155	23,185	593	72,721

Summary of material accounting policies (refer note 2.2)

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Firm Registration No.: 301003E/E300005

Chartered Accountants

per **Amit Yadav**

Partner

Membership Number: 501753

Place: New Delhi

Date: May 14, 2024

For and on behalf of the board of directors of

V-Mart Retail Limited

CIN - L51909DL2002PLC163727

Madan Gopal Agarwal

Whole Time Director

DIN No. 02249947

Anand Agarwal

Chief Financial Officer

Lalit Agarwal

Managing Director

DIN No. 00900900

Megha Tandon

Company Secretary

Mem. No. F10732

Notes to financial statements

CIN - L51909DL2002PLC163727

1 Corporate Information

V-Mart Retail Limited the 'Company', incorporated on July 24, 2002, is a public limited company with its equity shares listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India (NSE). The Company retails readymade garments, accessories, etc. and is engaged in the business of "Value Retailing" through the chain of stores situated at various cities in India. During the previous year, the Company has acquired a digital marketplace business, where the Company earns commission on gross sales made on its portal named as LimeRoad.com (Refer note 45). The Company is domiciled in India with registered office situated at 610-611, Guru Ram Dass Nagar, Main Market, Opposite SBI Bank, Laxmi Nagar, New Delhi- 110092 and corporate office situated at Plot No-862, Udyog Vihar Industrial Area, Phase V, Gurugram-122016.

The financial statements were approved for issue in accordance with a resolution of the directors on May 14, 2024.

2 Material accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities that is measured at fair value, and
- Share based payments.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern. The financial statements are presented in Rupees (Rs.) and all values are rounded to the nearest lakhs (Rs.00,000), except when otherwise stated.

2.2 Summary of material accounting policies

a. Business Combination and Goodwill

The Company applies the acquisition method to account for business combination. The consideration transferred for the acquisition of a business comprises:

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued/ cash consideration paid by the Company, and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

(All amounts in Rs. Lakhs, unless otherwise stated)

At acquisition date, the identifiable assets acquired and the liabilities and contingent liabilities assumed in a business combination are recognised at their acquisition date fair values.

The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill and if the consideration is lower, the gain is recognised directly in equity as capital reserve. In case business acquisition is classified as bargain purchase, the afore-mentioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve.

Acquisition-related costs are expensed as incurred. Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the statement of profit and loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within the equity.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Balance sheet.

c. Foreign Currencies

The Company's financial statements are presented in Rs. which is also its functional currency. Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in

foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

d. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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 Company. 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company 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 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 financial statements on a recurring basis, the Company

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.

Disclosure for valuation method, significant estimates and assumption

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

For the purpose of fair value disclosures, the Company 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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (notes 31 and 40)

Quantitative disclosures of fair value measurement hierarchy (note 41)

e. Revenue from operations

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements except for the agency services because it typically controls the goods before transferring them to the customer and sales under sale or return basis arrangements.

i) Sale of traded goods:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts, schemes, Goods and Service Tax (GST) offered by the Company as part of the contract. Retail sales are recognised on delivery of the merchandise to the customer, when the property in goods and control

are transferred for a price and no effective ownership control is retained. Where the Company is the principal in the transaction the Sales are recorded at their gross values.

ii) Sale of service

Revenue from commission on goods sold on digital marketplace is recognised when the performance obligation is satisfied.

iii) Interest Income:

Interest income is recognised on accrual basis using Effective Interest Rate (EIR) method.

iv) Contract balances (contract liabilities)

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

There are no contract assets and trade receivables as the Company operates retail stores and digital marketplace and there is no credit sales.

f. Taxes

Current income tax

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.

Current income tax relating to items recognized outside the statement of profit or loss is recognized outside statement of 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 recognise provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method 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, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits 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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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.

g. Property, plant and equipment and Capital work-in-progress (CWIP)

i. Property, plant and equipment

Freehold land is carried at historical cost. All other assets under property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable

and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. Such cost includes the cost of replacing part of the plant and equipment.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

ii. Capital work in progress

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

iii. Depreciation

Depreciation is provided on the straight-line method computed on the basis of useful life. Considering the applicability of Schedule II as mentioned above, in respect of certain class of assets, the Company has assessed the useful lives (as mentioned in the table below) lower than as prescribed in Schedule II, based on the technical assessment. The Company has used following useful lives to provide depreciation on property, plant and equipment:

Category	Useful life estimated by the management based on technical assessment (years)	Useful life as per Schedule II (years)
Plant and machinery	6-9 years	15 years
Office equipment	5 years	5 years
Computers	3-6 years	3-6 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
	5-15 years	
Leasehold Improvement	or lease term whichever is lower	Lease term

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. 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.

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The useful lives of intangible assets are assessed as finite or indefinite as follows ;

Intangible Assets	Estimated Useful Life (Years)
Computer Software	6 years
Technology	5 years
Non-compete	30 months based on agreed terms as per contract
Brand	10 years
Goodwill	Infinite life

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss.

i. 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 capitalised 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 and other costs 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.

j. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for stores, warehouse and office premises. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets. The right of use assets are also subject to impairment.

Particulars	Lease term (In Years)
Building (Stores, warehouse and office premises)	9 to 15
Plant and Machinery/ Office equipment	5

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (m) Impairment of non-financial assets.

Lease liabilities

The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index

or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of rented premises and office equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

k. Inventories Inventories are valued as follows:

- a) **Packing material and accessories:** At lower of cost and net realisable value. Cost includes purchase price and other direct costs and is determined on a "first in, first out" basis.
- b) **Traded goods:** At lower of cost and net realisable value. Cost includes purchase price and other incidental costs incurred in bringing the traded goods to its present location and condition. Cost is determined based on first in first out method.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

l. Impairment of non-financial assets (including goodwill)

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company 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. The 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. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of four years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fourth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life (including right of use assets).

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually at reporting date and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each

CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Impairment losses are recognized in the statement of profit and loss.

m. Provisions

Provision are recognized when the Company has a present obligation (legal or constructive) as a result of 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 Company 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 statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligations, the provision is reversed.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan and the cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

o. Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments which are classified as equity-settled transactions.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised as an employee benefit expense with a corresponding increase in 'Shares Option Outstanding Account' in other equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense

recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The expense or credit in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense. Further details are provided in note 35.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

p. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value

through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Refer to the accounting policies in section (e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

- For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortized cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- (ii) 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, financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to other receivables.

Financial assets at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

Derecognition

A financial asset, or part of a financial assets, is primarily derecognised (i.e. removed from the Company's balance sheet) when :

- (i) The rights to receive cash flows from the assets have expired , or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance

with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, lease liabilities and borrowings (including bank overdrafts).

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognised 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

Financials 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.

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the decision making authority. The decision making authority monitors the operating results of all segments separately for the purpose of making decisions about resource allocation and performance assessment. The operating segments have been identified on the basis of the nature of products/services. Further:

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue.
- Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- Income which relates to the Company as a whole and not allocable to segments is included in un-allocable income.
- Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

r. Cash and cash equivalents

Cash and cash equivalents 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; that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Further, it includes amount receivable with respect to credit card receivable, electronic wallet, UPI, etc. which are normally received within one day from the date of transaction and are subject to insignificant risk of changes in value.

s. Dividend distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder 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 such as bonus issue, bonus element in a rights issue, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.3 New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their material accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it

no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 01, 2022.

2.4 Standards notified, not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards 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 the existing standards applicable to the Company.

Notes to financial statements

for the year ended March 31, 2024
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(All amounts in Rs. Lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Plant and machinery	Office equipment	Leasehold improvement	Computers	Furniture and fixtures	Vehicles	Building	Freehold land	Total
Gross block:									
As at April 01, 2022	15,347	963	1,816	1,914	18,825	290	-	4,306	43,461
Additions during the year	4,031	168	328	585	4,341	26	-	10	9,489
Acquisition of digital marketplace (refer note 45)	-	13	31	26	11	-	-	-	81
Disposals/ adjustments	(593)	(10)	(43)	(32)	(641)	(30)	-	-	(1,349)
As at March 31, 2023	18,785	1,134	2,132	2,493	22,536	286	-	4,316	51,682
Additions during the year	6,426	260	526	310	3,546	-	13,320	-	24,388
Disposals/ adjustments	(663)	(10)	(352)	(20)	(1,471)	-	-	-	(2,516)
As at March 31, 2024	24,548	1,384	2,306	2,783	24,611	286	13,320	4,316	73,554
Accumulated depreciation:									
As at April 01, 2022	6,982	585	258	1,188	6,367	131	-	-	15,511
Depreciation charge for the year	2,111	146	293	347	2,287	33	-	-	5,217
Disposals/adjustments	(446)	(8)	(18)	(31)	(425)	(29)	-	-	(957)
As at March 31, 2023	8,647	723	533	1,504	8,229	135	-	-	19,771
Depreciation charge for the year	2,783	160	496	422	2,832	33	326	-	7,052
Disposals/adjustments	(621)	(9)	(320)	(17)	(1,282)	-	-	-	(2,249)
As at March 31, 2024	10,809	874	709	1,909	9,779	168	326	-	24,574
Net block value:									
As at March 31, 2023	10,138	411	1,599	989	14,307	151	-	4,316	31,911
As at March 31, 2024	13,739	510	1,597	874	14,832	118	12,994	4,316	48,980

- i) Refer note 32(i) for contractual commitments for the purchase of property, plant and equipment.
- ii) No borrowing costs were capitalised during the current year and previous year.
- iii) Refer note 43 for assets pledged as security for short term borrowings.
- iv) Assets not held in the name of the Company / leases not duly executed in favour of the Company
All the assets are held in the name of the Company except below mentioned lease hold improvements and immovable fixtures capitalised at various retail stores wherein the Company has taken the premises on lease but the lease deed is not yet registered in the name of the Company.

As at March 31, 2024

Description of the property	Gross carrying value	Net carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Lease hold improvements and immovable fixtures at 9 retail stores	318	67	Lease property on which leasehold improvement is done were held in the name of respective landlords.	No	Various period	The Company is in the process to renew the expired lease agreements with the respective landlords.

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for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2023

Description of the property	Gross carrying value	Net carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Lease hold improvements and immovable fixtures at 33 retail stores	971	541	Lease property on which leasehold improvement is done were held in the name of respective landlords.	No	Various period	The Company is in the process to renew the expired lease agreements with the respective landlords.

v) On transition to Ind AS (i.e. April 01, 2015), the Company elected to continue with the carrying value of all Property, plant and equipment measured as per previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

4 Capital work-in-progress

i) Details of capital work-in-progress

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	384	10,924
Total	384	10,924

ii) Capital work-in-progress ageing schedule

a) As at March 31, 2024

Particulars	Digital Marketplace					Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	As at March 31, 2024	
(a) Project in progress	381	3	-	-	-	384
(b) Project temporarily suspended	-	-	-	-	-	-
Total	381	3	-	-	-	384

b) As at March 31, 2023

Particulars	Digital Marketplace					Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	As at March 31, 2023	
(a) Project in progress	10,775	131	18	-	-	10,924
(b) Project temporarily suspended	-	-	-	-	-	-
Total	10,775	131	18	-	-	10,924

Note: All the above projects are neither overdue, nor exceeded its cost compared to its approved budget

5 Goodwill and other intangible assets

Particulars	Goodwill	Other intangible assets				Total
		Computer software	Technology Cost	Brand	Non-compete	
Gross block:						
As at April 01, 2022	-	870	-	-	-	870
Acquisition of digital marketplace (refer note 45)	150	11	3,130	2,740	130	6,011
Additions during the year	-	82	-	-	-	82
Disposals/adjustments	-	-	-	-	-	-

Notes to financial statements

for the year ended March 31, 2024

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Particulars	Goodwill	Other intangible assets				Total
		Computer software	Technology Cost	Brand	Non-compete	
As at March 31, 2023	150	963	3,130	2,740	130	6,963
Additions during the year	-	85	-	-	-	85
Disposals/adjustments	-	(19)	-	-	-	(19)
As at March 31, 2024	150	1,029	3,130	2,740	130	7,029
Accumulated amortization:						
As at April 01, 2022	-	550	-	-	-	550
Charge for the year	-	90	244	-	20	354
Disposals/adjustments	-	-	-	-	-	-
As at March 31, 2023	-	640	244	-	20	904
Charge for the year	-	106	626	380	52	1,164
Disposals/adjustments	-	(18)	-	-	-	(18)
As at March 31, 2024	-	728	870	380	72	2,050
Net block value:						
As at March 31, 2023	150	323	2,886	2,740	110	6,059
As at March 31, 2024	150	301	2,260	2,360	58	4,979

i) Note: Impairment of goodwill and other intangible assets

In the previous year, the Company had acquired the business of Limeroad, which is into digital marketplace business and has been considered as separate cash generating unit (CGU) as well as operating reportable segment. On the said business combinations, following intangible assets have been identified by the Company and attributable to digital marketplace business segment:

Description	Digital Marketplace	
	As at March 31, 2024	As at March 31, 2023
Brand	2,360	2,740
Technology cost	2,260	2,886
Goodwill	150	150
Non-compete	58	110
Total	4,828	5,886

The Company performed its annual impairment test for the years ended March 31, 2024 and March 31, 2023. The recoverable amount of digital marketplace CGU as at March 31, 2024 is Rs.13,160 lakhs (March 31, 2023: Rs.6,150 lakh), has been determined based on value in use calculation using cash flow projections from financial budgets approved by the senior management covering a period of five-year period. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 22% (March 31, 2023: 19%) and cash flows beyond the five-year period are extrapolated using a 5% growth rate (March 31, 2023: 5%) that is same as the long-term average growth rate for the digital marketplace industry. Further, management has also performed the sensitivity around various key assumptions considered for value-in-use calculation.

ii) On transition to Ind AS (i.e. April 01, 2015), the Company elected to continue with the carrying value of all other intangible assets measured as per previous GAAP and use that carrying value as the deemed cost of other intangible assets.

6 Investments

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
I. Investments measured at fair value through profit or loss		
Unquoted mutual funds		
ICICI prudential overnight fund direct plan	-	300
Nil (March 31, 2023: 24,828.62) units of Rs. 1,000 each		
SBI Liquid fund direct growth plan	428	399
11,323 (March 31, 2023:11,323) units of Rs. 1,000 each		

Notes to financial statements

for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
SBI Magnum Insta Cash Fund	42	39
764.19 (March 31, 2023:764.19) units of Rs. 1,000 each		
Total (I)	470	738
II. Investments measured at amortized cost		
Investment in unquoted bonds / commercial papers		
ICICI perpetual Bond (Coupon rate: 9.90% p.a.)	-	116
Nil (March 31, 2023:10) units of Rs.1,000,000 each		
Infrastructure Leasing & Financial Services Commercial Paper	980	980
1,00,000 (March 31, 2023: 1,00,000) units - (also refer note 48)		
	980	1,096
Less: impairment allowance on investment	(980)	(980)
Total (II)	-	116
Total (I+II)	470	854
Aggregate amount of book value of unquoted investments	470	854
Aggregate amount of market value of unquoted investments	470	854
Aggregate impairment allowance in value of investments	980	980

7 Loans

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Loan to employees (Measured at amortised cost)		
Unsecured, considered good	23	43
	23	43

8 Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Measured at amortised cost)				
i. Security deposits				
Unsecured, considered good	2,446	3,054	1,197	1,360
Credit Impaired	-	-	372	6
	2,446	3,054	1,569	1,366
Less: Impairment allowance	-	-	(372)	(6)
	2,446	3,054	1,197	1,360
ii. Amount recoverable from others*	-	-	1,855	1,126
iii. Margin money deposits^	157	150	-	-
iv. Deposits with original maturity of more than 12 months but remaining maturity less than 12 months	-	-	1,692	209
v. Interest accrued on margin money deposits	11	8	-	-
Total other financial assets	2,614	3,212	4,744	2,695

*Includes Rs. 1,059 lakhs (March 31, 2023: Rs. 1,005 lakhs) receivables of sale through e-commerce and digital marketplace.

^Margin money deposits of Rs. 157 lakhs (March 31, 2023 : Rs. 150 lakhs) are pledged as bank guarantees issued to various tax authorities, Skill Development Authority (for Deen Dayal Upadhyaya Grameen Kaushalya Yojana) and for cash credit facilities with banks.

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(All amounts in Rs. Lakhs, unless otherwise stated)

Break-up of financial assets

Particulars	As at	
	March 31, 2024	March 31, 2023
At amortized cost:		
Loans	23	43
Cash and cash equivalents	2,723	1,806
Other financial assets	7,358	5,907
Investment	-	116
At fair value through profit and loss:		
Investments	470	738
	10,574	8,610

9 Income tax

(A) Tax asset

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
i. Income tax asset (net)				
Considered good	536	42	-	-
	536	42	-	-

(B) Tax liabilities

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
ii. Current tax liabilities (net)	-	-	69	288
	-	-	69	288

10 Deferred tax assets (net)

i. Details of deferred tax asset:

Particulars	As at	
	March 31, 2024	March 31, 2023
Tax effect of items constituting deferred tax assets:		
Lease liabilities	32,247	29,795
"Difference between accounting base and tax base of property, plant and equipment and other intangible assets"	1,479	1,348
Employee benefit obligations	468	443
Disallowance under Section 43B of the Income tax Act, 1961	1,419	-
Financial assets measured at amortised cost	50	-
Provisions for credit impaired assets	177	35
Others	11	15
Deferred tax assets (A)	35,851	31,636
Tax effect of items constituting deferred tax liabilities:		
Right of use assets	27,630	26,281
Financial assets measured at fair value through profit and loss	15	48
Deferred tax liabilities (B)	27,645	26,329
Deferred tax assets (net) (A)-(B)	8,206	5,307

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(All amounts in Rs. Lakhs, unless otherwise stated)

ii. Movement in deferred tax assets/(liabilities) for year ended March 31, 2024:

Particulars	As at March 31, 2023	Recognised in statement of profit or loss	Recognized in other comprehensive income	As at March 31, 2024
Tax effect of items constituting deferred tax assets:				
Lease liabilities	29,795	2,452	-	32,247
Difference between accounting base and tax base of property, plant and equipment and other intangible assets	1,348	131	-	1,479
Employee benefits	443	46	(21)	468
Disallowance under Section 43B of the Income Tax Act, 1961	-	1,419	-	1,419
Financial assets measured at amortised cost	-	50	-	50
Impairment allowance	35	142	-	177
Others	15	(4)	-	11
Deferred tax assets (A)	31,636	4,236	(21)	35,851
Tax effect of items constituting deferred tax liabilities:				
Right of use assets	26,281	1,349	-	27,630
Financial assets measured at fair value through profit and loss	48	(33)	-	15
Deferred tax liabilities (B)	26,329	1,316	-	27,645
Deferred tax assets (net) (A)-(B)	5,307	2,920	(21)	8,206

The Company has recognised deferred tax assets on various components primarily consists of lease liabilities (net of right to use assets), difference in tax and accounting base of property, plant and equipment, other temporary differences, etc. to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences will be utilised. In the current year, the Company has incurred losses and has not recognised deferred tax assets (in respect of carry forward losses) of Rs. 433 lakhs (March 31, 2023: Nil) as there is no reasonable certainty supported by convincing evidence of its recoverability in near future. If the Company had to recognise the unrecognised deferred tax assets, the losses would have been reduced by Rs. 433 lakhs. The Company has carry forward losses of Rs. 1,722 lakhs (March 31, 2023: Nil), which are available for off setting for 8 years against taxable future profits, which will expire in the year ending March 31, 2032.

iii. Movement in deferred tax assets/(liabilities) for year ended March 31, 2023:

Particulars	As at March 31, 2022	Recognised in statement of profit or loss	Recognized in other comprehensive income	As at March 31, 2023
Tax effect of items constituting deferred tax assets:				
Lease liabilities	22,707	7,088	-	29,795
Difference between accounting base and tax base of property, plant and equipment and other intangible assets	1,197	151	-	1,348
Employee benefits	377	88	(22)	443
Impairment allowance	26	9	-	35
Others	20	(5)	-	15
Deferred tax assets (A)	24,327	7,331	(22)	31,636
Tax effect of items constituting deferred tax liabilities:				
Right of use assets	20,416	5,865	-	26,281
Financial assets measured at fair value through profit and loss	43	5	-	48
Others	5	(5)	-	-
Deferred tax liabilities (B)	20,464	5,865	-	26,329
Deferred tax assets (net) (A)-(B)	3,863	1,466	(22)	5,307

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for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

11. Other assets

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
i. Capital advances				
Unsecured, considered good	228	2,145	-	-
Credit Impaired	5	-	-	-
	233	2,145	-	-
Less: Impairment allowance (A)	(5)	-	-	-
	228	2,145	-	-
ii. Grant recoverable (refer note 51)				
Unsecured, considered good	2,552	1,845	220	901
Credit Impaired	-	-	230	60
	2,552	1,845	450	961
Less: Impairment allowance (B)	-	-	(230)	(60)
	2,552	1,845	220	901
iii. Advances against material and services				
Unsecured, considered good	-	-	3,264	2,912
Credit Impaired	-	-	103	91
	-	-	3,367	3,003
Less: Impairment allowance (C)	-	-	(103)	(91)
	-	-	3,264	2,912
iv. Prepaid expenses	373	372	433	447
v. Deposits paid under protest*	88	88	-	-
vi. Balance with government authority (D)	-	-	9,994	9,051
	461	460	10,427	9,498
Total other assets (A+B+C+D)	3,241	4,450	13,911	13,311

*Deposit paid under protest includes following [Refer note 32(ii)]

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Value added tax	32	32	-	-
Indirect taxes	38	38	-	-
Others	18	18	-	-
Total	88	88	-	-

12. Inventories (valued at lower of cost or net realizable value)*

Particulars	As at March 31, 2024	As at March 31, 2023
Traded goods [including stock-in-transit: Rs. 3,278 lakhs (March 31, 2023: Rs. 1,753 lakhs)]	81,267	86,814
Packing material and accessories	340	249
	81,607	87,063

*Refer note 42 for details of markdown of inventory. Such markdown is recognized as an expense during the year and included in "Decrease/ (increase) in inventories of traded goods" in the statement of profit or loss.

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for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

13 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
- in current accounts	21	97
- in cash credit accounts	657	463
- in deposits with original maturity of less than three months	-	623
Cash on hand	1,193	330
Other receivables^	852	293
Total	2,723	1,806

^ Other receivables includes amount receivable with respect to credit card receivable, electronic wallet, UPI, etc.

14 Equity share capital

a. Authorised share capital

Particulars	No. of shares	Amount
As at April 01, 2022	2,50,00,000	2,500
Increase during the year	-	-
As at March 31, 2023	2,50,00,000	2,500
Increase during the year	-	-
As at March 31, 2024	2,50,00,000	2,500

b. Issued, subscribed and paid up equity share capital (Equity shares of Rs 10 each)

Particulars	No. of shares	Amount
As at April 1, 2022	1,97,49,454	1,975
Issue of equity share capital under Employee Stock Option Scheme (refer note 35)	23,009	2
As at March 31, 2023	1,97,72,463	1,977
Issue of equity share capital under Employee Stock Option Scheme (refer note 35)	4,162	1
As at March 31, 2024	1,97,76,625	1,978

c. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, 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.

d. No shares was issued as bonus shares, shares issued for consideration other than cash and shares buy back during the five years immediately preceding the reporting date.

e. Details of equity shareholders holding more than 5% shares in the Company:

Name of the Shareholders	As at March 31, 2024		As at March 31, 2023	
	Number	% holding	Number	% holding
Conquest Business Services Private Limited	74,90,673	37.88%	74,90,673	37.88%
Lalit Agarwal	12,77,275	6.46%	12,77,275	6.46%
ICICI Prudential Mutual fund	9,45,581	4.78%	13,80,246	6.98%
SBI Mutual fund	18,34,336	9.28%	17,51,400	8.86%
Kotak Mutual fund	13,80,270	6.98%	-	0.00%
Amansa Holdings Private Limited	17,91,031	9.06%	13,51,402	6.83%

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f. Details of shares held by promoters/promoter group

As at March 31, 2024

Promoter/promoter group	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Conquest Business Services Private Limited	74,90,673	-	74,90,673	37.88%	-
Lalit Agarwal	12,77,275	-	12,77,275	6.46%	-
Total	87,67,948	-	87,67,948	44.34%	0.00%

As at March 31, 2023

Promoter/promoter group	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Conquest Business Services Private Limited	74,90,673	-	74,90,673	37.88%	(0.05%)
Lalit M Agarwal (HUF)	12,77,275	(12,77,275)	-	-	(6.46%)
Lalit Agarwal	-	12,77,275	12,77,275	6.46%	6.46%
Smiti Agarwal (till January 23, 2023)	2,78,365	(2,78,365)	-	-	(1.41%)
Hemant Agarwal (HUF)(till January 23, 2023)	78,718	(78,718)	-	-	(0.40%)
Total	91,25,031	(3,57,083)	87,67,948	44.34%	(1.87%)

g. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer note 35.

h. Dividend distribution made and proposed

Particulars	As at March 31, 2024	As at March 31, 2023
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2023: Rs. nil (March 31, 2022: Rs. 0.75 per share)	-	148

Note: Dividend proposed for the year ended March 31, 2024: Rs Nil (March 31, 2023: Rs Nil)

15 Other equity

(i) Securities premium reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	48,696	48,106
Add: premium received during the year		
Transfer from share option outstanding account on exercise of options	19	240
Share premium received against issue of shares to employees under ESOP scheme	73	350
Total	48,788	48,696

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

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(ii) Amalgamation reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year*	155	155
Addition during the year	-	-
Balance at the end of the year	155	155

Amalgamation reserve pertain to business combinations, which occurred prior to transition date of Ind AS

(iii) Other reserves

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings (refer note a below)	23,185	32,797
Shares option outstanding account (refer note b below)	593	1,275
Total (i)+(ii)+(iii)	23,778	34,072

Note:

a. Retained earnings*

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	32,797	33,665
Loss for the year	(9,676)	(785)
Other comprehensive income (net)	64	65
Payment of dividend [refer note 14(h)]	-	(148)
Balance at the end of the year	23,185	32,797

*Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

b. Shares option outstanding account^

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,275	1,061
Recognition of share based payment (reversal)/expenses	(663)	454
Transfer from share option outstanding account on exercise of options	(19)	(240)
Balance at the end of the year	593	1,275

^The reserve is used to recognize the grant date fair value of options issued to employees under employee stock option schemes and is adjusted on exercise/ forfeiture of options.

16 Borrowings

i. Details of borrowings:

Particulars	As at March 31, 2024	As at March 31, 2023
Working capital demand loan from bank (secured)	11,000	10,988
Loan from others (unsecured)	-	3,795
Total	11,000	14,783

ii. Details of working capital demand loan is as follows:

Name of bank	Rate of Interest range(in %)	Repayment range in days	As at March 31, 2024	As at March 31, 2023
Axis bank	6.50-7.40	90	-	2,500
ICICI bank	6.50-7.70	90	-	1,000
HDFC bank	6.5-8.50	90	7,500	7,488
State bank of India	7.81	90	3,500	-
Total			11,000	10,988

Notes to financial statements

for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

iii. Detail of short term borrowings from financial institution is as follows:

Name of bank	Rate of Interest range(in %)	Repayment range in days	As at March 31, 2024	As at March 31, 2023
Mynd Solutions Private Limited	7.05-7.20	60-90	-	3,795
Total			-	3,795

Note:

- For explanation on risk management process, refer note 39.
- For details regarding filing of quarterly returns with banks, refer note 49(x).
- Refer note 43 for assets pledged as securities.

17 Trade payables

(a) Details of trade payable

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises (refer note 37)	19,674	14,979
Total outstanding dues to creditors other than micro and small enterprises (including acceptances*)	43,692	33,854
Total	63,366	48,833

*Acceptances are arrangements where operational suppliers of goods and services are initially paid by banks/ financial institutions while the Company continues to recognise the liability till settlement with the banks/financial institutions, which are normally effected within a period of 90 days.

(b) Trade payables are non-interest bearing and are normally settled 7-90 days terms.

(c) For explanation on risk management process, refer note 39.

(d) Trade payable ageing schedule

As at March 31, 2024

Promoter/promoter group	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises*	-	19,634	40	-	-	19,674
Total outstanding dues of creditors other than micro and small enterprises	4,281	38,986	271	92	-	43,630
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	62	-	-	-	62
Total	4,281	58,682	311	92	-	63,366

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(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2023

Promoter/promoter group	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	-	14,967	-	-	-	14,967
Total outstanding dues of creditors other than micro and small enterprises	4,831	28,632	193	176	22	33,854
Disputed dues of micro and small enterprises	-	-	11	1	-	12
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	4,831	43,599	204	177	22	48,833

*In respect of total outstanding dues of micro enterprises and small enterprises beyond the period of 45 days from the due date and also as mentioned in the form MSME-1 filed by the Company with Registrar of Companies, there has been delay in payment to these MSME vendors due to non-submission of requisite documents by the respective vendors, which has been acknowledged by the vendors. Hence, the Company has been unable to process their payments and the delay is not attributable to the Company.

18 Other financial liabilities

(a) Details of other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current:		
Interest accrued but not due	23	53
Book overdraft	3	15
Creditors for property, plant and equipment	1,902	1,949
Employee related payables*	1,828	1,986
Other liabilities	59	434
	3,815	4,437

*Includes amount payable to Key Managerial Personnel (KMP) and relative of KMPs of Rs. 14 lakhs (March 31, 2023: Nil). Refer note 33(c).

(b) Breakup of financial liabilities carried at amortized cost:

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	11,000	14,783
Lease liabilities	1,28,125	1,18,383
Trade payables	63,366	48,833
Other financial liabilities	3,815	4,437
Total financial liabilities	2,06,306	1,86,436

19 Employee benefit obligations

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (refer note 34)	1,260	1,253	197	199
Provision for compensated absences	-	-	402	309
	1,260	1,253	599	508

Notes to financial statements for the year ended March 31, 2024

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20 Other liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current:	731	126
Contract liabilities (Refer note 21)	869	742
Statutory dues payable	1,600	868

21 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with customers		
Sale of traded goods	2,71,131	2,44,091
Sale of service	6,953	1,688
Other operating revenue	476	705
	2,78,560	2,46,484

Disaggregated revenue information

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i. Revenue by location of customers		
India	2,78,560	2,46,484
Outside India	-	-
ii. Timing of revenue recognition	2,78,560	2,46,484
Revenue recognition at a point of time		
Revenue recognition over period of time		
	2,77,970	2,45,983
	590	501
	2,78,560	2,46,484

iii. Performance obligation

Revenue recognition at a point of time: Performance obligation in respect of sale of traded goods and commission income/margin on third party inventory are satisfied when control of the goods is transferred to the customer, generally on delivery of the goods.

Revenue recognition over period of time: Performance obligation in respect of services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of service based on time elapsed and acceptance by the customer.

iv. Contract balances

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liabilities (refer note 20)	731	126
	731	126

There are no contract assets and trade receivables as the Company operates retail stores and there is no credit sales.

Movement of contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Balance outstanding at the beginning of the year	126	104
Performance obligations satisfied during the year	(126)	(104)
Amount received against contract liability during the year	731	126
Balance outstanding at the end of the year	731	126

Notes to financial statements

for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

v. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price	2,79,040	2,47,367
Adjustments:		
Sales returns	(450)	(757)
Others	(30)	(126)
Revenue from contracts with customers	2,78,560	2,46,484

22 Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair value gain on investment designated at FVTPL	32	21
Liabilities no longer required, written back (net)	344	74
Profit on sale of investments (net)	12	220
Profit on termination of lease (refer note 44)	1,180	444
Interest income on:		
- Bank deposits	69	47
- Bonds	-	10
- Unwinding of discount on security deposits	256	202
- Others	-	4
Miscellaneous income	202	475
	2,095	1,497

23 Purchase of traded goods

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of traded goods	1,77,053	1,79,951
	1,77,053	1,79,951

24 Decrease/ (increase) in inventories of traded goods

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the year		
Traded goods (including stock in transit)	81,267	86,814
Packing material and accessories	340	249
	81,607	87,063
Inventories at the beginning of the year		
Traded goods (including stock in transit)	86,814	66,636
Packing material and accessories	249	186
	87,063	66,822
	5,456	(20,241)

25 Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus*	24,713	22,112
Gratuity expenses (refer note 34)	371	353
Contribution to provident and other funds	2,154	1,727
Staff welfare	1,469	1,359
	28,707	25,551

*Includes (reversal)/expense relating to ESOP (refer note 35)

Notes to financial statements

for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

26 Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest:		
- on lease liabilities (refer note 44)	12,436	11,152
- on cash credit facilities	806	174
- on working capital demand loan	937	264
- on others	-	67
Other borrowing costs	58	34
	14,237	11,691

27 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 3)	7,052	5,217
Depreciation of right of use assets (refer note 44)	13,997	12,427
Amortisation of other intangible assets (refer note 5)	1,164	354
	22,213	17,998

28 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent (refer note 44)	1,549	2,547
Power and fuel	10,747	9,008
Advertising and sales promotion	14,886	8,620
Packing materials consumed	1,804	1,587
Repairs and maintenance:		
Building	1,073	786
Others	2,805	2,375
Commission	28	63
Security expenses	1,451	1,262
Communication cost	186	184
Travelling and conveyance	909	878
Credit card and cash collection charges	785	766
Rates and taxes	182	174
Vehicle running expenses	566	431
Legal and professional fees	2,682	2,331
Freight and forwarding charges	4,622	2,084
Printing and stationery	185	162
Payment to auditors (refer details below "A")	58	59
Insurance	381	269
Loss on sale / write-off of property, plant and equipment (net)	237	351
Capital work-in-progress written off	27	-
Impairment allowance on other assets	553	35
Balances written off	30	46
CSR expenditure (refer details below "B")	18	61
Donations	4	5
Directors' sitting fees	35	46
Miscellaneous expenses	236	202
	46,039	34,332

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A. Payment to auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor:		
Audit fee (including limited reviews)	53	53
In other capacity:		
Tax audit fee	-	2
Reimbursement of expense	5	4
	58	59

B. Details of CSR expenditure

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Gross amount required to be spent by the Company during the year	-	46
(b) Amount approved by the Board to be spent during the year	18	61
(c) Amount spent during the year ended March 31, 2024:		
i) Construction/ acquisition of any assets	-	-
ii) On purpose other than (i) above in cash	-	18
(d) Amount spent during the year ended March 31, 2023:		
i) Construction/ acquisition of any assets	-	-
ii) On purpose other than (i) above in cash	-	61
(e) Details related to spent/unspent obligations:		
i) Contribution to public trust	-	-
ii) Contribution to charitable trust	18	61
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
In case of Section 135(5) Excess amount spent		
Short/(Excess) spent	(18)	(15)

29 Tax expense and tax reconciliation

The major components of income tax expense for the year ended March 31 2024:

(a) Tax expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
Current income tax charge	-	1,023
Tax related to earlier years	(454)	(73)
	(454)	950
Deferred tax (including amount recognised in other comprehensive income)		
Decrease/(increase) in deferred tax assets	(4,236)	(7,331)
(Decrease)/increase in deferred tax liabilities	1,316	5,865
	(2,920)	(1,466)
Income tax expense reported in the statement of profit or loss	(3,374)	(516)
Comprises of :-		
Total tax expense as per Statement of profit or loss	(3,374)	(516)
Deferred tax on "Remeasurement gain on defined benefit obligations" recognised in OCI	21	22
	(3,353)	(494)

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(b) Income tax expense for the year reconciled to the accounting profit

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loss before tax	(13,050)	(1,301)
Income tax expense calculated @ 25.168% (March 31 2023: 25.168%)	(3,284)	(327)
Tax effect of amounts that are not deductible in calculating taxable expense:		
Permanent differences	14	17
Deduction claimed under section 80JJAA	-	(164)
Unrecognised deferred tax asset on carry forward losses	433	-
Others	(83)	31
Total	(2,920)	(443)
Tax related to earlier years	(454)	(73)
Income tax expense recognised in statement of profit and loss	(3,374)	(516)

30 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the loss for the period attributable to equity holders by the weighted average number of Equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the loss for the period attributable to equity holders by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued under ESOP Scheme to employees.

The following reflects the loss after tax and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loss after tax	(9,676)	(785)
Weighted average number of equity shares for basic EPS (in numbers)	1,97,75,102	1,97,66,261
Effect of dilution:		
Adjustment for Employee Stock Option Plans (in numbers)	1,33,387	59,609
Weighted average number of equity shares adjusted for the effect of dilution (in numbers)	1,99,08,489	1,98,25,870
Loss per share (refer note below)		
Basic (in Rs.)	(48.93)	(3.97)
Diluted (in Rs.)	(48.93)	(3.97)

Note:

- Effect of dilution is anti-dilutive. Accordingly, diluted EPS is restricted to basic EPS.
- There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

31 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

I Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

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a) Leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., leasehold improvements or costs relating to the termination of the lease, and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives).

For leases which are expired and under discussion for renewal, the Company considers such leases as short term leases since, the Company is not certain that option to extend the lease will be exercised as lessor has right to terminate the lease.

Further, the Company has exercised its judgement in using a single discount rate to a portfolio of leases with reasonably similar characteristics.

b) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

c) Recognition of deferred tax

The extent to which deferred tax asset to be recognized is based on the assessment of the probability of the future taxable income against which the deferred tax asset can be utilized.

II Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Useful lives of property, plant and equipment and other intangible assets

The Company reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

ii) Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future trends salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Notes to financial statements

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iii) Share based payments

The Company initially measures the cost of cash-settled transactions with employees using a black Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For equity-settled share-based payment transactions, the liability is recognised at the vesting date. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 35.

iv) Impairment of non-financial assets and goodwill

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The cash flows are derived from the budget for the next four years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles recognised by the Company. The key assumptions used to determine the recoverability of Goodwill are disclosed and further explained in note 5.

v) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

vi) Assessment of potential markdown inventory

The Company at each reporting date makes an assessment of potential markdown due to aged inventory. In doing so, it estimates the net realisable value of aged inventory based on historic trend of sale of similar aged inventory. Further, it also estimate the provision for shrink based on past trends which it believes is more than or near to actual shrink to be booked as and when stores are counted annually.

vii) Incremental borrowing rate for leases

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

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32 Commitments and contingencies

i) Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account not provided in books (net of advances)	908	3,830
	908	3,830

ii) Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax ¹	673	369
Indirect taxes ²	51	30
Payment of Bonus (Amendment) Act, 2015 ³	108	108
Minimum Wages Act, 1948 ⁴	68	88
Industrial Dispute Act, 1947 ⁵	34	31
Claim against the Company not acknowledged as debt ⁶	85	-
	1,019	626

	As at March 31, 2024	As at March 31, 2023
1 Income tax		
a) Demand raised by the income tax department for A.Y. 2012-13 in respect of addition made on disallowance of certain purchases based on inadvertent assumption. The Company has filed an appeal before Commissioner Income Tax (Appeals), Kolkata.	75	75
b) Demand raised by the income tax department for A.Y. 2014-15 in respect of addition made under rule 8D of section 14A of Income Tax Act, 1961 and other disallowances. The Company has filed an appeal before Commissioner Income Tax (Appeals), Kolkata. (net of payment adjusted of Rs. 76.13 lakhs)[March 31, 2023 : Rs. 76.13 lakhs]	22	22
c) Demand raised by the income tax department for A.Y. 2018-19 in respect of addition made under rule 8D of Section 14A of Income Tax Act, 1961 and disallowance of expenditure on ESOP. The Company has filed an appeal before Commissioner Income Tax (Appeals), Kolkata.	57	57
d) Demand raised by the income tax department for A.Y. 2020-21 in respect of various adjustments such as addition with respect to 43B, items, adjustments under ICDS, etc. The Company has filed an appeal before Commissioner Income Tax (Appeals), Kolkata.	38	38
e) Demand raised by the income tax department for the A.Y. 2020-21 in respect of disallowance of ESOP expenses under Section 37 of the Income Tax Act, 1961. The Company has filed writ petition before The Hon'ble High Court of Kolkata.	177	177
f) Penalty imposed on the disallowance made under assessment proceedings under Section 143(3) of the Income Tax Act, 1961 for A.Y. 2020-21. The Company has filed writ petition before The Hon'ble High Court of Kolkata.	304	-
	673	369

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Income tax department raised certain demand (as mentioned below) in earlier years against which the Company has made adequate provision in the books of accounts. However, these cases are still pending for disposal:

- Demand amounting to Rs. 13 lakhs (March 31, 2023: Rs. 13 lakhs) raised by the income tax department for A.Y. 16-17 in respect of addition made under Rule 8D of Section 14A of the Income Tax Act, 1961 and other non deductible expenses. The assessing officer has reduced the refund due to it against such demand. However, the Company has filed an appeal before Commissioner Income Tax (Appeals), Kolkata.
- Demand amounting to Rs. 80 lakhs (March 31, 2023 : Rs. 80 lakhs) raised by the income tax department for A.Y. 17-18 in respect of addition made under Rule 8D of Section 14A of the Income Tax Act, 1961, allowance of education cess, delay in payment of PF and disallowance of interest on delayed payment of Income Tax. The assessing officer has reduced the refund due to it against such demand. However, the Company has filed an appeal an appeal before Commissioner Income Tax (Appeals), Kolkata.

	As at March 31, 2024	As at March 31, 2023
2 Indirect tax		
a) Service tax		
Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from June 01, 2007 by the Finance Act, 2010, the Retailer Association of India (the Company being a member of such Association) has challenged the said levy and, inter-alia, its retrospective application. The Hon'ble Supreme Court has issued an interim order dated October 14, 2011, directing to deposit 50% of the arrears of service tax due up to September 30, 2011 and the balance, if any, at the time of final disposal of the appeal. The amount of service tax on rent in respect of rented stores from June 1, 2007 till September 30, 2011 amounted to Rs. 108 lakhs of which Rs.78 lakhs has been provided for in the Statement of Profit and Loss till March 31, 2017 and the balance Rs.30 lakhs has been disclosed as contingent liability in current and previous year. As per directions of the Hon'ble Supreme Court, the Company, has deposited Rs. 38 lakhs under protest with the concerned authorities and has disclosed this balance as "Deposits paid under protest" under other non-current assets. There has been no material progress during the year.	30	30
b) Goods and Service tax		
During the year, the Company has received demand notice under Section 73 of the Central Goods and Services Tax Act, 2017 from State Tax Office, Kashmir on account of mismatch in ITC availed by the Company in F.Y. 2017-18. The Company doesn't agree to the demand and has filed appeal. The management does not anticipate any material liability devolving on the Company.	14	-
c) During the year, the Company has received notice under Section 73 of the CGST Act, 2017 from Deputy Commissioner, Dehradun for short payment of output GST liability based on liability declared in GSTR-1 and GST paid in GSTR-3B for the financial years 2018-19. In response to the demand notice, the Company has made its submission and claimed that it has made excess payment of GST in FY 2017-18. Accordingly, the management does not anticipate any material liability devolving on the Company.	7	-
	51	30

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	As at March 31, 2024	As at March 31, 2023
3 Payment of Bonus (Amendment) Act, 2015		
The Payment of Bonus (Amendment) Act, 2015 dated December 31, 2015 (which was made effective from April 01, 2014) revised the thresholds for coverage of employees eligible for bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by Hon'ble High Courts of Kerala (Ernakulam), Karnataka (Bengaluru), Uttar Pradesh (Allahabad) and Madhya Pradesh (Indore), the Company, in accordance with the Payment of Bonus (Amendment) Act, 2015, has only recognized an additional expense of Rs. 214 lakhs for the period April 01, 2015 to March 31, 2016 during earlier year ended March 31, 2016 and has not recognised the differential amount of bonus of Rs. 108 lakhs for the period April 01, 2014 to March 31, 2015.	108	108
	108	108
4 Minimum Wages Act, 1948		
Rs. 68 lakhs (March 31, 2023: Rs. 88 lakhs) represents demand imposed by the labour enforcement officer under the Minimum Wages Act, 1948 mainly on classification of employees into skilled, semi-skilled and un-skilled. The Company had filed appeal against the same with Deputy Labour Commissioner. During the current year, the Company has received favourable order against the partial demand amounting to Rs. 20 lakhs (March 31, 2023: Rs. 19 lakhs). The Management is confident that favourable order will be issued for remaining amount also. Accordingly, the management does not anticipate any material liability devolving on the Company.	68	88
	68	88
5 The Industrial Dispute Act, 1947		
Rs. 34 lakhs (March 31, 2023: Rs. 31 lakhs) represents demand under Industrial Dispute Act, 1947 imposed by the labour department on forceful termination of employees. The Company has received recovery challans from the labour department for the same. During the current year, the Company has received further demand of Rs. 3 lakhs. The management has evaluated the records of the employees/workers and has already challenged the order and has filed an appeal against the same. Accordingly, the management does not anticipate any material liability devolving on the Company.	34	31
	34	31
6 Other litigations:		
Claim against the Company not acknowledged as debt		
The Company has received a notice from National Company Law Tribunal, Delhi for recovery of liability and the matter relates to an operational dispute with one of the former vendor. The Company is contesting against the notice and is confident that a favorable order will be received and no further liability will devolve other than already carried in the books of accounts.	85	-
7 Other matters: Further, there are various labour, legal metrology, food adulteration and other cases under other acts pending against the Company, the liability of which cannot be ascertained. However, the management does not expect significant or material liability devolving on the Company.		

In respect of all litigations mentioned above, based on the opinion taken from independent consultants/lawyers and based on assessment, the management believes that the outcome of these cases will be favourable and does not result into outflow of any economic resources. Accordingly, no adjustment is required in the financial statements.

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(All amounts in Rs. Lakhs, unless otherwise stated)

33 Related party disclosures

(a) Names of related parties and related party relationship

Name of the party	Relationship
Conquest Business Services Private Limited	Promoter owned entity
Key managerial personnel	
Mr. Lalit Agarwal	Managing Director
Mr. Madan Gopal Agarwal	Whole-time Director
Mr. Aakash Moondhra	Independent Director
Mr. Murlī Ramachandran	Independent Director
Ms. Sonal Mattoo	Independent Director
Mr. Govind Shridhar Shrikhande	Independent Director
Mr. Anand Agarwal	Chief Financial Officer
Mrs. Megha Tandon	Company Secretary
Relative of Key managerial personnel	
Mr. Snehal Shah	Son-in-law of Mr. Madan Gopal Agarwal

(b) The following transactions were carried out with related parties in the ordinary course of business:

Description	Key managerial personnel		Relatives of key managerial personnel	
	For the year ended		For the year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Managerial remuneration				
Mr. Lalit Agarwal	185	202	-	-
Mr. Madan Gopal Agarwal	41	36	-	-
Directors' sitting fees				
Mr. Aakash Moondhra	8	10	-	-
Mr. Murlī Ramachandran	11	13	-	-
Ms. Sonal Mattoo	5	11	-	-
Mr. Govind Sridhar Shrikhande	11	13	-	-
Salaries, wages and bonus #				
Mr. Anand Agarwal	166	151	-	-
Mr. Snehal Shah	-	-	92	87
Mrs. Megha Tandon	13	12	-	-
ESOP issued				
Mr. Anand Agarwal	-	54	-	-
Mr. Snehal Shah	-	-	-	-
Mrs. Megha Tandon	-	1	-	-

Gross salary as per pay sheet including bonus, perquisites of ESOP and others, contribution to PF and LWF. It does not include the provisions made for gratuity, employee stock option scheme and leave benefits as they are determined for the Company as a whole.

(c) Balance at the end of year

Description	Key managerial personnel		Relatives of key managerial personnel	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Employee related payables			
Mr. Lalit M Agarwal	5	-	-	-
Mr. Anand Agarwal	5	-	-	-
Mr. Snehal Shah	-	-	4	-

Notes to financial statements

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(All amounts in Rs. Lakhs, unless otherwise stated)

34 Employee benefits obligation

A. Defined contribution plan

The Company makes provident and other funds contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. Accordingly, the Company recognised expense amounting to Rs. 2,154 lakhs (March 31, 2023: Rs. 1,727 lakhs) for contribution to provident and other funds in the Statement of profit or loss (Refer note 25).

B. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan which is not funded. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who have completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

a. Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	1,452	1,287
Current service cost	265	273
Interest cost on benefit obligation	106	80
Benefits paid	(281)	(225)
Actuarial changes arising from changes in demographic assumptions	5	(4)
Actuarial changes arising from changes in financial assumptions	11	(120)
Experience adjustments	(101)	37
Acquisition Adjustment	-	124
Closing defined Benefit obligation	1,457	1,452

b. Breakup of closing defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
Current	197	199
Non-current	1,260	1,253
	1,457	1,452

c. Expense recognised in statement of profit or loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	265	273
Interest cost on benefit obligation	106	80
Total gratuity expense (refer note 25)	371	353

d. Remeasurement gain recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement (gain)/loss on account of:	5	(4)
Actuarial changes arising from changes in demographic assumptions	11	(120)
Actuarial changes arising from changes in financial assumptions	(101)	37
Experience adjustments	(85)	(87)

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e. The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Financial assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.15%	7.25%
Salary escalation rate	5.00%	5.00%

Demographic assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
i. Retirement age	58	58
ii. Withdrawal rate, based on period of service		
up to 5 years	40.00%	40.00%
5 years or more	10.00%	10.00%
iii. Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

f. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Discount rate	- / +1%	- / +1%	1,358	1,354	1,568	1,565
Salary growth rate	- / +1%	- / +1%	1,565	1,559	1,358	1,357
Attrition Rate	- / +50%	- / +50%	1,415	1,453	1,483	1,411
Mortality Rate	- / +10%	- / +10%	1,457	1,453	1,456	1,452

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected credit unit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk exposure

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average duration (based on discounted cashflows)	7 years	7 years

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at March 31, 2024	As at March 31, 2023
Within one year	197	199
More than 1 year but less than 5 years	636	632
5 years and more	1,948	2,013
	2,781	2,844

Notes to financial statements

for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

(i) **Risk analysis**

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Interest rate risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields falls, the defined benefit obligation will tend to increase.

Salary Inflation risk

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary Increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Detailed information to the extent provided by the actuary in the actuarial certificate has been included in the disclosure given above.

35 Share Based Payments

Employee Stock Options (ESOP)

The Company has implemented an Employee Stock Option Scheme, which was approved by the Board of Directors and the shareholders vide resolution dated July 2, 2012 and July 10, 2012 respectively ('the V-Mart ESOP Scheme 2012' or the "Scheme"), consequent to which 3,00,000 equity shares with a nominal value of Rs.10 each will be granted upon exercise of stock options (ESOPs) to eligible employees. Further, the Members of the Company in its meeting held on September 18, 2017 had further approved the amendment in the V-Mart ESOP scheme, 2012 by increasing the total number of options from 3,00,000 (Three Lakhs) to 6,00,000 (Six Lakhs) options. The exercise price of these options will be determined by the Remuneration Committee and the options will vest over a period of twelve months to thirty six months of continued employment from the grant date. The Company has introduced new Employee Stock Option Scheme which was approved by Board of Directors and the shareholders vide resolution dated August 10, 2020 and September 30, 2020 respectively ('the V-Mart ESOP Scheme 2020' or the "Scheme"), consequent to which equity shares with the nominal value of Rs 10 each was granted to the eligible employees above certain level and based on certain portion of their remuneration subject to achievement of Company's performance and individual performance at the cut-off date.

(a) **The expense recognised for employee services received during the year is shown in the following table:**

Particulars	As at March 31, 2024	As at March 31, 2023
Expense arising from cash-settled share-based payment transactions	(663)	454
Total expense	(663)	454

During the year ended March 31, 2024, considering the actual performance vis-a-vis budgeted performance considered for ESOP scheme for the current year, the Company has re-assessed its liability with respect to share based payments for the current year and revisited its estimate for near future. Consequent to such re-assessment, ESOP liability amounting to Rs. 663 lakhs has been reversed in the current year.

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(All amounts in Rs. Lakhs, unless otherwise stated)

(b) **Below are the details in respect of ESOPs granted and outstanding as at March 31, 2024**

Particulars	ESOP Scheme	Grant Ratio	Vesting Period	Grant date	ESOPs outstanding	Exercise price (in Rs.)	Market value of equity shares on the date of grant (in Rs.)
Grant VIII	Scheme 2012	30:30:40	1 to 3 years	23-Jul-2018	9,686	2,044	2,271
Grant X	Scheme 2012	30:30:40	1 to 3 years	10-May-2019	2,859	2,347	2,595
Grant XI	Scheme 2012	30:30:40	1 to 3 years	02-Aug-2019	2,328	1,683	1,871
Grant XII	Scheme 2020	30:30:40	1 to 3 years	10-Nov-2020	10,821	1,769	1,967
Grant XIII	Scheme 2020	10:20:30:40	1 to 4 years	24-Dec-2020	1,15,789	1,244	2,488
Grant XIV	Scheme 2020	10:20:30:40	1 to 4 years	28-May-2021	7,007	1,400	2,800
Grant XV	Scheme 2020	10:20:30:40	1 to 4 years	10-Feb-2022	6,279	1,842	3,683
Grant XVI	Scheme 2020	10:20:30:40	1 to 4 years	05-Aug-2022	18,365	1,487	2,974
Grant XVII A	Scheme 2020	10:20:30:40	1 to 4 years	11-Nov-2022	9,024	1,415	2,830
Grant XVII B	Scheme 2020	10:20:30:40	1 to 4 years	11-Nov-2022	2,11,388	1,415	2,830
Grant XVIII	Scheme 2020	10:20:30:40	1 to 4 years	15-May-2023	4,012	1,072	2,143
Grant XIX	Scheme 2020	10:20:30:40	1 to 4 years	09-Aug-2023	10,000	1,415	2,394
Grant XX A	Scheme 2020	10:20:30:40	1 to 4 years	06-Nov-2023	8,684	855	1,690
Grant XX B	Scheme 2020	10:20:30:40	1 to 4 years	06-Nov-2023	1,404	855	1,690

The vesting of options is subject to the continued employment of the grantee over the vesting period. The options granted can be exercised after vesting at any time before the expiry of eight years from the grant date.

(c) **Below are the details in respect of ESOPs granted and outstanding as at March 31, 2023**

Particulars	ESOP Scheme	Grant Ratio	Vesting Period	Grant date	ESOPs outstanding	Exercise price (in Rs.)	Market value of equity shares on the date of grant (in Rs.)
Grant VIII	Scheme 2012	30:30:40	1 to 3 Years	23-Jul-2018	9,686	2,044	2,271
Grant X	Scheme 2012	30:30:40	1 to 3 Years	10-May-2019	2,859	2,347	2,595
Grant XI	Scheme 2012	30:30:40	1 to 3 Years	02-Aug-2019	2,328	1,683	1,871
Grant XII	Scheme 2012	30:30:40	1 to 3 Years	10-Nov-2020	14,936	1,769	1,967
Grant XIII	Scheme 2020	10:20:30:40	1 to 4 Years	24-Dec-2020	1,20,680	1,244	2,488
Grant XIV	Scheme 2020	10:20:30:40	1 to 4 Years	28-May-2021	7,007	1,400	2,800
Grant XV	Scheme 2020	10:20:30:40	1 to 4 Years	10-Feb-2022	9,166	1,842	3,683
Grant XVI	Scheme 2020	10:20:30:40	1 to 4 Years	05-Aug-2022	20,767	1,487	2,974
Grant XVII A	Scheme 2020	10:20:30:40	1 to 4 Years	11-Nov-2022	10,900	1,415	2,830
Grant XVII B	Scheme 2020	10:20:30:40	1 to 4 Years	11-Nov-2022	2,24,288	1,415	2,830

(d) **The relevant details in respect of V-Mart ESOP Scheme 2012 and ESOP Scheme 2020 are summarized below:**

Particulars	March 31, 2024		March 31, 2023	
	Number of options	Weighted average price in (Rs)	Number of options	Weighted average price in (Rs)
Outstanding at the beginning of the year	4,22,617	1,413	2,22,004	1,033
Granted during the year	24,100	1,202	2,58,463	1,421
Exercised during the year	(4,162)	1,763	(23,009)	1,529
Forfeited during the year	(24,909)	1,438	(34,841)	1,297
Outstanding at the end of the year	4,17,646	1,392	4,22,617	1,413
Exercisable at the end of the year	2,706	1,244	25,437	1,820

The vesting of options is subject to the continued employment of the grantee over the vesting period. The options granted can be exercised after vesting at any time before the expiry of eight years from the grant date.

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Weighted average remaining contractual life

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average remaining contractual life (in years)	5.90	7.35

- (e) The fair value of the options was estimated on the date of grant using the Black-Scholes Model with the following significant assumptions:

Particulars	Risk free interest rates (in %)	Expected life (in years)	Volatility (in %)	Dividend yield (in %)	Weighted average exercise price (in Rs.)	Weighted average fair value of stock option (in Rs.)
Grant VIII	7.42%	3 years	41.49%	0.10%	2,044	913
Grant X	7.33%	3 years	22.90%	0.10%	2,347	807
Grant XI	7.26%	3 years	23.61%	0.10%	1,683	591
Grant XII	6.93%	3 years	25.68%	0.10%	1,769	443
Grant XIII	6.93%	4 years	24.32%	0.10%	1,244	1,473
Grant XIV	6.41%	4 years	20.07%	0.10%	1,400	1,726
Grant XV	6.71%	4 years	16.30%	0.00%	1,842	2,177
Grant XVI	6.38%	4 years	18.07%	0.10%	1,487	1,738
Grant XVII A	6.44%	4 years	15.67%	0.10%	1,415	1,725
Grant XVII B	6.44%	4 years	15.67%	0.10%	1,415	1,725
Grant XVIII	6.58%	4 years	13.00%	0.00%	1,072	1,319
Grant XIX	6.60%	4 years	9.25%	0.00%	1,415	1,307
Grant XX A	6.64%	4 years	10.40%	0.00%	855	1,034
Grant XX B	6.64%	4 years	10.40%	0.00%	855	1,034

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.

36 Segment information

The Company has two different lines of business i.e. retail business and digital marketplace, which has altogether different risk and rewards.

A. Operating segments

Retail trade	Domestic sale to customer at stores
Digital marketplace	Commission and other income by providing Limeroad platform to vendors

B. Identification of segments

The Chief Operating Decision Makers (CODM) also views both the business lines separately and accordingly identified and considered as two different segments in terms of the requirements of Ind AS 108 'Operating Segments'. Accordingly, the financial statements for the year end include segment reporting.

- C. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "unallocable".

- D. Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax assets/liabilities, borrowings and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "unallocable".

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E. Summary of segment information

i. For the year ended March 31, 2024:

Particulars	Retail Trade	Digital Market place	Total Segment	Unallocated Amount	Total
Income:					
Revenue from operations					
i. Sale of traded goods	2,71,131	-	2,71,131	-	2,71,131
ii. Sale of service	-	6,953	6,953	-	6,953
iii. Other operating revenue	275	201	476	-	476
	2,71,406	7,154	2,78,560	-	2,78,560
Other income	2,095	-	2,095	-	2,095
Total income (a)	2,73,501	7,154	2,80,655	-	2,80,655
Expenses:					
Cost of goods sold	1,82,499	10	1,82,509	-	1,82,509
Employee benefit expenses	26,477	2,230	28,707	-	28,707
Depreciation and amortisation	21,137	1,076	22,213	-	22,213
Finance cost	12,436	-	12,436	1,801	14,237
Other expenses	33,967	12,072	46,039	-	46,039
Total expenses (b)	2,76,516	15,388	2,91,904	1,801	2,93,705
Segment loss (a-b)	(3,015)	(8,234)	(11,249)	(1,801)	(13,050)
Total assets	2,66,570	9,071	2,75,641	8,892	2,84,533
Total liabilities	1,95,172	3,570	1,98,742	11,092	2,09,834

ii. For the year ended March 31, 2023:

Particulars	Retail Trade	Digital Market place	Total Segment	Unallocated Amount	Total
Income:					
Revenue from operations					
i. Sale of traded goods	2,44,091	-	2,44,091	-	2,44,091
ii. Sale of service	-	1,688	1,688	-	1,688
iii. Other operating revenue	702	3	705	-	705
	2,44,793	1,691	2,46,484	-	2,46,484
Other income	-	-	-	1,497	1,497
Total income (a)	2,44,793	1,691	2,46,484	1,497	2,47,981
Expenses:					
Cost of goods sold	1,59,710	-	1,59,710	-	1,59,710
Employee benefit expenses	22,401	1,659	24,060	1,491	25,551
Depreciation and amortisation	17,918	80	17,998	-	17,998
Finance cost	11,152	-	11,152	539	11,691
Other expenses	29,733	4,593	34,326	6	34,332
Total expenses (b)	2,40,914	6,332	2,47,246	2,036	2,49,282
Segment profit/(loss) (a-b)	3,879	(4,641)	(762)	(539)	(1,301)
Total assets	2,60,227	8,677	2,68,904	5,349	2,74,253
Total liabilities	1,69,998	4,285	1,74,283	15,070	1,89,353

iii. Reconciliations to amount reflected in the financial statement:

a) Reconciliations of loss before tax

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Segment loss	(11,249)	(762)
Other income	-	1,497
Employee benefit expenses	-	(1,491)
Finance cost	(1,801)	(539)
Other expenses	-	(6)
Loss before tax	(13,050)	(1,301)

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b) Particulars	As at	As at
	March 31, 2024	March 31, 2023
Segment operating assets	2,75,641	2,68,904
Deferred tax assets	8,206	5,307
Income tax assets (net)	536	42
Others	150	-
Total assets	2,84,533	2,74,253

c) Reconciliations of liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Segment operating liabilities	1,98,742	1,74,283
Borrowings	11,000	14,782
Accrued interest on borrowings	23	-
Current tax liabilities (net)	69	288
Total liabilities	2,09,834	1,89,353

37 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at	As at
	March 31, 2024	March 31, 2023
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises (refer note 17)	19,674	14,979
Interest due on above	-	-
b. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c. Interest paid to suppliers under the MSMED Act, 2006.	-	-
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
e. The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f. The 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 the MSMED Act 2006.	-	-

Note: The management has obtained confirmation from majority of such vendors for principal and interest due to them.

38 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Cash and cash equivalents	Lease liabilities	Current borrowings	Total
As at April 01, 2022	3,304	(90,220)	-	(86,916)
Cash inflow/(outflow) (net)	(1,498)	18,237	(14,783)	1,956
Lease liability additions	-	(34,850)	-	(34,850)
Lease liability reversal	-	37	-	37
Gain on lease liabilities	-	(444)	-	(444)
Lease concession received	-	232	-	232
Finance cost	-	(11,152)	-	(11,152)
Others	-	(223)	-	(223)
As at March 31, 2023	1,806	(1,18,383)	(14,783)	(1,31,360)

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Particulars	Cash and cash equivalents	Lease liabilities	Current borrowings	Total
	Cash inflow/(outflow) (net)	917	20,358	3,783
Lease liability additions	-	(25,297)	-	(25,297)
Lease liability reversal	-	7,633	-	7,633
Finance cost	-	(12,436)	-	(12,436)
As at March 31, 2024	2,723	(1,28,125)	(11,000)	(1,36,402)

39 Financial risk management

A. Capital risk management

The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure. The Company determines the amount of capital required on the basis of an annual budget and a five year plan, including, for working capital, capital investment in stores and technology. The Company's funding requirements are met through internal accruals and a combination of both long-term and short-term borrowings. The Company does not have any long term borrowings from bank. However, it has obtained working capital loan and cash credit facility from bank. The Company has obtained a working capital demand loan of Rs. 11,000 lakhs (March 31, 2023: Rs. 10,988 lakhs) and has sanctioned borrowing limit of Rs. 29,500 lakhs (March 31, 2023: Rs. 20,000 lakhs).

The Company monitors capital on the basis of total debt to total equity on a periodic basis. The following table summarizes capital of the Company:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Lease liabilities	1,28,125	1,18,383
Borrowings	11,000	14,783
Less: Cash and cash equivalents	(2,723)	(1,806)
Total debt	1,36,402	1,31,360
Equity share capital	1,978	1,977
Other equity	72,721	82,923
Total equity	74,699	84,900
Total debt and equity	2,11,101	2,16,260
Gearing ratio	64.61%	60.74%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Further, as at March 31, 2024, the Company has cash and cash equivalent of Rs. 2,723 lakhs (March 31, 2023: Rs. 1,806 lakhs).

B. Financial risk management

A wide range of risks may affect the Company's business and operational / financial performance. The risks that could have significant influence on the Company are market risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the Company's operational and financial performance.

Market risk :

Market Risk is the risk that changes in market place could affect the future cash flows to the Company. The market risk for the Company arises primarily from interest rate risk and product price risk.

- Interest risk:** Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings are at fixed rates which are carried at amortised cost. They are therefore not subject to interest rate risk.
- Product price risk:** In a potentially inflationary economy, the Company expects periodical price increases across its retail product lines. Product price increases which are not in line with the levels of customers' discretionary

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for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

spends, may affect the business/retail sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to retail customers to sustain volumes. The Company negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps the Company protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sector, although overall volumes would get affected.

Liquidity risk:

Liquidity risk is a risk that the Company may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks. Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The table below summarises the maturity profile (remaining period of contractual maturity at the balance sheet date) of the Company's financial liabilities based on contractual undiscounted cash flows:

Particulars	On demand	Less than one year	Between one and five years	More than five years	Carrying amount
As at March 31, 2024					
Borrowings (excluding lease liabilities)	-	11,000	-	-	11,000
Trade payables (including acceptances)	-	63,366	-	-	63,366
Other financial liabilities	-	3,815	-	-	3,815
As at March 31, 2023					
Borrowings	-	14,783	-	-	14,783
Trade payables	-	48,833	-	-	48,833
Other financial liabilities	-	4,437	-	-	4,437

Note: The maturity analysis of lease liabilities is disclosed in note 44.

The Company has access to following financing facilities which were undrawn as at the end of the year

Particulars	As at March 31, 2024	As at March 31, 2023
Secured working capital facilities		
Amount used	11,000	10,988
Amount unused	18,500	9,012
Total	29,500	20,000

Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers reasonable and supportive forward-looking information.

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The Company provides for twelve month expected credit losses for the following financial assets:

As at March 31, 2024

Particulars	Estimated gross carrying amount	Expected credit loss	Carrying amount (net of impairment provisions)
Investments	1,450	980	470
Loans	23	-	23
Cash and cash equivalents	2,723	-	2,723
Other financial asset	7,730	372	7,358
Total financial assets	11,926	1,352	10,574

As at March 31, 2023

Particulars	Estimated gross carrying amount	Expected credit loss	Carrying amount (net of impairment provisions)
Investments	1,834	980	854
Loans	43	-	43
Cash and cash equivalents	1,806	-	1,806
Other financial asset	5,913	6	5,907
Total financial assets	9,596	986	8,610

40 Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair Value	Carrying value	Fair Value
Fair value through profit and loss				
Investments				
- Mutual funds	470	470	738	738
Fair value through amortised cost				
Investments				
- Bonds	-	-	116	116
Loans	23	23	43	43
Cash and cash equivalents	2,723	2,723	1,806	1,806
Other financial assets	7,358	7,358	5,907	5,907
Total financial assets	10,574	10,574	8,610	8,610
Financial liabilities				
Fair value through amortised cost				
Borrowings	11,000	11,000	14,783	14,783
Lease liabilities	1,28,125	1,28,125	1,18,383	1,18,383
Trade payables	63,366	63,366	48,833	48,833
Other financial liabilities	3,815	3,815	4,437	4,437
Total financial liabilities	2,06,306	2,06,306	1,86,436	1,86,436

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair value of unquoted investments are based on NAV as on the reporting date. The security deposits paid are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics, and individual credit worthiness of the counterparty. Based on this evaluation allowances are taken into account for the expected losses of the security deposits.

Notes to financial statements

for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

41 Fair value hierarchy

(i) Financial assets and liabilities measured at amortised cost at Level 3

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets (amortised cost)		
Investments in bonds	-	116
Loans	23	43
Cash and cash equivalents	2,723	1,806
Other financial asset	7,358	5,907
Total	10,104	7,872
Financial liabilities (amortised cost)		
Borrowings	11,000	14,783
Lease liabilities	1,28,125	1,18,383
Trade payables	63,366	48,833
Other financial liabilities	3,815	4,437
Total	2,06,306	1,86,436

(ii) Financial assets and liabilities measured at fair value at Level 1

Particulars	Fair values at		Fair value hierarchy
	As at March 31, 2024	As at March 31, 2023	
Investment in mutual funds	470	738	Level 1

Level 1: Level 1 hierarchy includes financial instruments measured using unquoted prices. The mutual funds are reported using the closing NAV.

Note: There have been no transfers between Level 1 and Level 2 during the year.

42 The Company on a periodic basis assesses the markdown of its aged and obsolete inventories (including shrinkage due to various reasons). The exercise has been carried out throughout the year and also at the year end. The estimated markdown including shrinkage in consumption of stock-in-trade amounts to Rs. 6,435 lakhs (including provision at year end of Rs. 5,085 lakhs) [March 31, 2023: Rs. 4,058 lakhs (including provision at year end of Rs. 2,832 lakhs)]. The management believes that above estimation is adequate both in line with the Company practise and industry standards.

43 Assets pledged as security

The carrying amounts of asset pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Financial assets		
Investments	470	854
Cash and cash equivalent	2,723	1,806
Other current financial assets	4,744	2,695
Non-financial assets		
Inventories	81,607	87,063
Total current assets pledged as security	89,544	92,418
Non-current		
Property, plant and equipment**	48,980	31,911
Capital work in progress**	384	10,924
Financial assets		
Other financial assets	67	67
Total non-current assets pledged as security	49,431	42,902
Total assets pledged as security	1,38,975	1,35,320

** represents collateral security

Notes to financial statements

for the year ended March 31, 2024

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(All amounts in Rs. Lakhs, unless otherwise stated)

Undrawn committed borrowing facilities

The Company has sanctioned working capital limits amounting to Rs. 29,500 lakhs (March 31, 2023: Rs. 20,000 lakhs) from SBI, ICICI, Axis Bank and HDFC Bank. An amount of Rs. 18,500 lakhs remains undrawn as at March 31, 2024 (March 31, 2023: Rs. 9,012 lakhs). Further, the limits available is secured by way of:

- Pari passu hypothecation charge with all the working capital lenders on entire current assets including stock and all the present and future book debts.
- Pari passu first hypothecation charge with all the working capital lenders on all the present and future property, plant and equipment of the Company excluding vehicle and assets financed by other banks under the finance lease and term loan.
- Exclusive charge over personal property of Mr. Lalit Agarwal, Mr. Madan Gopal Agarwal and Mrs. Sangeeta Agarwal to SBI only.
- Personal guarantee of Mr. Lalit Agarwal and Mr. Madan Gopal Agarwal is given to SBI, ICICI and Axis bank.
- Personal guarantee of Mr. Lalit Agarwal is given to HDFC and personal guarantee of Mrs. Sangeeta Agarwal is given to SBI.
- Lien on 11,323 mutual fund units of SBI Liquid fund direct growth (Folio no 13912346).
- Exclusive charge over FDRs of Rs. 67 lakhs to SBI.
- Exclusive charge on Residential building bearing survey no. BPB081, 08th floor, Wing-B, Gurgaon (Haryana) admeasuring Total Area: 1714 sq. feet.

44 Right of use (ROU) asset and lease liabilities

The lease terms for office premises, warehouse and store sites are for a period of nine 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 at the option of the Company.

(a) Set out below are the carrying amounts of ROU assets recognised and the movements during the year:

Particulars	Category of ROU assets		Total
	Building	Plant and machinery	
Balance as at April 01, 2022	82,796	31	82,827
Additions during the year	36,057	-	36,057
Deletions during the year	-	(31)	(31)
Depreciation	(12,427)	-	(12,427)
Balance as at March 31, 2023	1,06,426	-	1,06,426
Additions during the year on account of :			
i) ROU on stores opened during the year	25,146	151	25,297
ii) Prepaid portion of security deposits made during the year	480	-	480
iii) Lease registration charges paid during the year	212	-	212
Deletions during the year [refer note (f)(ii) below]	(6,453)	-	(6,453)
Depreciation	(13,989)	(8)	(13,997)
Balance as at March 31, 2024	1,11,822	143	1,11,965

(b) The break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current	8,771	7,610
Non-current	1,19,354	1,10,773
Total	1,28,125	1,18,383

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(c) The movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,18,383	90,220
Additions during the year	25,297	35,288
Finance cost accrued during the year	12,436	11,152
Deletions [refer note (f)(ii) below]	(7,633)	(475)
Payment of lease liabilities	(20,358)	(17,802)
Balance as at the end of the year	1,28,125	1,18,383

(d) The details of the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	20,807	12,490
One to five year	82,354	1,23,756
More than five year	1,00,243	1,29,112
	2,03,404	2,65,358

(e) Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit on termination of lease [refer note (f)(ii) below]	1,180	444
Depreciation on right of use assets (refer note 27)	13,997	12,427
Interest on lease liabilities (refer note 26)	12,436	11,152
Rent expenses of short term leases (refer note 28)	1,549	2,547

(f) Note:

- Incremental borrowing rate of 9.1% considered for measurement of lease liability.
- The Company has recognised profit on termination of lease of Rs. 1,180 lakh (March 31, 2023: 444 lakh) under the head Other Income in the Statement of Profit and Loss on account of reversal of lease liabilities of Rs. 7,633 lakh (March 31, 2023: 475 lakh) and right of use assets of Rs. 6,453 lakh (March 31, 2023: 31 lakh). (Refer note 22).
- The Company does not face a significant liquidity risk with regard to its lease liabilities as the Company believes that it will be able to generate sufficient cash to meet the obligations related to lease liabilities as and when they fall due.
- As at March 31, 2024, the Company is in the process of getting the lease deeds registered for 190 (March 31, 2023: 196) retail stores in the name of the Company. Out of said 190 retail stores, the Company has entered into Memorandum of Understanding with the landlord for 181 retail stores (March 31, 2023: 163 stores) and the Company has right to operate such store as per Master Franchise Agreement with ALBL for nil stores (March 31, 2023: 17 stores). Accordingly, Right to Use assets ("ROU") has been recognised on those retail stores. For the remaining 9 stores (March 31, 2023: 16 stores), the Company is in the process of entering formal agreement with the lessors, accordingly, the ROU asset has not been created on those retail stores and rent paid for those stores have been debited to statement of profit and loss. The Company believes that the delay in execution of MOU or lease agreement is largely due to procedural issues in executing such lease deeds which are beyond control of the Company. The management is confident that formal agreements will be signed between the parties shortly and no material liability is expected against the Company in this regard.

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- The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021 on Ind AS 116 for rent concessions which are granted due to COVID-19 pandemic. Accordingly, it has accounted, which is netted from rent expenses for the year ended March 31, 2024 of Rs. nil (March 31, 2023: Rs. 232 lakhs) on account of unconditional rent concessions confirmed in writing by the landlord.

- 45 On November 10, 2022, the Company had acquired business of Limeroad market place from A.M. Marketing Private Limited for increasing the Company's online customer base against purchase consideration of Rs. 3,517 lakhs (net of liabilities assumed of Rs. 3,514 lakhs). Consequent to said business acquisition, all the assets and liabilities of the Limeroad market place business (excluding assets and liability as mentioned in the Business Transfer Agreement) were transferred to and vested in the Company with effect from November 10, 2022. The acquisition was accounted under the business acquisition method prescribed under Ind AS 103 - Business Combinations. Accordingly, pursuant to said business acquisition, following assets and liabilities were identified and recognised by the Company:

Particulars	Amount
Assets :	
Net working Capital	789
Property, plant and equipment (Refer note 3)	81
Computer software (Refer note 5)	11
Brand	2,740
Technology	3,130
Non compete fees	130
Total assets acquired (A)	6,881
Total liabilities acquired (B)	(3,514)
Total identifiable net assets at fair value (C) = (A) - (B)	3,367
Purchase consideration paid (D)	3,517
Goodwill (D) - (C)	150

* Intangible assets includes following assets valued by an independent valuer.

Particulars	As at November 10, 2022
i. Brand (A.M. Marketplace has existing business relationship with its key customers under the brand name of LimeRoad business, and the Company believes that it will continue to use these assets which will generate future revenue to the Company).	2,740
ii. Non-compete fee (the Company has entered into an agreement with A.M. Marketplace wherein both the parties have mutually agreed that A.M. Marketplace and its promoters will not enter into competition for at least thirty months from the date of completion of acquisition of LimeRoad business).	130
iii. Technology know how (A.M. Marketplace has technology experience and infrastructure to run online marketplace business and the Company believes that these assets will generate future revenue to the Company).	3,130
iv. Goodwill represents purchase consideration paid by the Company over and above the fair value of identifiable net assets acquired by the Company as per business transfer agreement entered with A.M. Marketplace dated November 10, 2022. It comprises the value of expected synergies arising from the acquisition which is not separately recognised. Goodwill is allocated entirely to Digital marketplace segment.	150

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Details of purchase consideration and cash outflow

Particulars	Amount
Purchase consideration:	
Cash paid as on November 10, 2022	3,517
Total consideration	3,517
Analysis of cash flows on acquisition:	
Transaction costs of the acquisition (a)	(185)
Purchase consideration paid (included in investing activity) (b)	(3,517)
Net cash inflow/(outflow) on acquisition (a+b)	(3,702)

46 During the current year, fire broke out in one of the retail stores of the Company in Hyderabad, Telangana and the Company has incurred losses against property, plant and equipment and inventory amounting to Rs. 5 lakhs and Rs. 123 lakhs respectively. The Company has filed claim with the insurance company. The said claim has not been approved by the insurance company till date. Accordingly, the Company is carrying provision against losses in the books of account.

During the previous year, fire broke out in one of the retail stores of the Company in Kanpur, Uttar pradesh and the Company incurred losses against property, plant and equipment and inventory amounting to Rs. 56 lakhs and Rs. 99 lakhs respectively. The Company has received insurance claim during the year and provisions against anticipated loss recognised in previous year has been actualised during the current year.

47 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

48 The Company made an investment in commercial papers of Infrastructure Leasing & Financial Services (IL&FS) in earlier years amounting to Rs. 980 lakhs, which were due for redemption on September 18, 2018. The aforesaid amount and interest thereon has not been received as on date. In view of the fact that there is uncertainty on recovery of the entire amount and the management is carrying a provision of full amount Rs. 980 lakhs (March 31, 2023 : 980 lakhs) against the said investment. The Company, had filed an intervention appeal on February 08, 2019 regarding the same, which is pending for disposals.

49 Other statutory information

- The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- The Company has not advanced or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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 to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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.
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income 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).

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- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 from the date of their implementation.
- The Company has been sanctioned working capital limits in excess of Rs. 500 lakhs in aggregate from bank during the year on the basis of security of current assets of the Company and quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

50 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance (>+/-25%)
Current ratio (in times)	Current assets	Current liabilities	1.16	1.37	-15.33%	Not applicable
Debt-equity Ratio (in times)	Total Debt (including lease liability)	Shareholder's Equity #	1.86	1.57	18.47%	Not applicable
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + loss on sale of Fixed assets, etc.	Debt service = Interest & Lease Payments + Principal Repayments	0.99	0.88	12.60%	Not applicable
Return on equity ratio (in %)	Net Profits after taxes - Preference dividend	Average shareholder's equity	-12.95%	-0.92%	1307.61%	Majorly on account of loss incurred during the year
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	2.24	2.08	7.74%	Not applicable
Trade receivable turnover ratio ##	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	-	-	0.00%	Not applicable
"Trade payable turnover ratio (in times)"	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.16	4.62	-31.60%	Majorly due to increase in trade payables
"Net capital turnover ratio (in times)"	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	19.54	8.67	125.37%	Majorly on account of decrease in working capital
"Net profit ratio (in %)"	Net profit	Net sales = Total sales - sales return	-3.47%	-0.32%	984.38%	Due to increase of losses in the current year
Return on capital employed (in %)	Earnings before interest and taxes (EBIT)	Capital Employed = Tangible Net Worth + Total Debt - Intangible assets including Goodwill	0.57%	4.90%	-88.39%	Due to increase of losses in the current year
Return on investment (in %)	Profit on sale of investments and FVTPL Gain	Average investment in mutual funds	9.36%	3.76%	148.74%	Improved due to improved market condition during the current year.

represents total equity

The Company is into retail business and there are no trade receivable in the Company, accordingly ratio is not applicable to the Company.

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(All amounts in Rs. Lakhs, unless otherwise stated)

- 51.** The Company was awarded projects, under the 'Deen Dayal Upadhaya-Grameen Kaushalya Yojana' (DDUGKY) from various state governments for encouraging youth employment. Out of total approval received till Balance Sheet date amounting to Rs. 7,031 lakhs (March 31, 2023 : Rs. 7,031 lakhs), the Company has incurred expenses to the extent of Rs. 6,759 lakhs, (March 31, 2023 : Rs. 5,521 lakhs). Out of the total expenses incurred, the Company has filed the claims amounting to Rs. 4,133 lakhs (March 31, 2023: Rs. 3,532 lakhs) and is the process of filing the claim for the remaining amount. Further, against the total claim filed by the Company, the amount received till the balance sheet date amounted to Rs. 3,757 lakhs (March 31, 2023 : Rs. 2,776 lakhs) and balance amount appearing as other assets amounting to Rs. 3,002 lakhs (March 31, 2023: Rs. 2,745 lakhs) (Refer note 11). Further, the Company has made provision for credit impairment amounting to Rs. 230 lakhs (March 31, 2023: Rs. 60 lakhs), in cases where the actual expenditure incurred exceeded the amount of eligible expenditure approved by the respective state governments. The management believes that entire amount is good and recoverable other than those against which adequate provision has been made in the books of accounts.
- 52.** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level in so far as it relates to Genesis accounting software. Further, no instance was noted of audit trail feature being tampered with respect of said accounting software.
- 53.** The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary to make them comparable with current year classification.

As per our report of even date

For S.R. Batliboi & Co. LLP

Firm Registration No.: 301003E/E300005

Chartered Accountants

For and on behalf of the board of directors of

V-Mart Retail Limited

CIN - L51909DL2002PLC163727

per **Amit Yadav**

Partner

Membership Number: 501753

Place: New Delhi

Date: May 14, 2024

Madan Gopal Agarwal

Whole Time Director

DIN No. 02249947

Anand Agarwal

Chief Financial Officer

Lalit Agarwal

Managing Director

DIN No. 00900900

Megha Tandon

Company Secretary

Mem. No. F10732

ANNEXURES

INDEPENDENT REVIEW CERTIFICATE

To,
V-Mart Retail Limited
 CIN: L51909DL2002PLC163727
 862-Phase-V, Udyog Vihar
 Gurugram, Haryana- 122010

M/S GBAB & Associates was engaged by The V-Mart Retail Limited (the 'Company') to provide independent review certificate on sustainability information including information in Business Responsibility and Sustainability Report Core (the "BRSR") together referred to as Sustainability Disclosures made with reference to the GRI Sustainability Reporting Standards issued by the Global Reporting Initiative (the "GRI Standards") and guidance note for Business Responsibility and Sustainable Report format (the "Guidance Note") in its Integrated Annual Report (the "Report") for the year ended March 31, 2024.

The sustainability data reported in the Report is based on Global Reporting Initiative (GRI) Sustainability Reporting Standards 2016 ('GRI Standards') and its subsequent updates in 2018 and 2020; its content and presentation is the sole responsibility of the management of the Company. GBAB's responsibility, as agreed with the management of the Company, is to provide independent review on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The review report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Scope of Review

The scope of assurance covers the following aspects of the Report:

- Data and information related to the Company's sustainability performance pertaining to GRI and BRSR
- Standards as disclosed in Annual Report, for the period 1st April 2023 to 31st March 2024;
- The Company's internal protocols, processes, and controls related to the collection and collation of specified sustainability and other non-financial performance data;
- Remote verification of sample data and related information through consultations with the Company's representatives.
- Review of data on a sample basis, pertaining to the disclosures of the GRI Standards and BRSR disclosed as part of Report.

Limitations of our Review

The assurance scope excludes:

- Operations of the Company other than those mentioned in the 'Scope of Assurance';
- Aspects of the Report and data/information other than those mentioned above;
- Data and information outside the defined reporting period i.e. 1st April 2023 to 31st March 2024;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters;
- Data and information on economic and financial performance of the Company.

What we did to form our conclusions

In order to form our conclusions, we undertook the following key steps:

- Interviews with select key personnel and the core team responsible for the preparation of the Report to understand the Company's sustainability vision, mechanism for management of sustainability issues and engagement with key stakeholders;
- Data assurance through desk reviews covering the Company's corporate office;
- Review of relevant documents and systems for gathering, analyzing and aggregating sustainability performance data in the reporting period.
- Review of the Report for detecting, on a test basis, any major anomalies between the data/information reported in the Report and the relevant source;

Our Observations

The Company has demonstrated its commitment to sustainable development by reporting its performance on various material topics for FY 2023-24. The Company has prepared Report having sustainability data in accordance with GRI standards and BRSR. The Report includes a description of the Company's stakeholder engagement process, materiality assessment and relevant performance disclosures on the identified material topics. Areas of further improvement wherever identified have been brought before the attention of the management of the company.

Our Conclusion

On the basis of our review scope and methodology, nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards and the Company's reporting principles and criteria.

For GBAB & Associates
Chartered Accountants
FRN: 031384N

Partner
 Membership No: 062389

Place: Gurugram
 Date: 28th June, 2024

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*The Company has carried out independent review on sustainability disclosure

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