

Avenue Supermarts Limited

Plot No. B-72 & B-72A, Wagle Industrial Estate, Thane (West), Maharashtra, India - 400 604

Tel.: 91 22 33400500 • Fax: 91 22 33400599 • e-mail: info@dmartindia.com • Website: www.dmartindia.com

11th July, 2020

To,

BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

The National Stock Exchange of India Ltd.
Corporate Communications Department
“Exchange Plaza”, 5th Floor,
Bandra – Kurla Complex, Bandra (East),
Mumbai – 400 051

BSE Scrip Code: 540376

NSE Scrip Symbol: DMART

Sub: Proceedings of the Board Meeting held on 11th July, 2020

Dear Sir /Madam,

With reference to the captioned subject, we hereby inform you that the Board of Directors of the Company at its meeting held on 11th July, 2020, inter-alia other matters, has approved the following:

1. The Un-audited Standalone & Consolidated Financial Statement for the quarter ended on 30th June, 2020 along with the Limited Review Report issued by S R B C & Co LLP, Chartered Accountants, Statutory Auditors of the Company in accordance with the Regulation 33. of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the same is attached herewith.
2. Re-appointment of Mr. Chandrashekhar Bhawe (DIN: 00059856) as Non-Executive Independent Director of the Company for second term of 5 (five) consecutive years for the period starting from 17th May, 2021 till 16th May, 2026, subject to approval of shareholders of the Company.
3. Re-appointment of Mr. Ignatius Navil Noronha (DIN: 01787989) as Managing Director of the Company and designated as 'Chief Executive Officer' for a period of five years with effect from 1st February, 2021 till 31st January, 2026 subject to approval of shareholders of the Company.
4. Re-appointment of Mr. Elvin Machado (DIN: 07206710) as Whole-time Director of the Company for a period of three years with effect from 10th June, 2021 till 9th June, 2024 subject to approval of shareholders of the Company.

The brief profiles of aforesaid Directors are attached herewith.

We affirm that Mr. Chandrashekhar Bhawe, Mr. Ignatius Navil Noronha and Mr. Elvin Machado are not debarred from holding the office of Director by virtue of any order of Securities and Exchange Board of India or any other such authority.



CIN: L51900MH2000PLC126473

REGISTERED ADDRESS Anjaneya, Opp Hiranandani Foundation School, Powai, Mumbai, Maharashtra, India - 400076

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The said meeting commenced at 12.45 p.m and concluded at 1.55 p.m.

Kindly take the same on your record and acknowledge.

Thanking you.

Yours faithfully,

For **Avenue Supermarts Limited**



Ashu Gupta

Company Secretary & Compliance Officer



Encl: As above

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Brief Profile of Directors

1. Mr. Chandrashekhar Bhavé holds a graduation degree in electrical engineering from Jabalpur Engineering College. He has several years of experience in the state and central administrative services and securities regulation. Prior to joining our Company, he has been in the Indian administrative services and has worked in different positions with the State Government and the Central Government. He has held the position of a senior executive director of SEBI during the years 1992 to 1996 which were the formative years of SEBI, and during which period the work of creating the regulatory infrastructure for capital markets was undertaken. He has also served as the chairman and managing director of NSDL during the years 1996 to 2008. Further, he has served as the chairman of SEBI during the years 2008 to 2011. During this period, he was also the chairperson of the Asia-Pacific Regional Committee and a member of the technical and the executive committees of the International Organization of Securities Commission. He was a member of the board of the Public Interest Oversight Board ("PIOB"), which is a not for profit foundation registered in Madrid, Spain. The PIOB supervises the work of the standard setting bodies of the International Federation of Accountant from the perspective of public interest. He was a trustee of the IFRS foundation based in London. He is also the Chairman of the Indian Institute for Human Settlements, a not for profit company established for the purpose of creating and disseminating knowledge related to human settlements in the context of urban areas. He is a member of the board of Mahindra and Mahindra Financial Services Limited, Vistaar Financial Services Private Limited, Tejas Networks Limited, Max Bupa Health Insurance Company Limited and a trustee on the board of trustees of the Independent and Public Spirited Media Foundation Trust.

Mr. Chandrashekhar Bhavé is not related to any of the Directors of the Company.

2. Mr. Ignatius Navil Noronha holds a graduation degree in science from S.I.E.S College of Arts, Science and Commerce, Mumbai and a postgraduate degree in marketing management from Narsee Monjee Institute of Management Studies, Mumbai. He has several years of experience in the consumer goods industry. Prior to joining the Company, he has worked with Hindustan Unilever Limited for eight years. During this period, he worked in the field of Market research, Sales and Modern trade and at the time of leaving this organisation, he was designated as the key Accounts Manager – Modern trade.

Mr. Ignatius Navil Noronha is not related to any of the Directors of the Company.

3. Mr. Elvin Machado did his Graduation from St. Xavier's College - Mumbai in the year 1987 majoring in Economics and later completed M.A. (Part I) from Mumbai University. Post the graduation, he worked as a "Statistician" with a Pharmaceutical Company. In 1988 joined FMCG giant HLL now Hindustan Unilever Limited as a Trainee Territory Sales In-charge promoted as Officer. Later he was posted at Lever House (HO) as Trade Marketing Executive from where he has supervised and monitored work in many locations across India. At Unilever, his last posting was as "Branch Operations Manager" at Kolkata Branch. Post 18 years of stint with Unilever, he joined Avenue Supermarts Limited in 2007 as General Manager-Operations. In capacity of GM- Operations, he headed the Mumbai



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Circle. With a successful stint in Mumbai went on to Head the Gujarat Circle for two and half years. He had been in Mumbai taking care of "Real Estate Acquisition" for 4 years. Subsequently he was taken on Board as Whole-time Director. He has completed 13 years with Avenue Supermarts Limited and is presently looking after operations for the newly established circles of Madhya Pradesh, Chhattisgarh, Rajasthan, NCR and Punjab.


Mr. Elvin Machado is not related to any of the Directors of the Company.



Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Avenue Supermarts Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Avenue Supermarts Limited (the "Company") for the quarter ended June 30, 2020 and year to date from April 1, 2020 to June 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

**VIJAY
MANIAR**  Digitally signed by VIJAY MANIAR
DN: cn=VIJAY MANIAR, c=IN,
o=Personal,
email=vijay.maniar@srb.in
Date: 2020.07.11 13:42:28 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
UDIN: 20036738AAAADM9055
Mumbai; July 11, 2020



Avenue Supermarts Limited

CIN : L51900MH2000PLC126473

Regd. Office : Anjaneya CHS limited, Orchard Avenue, Opp. Hiranandani Foundation School, Powai, Mumbai 400 076

Unaudited standalone financial results for the quarter ended 30th June, 2020

(₹ in Crores, unless otherwise stated)

| Sr. No. | Particulars | Quarter ended 30th June, 2020 | Quarter ended 31st March, 2020 (Refer note - 8) | Quarter ended 30th June, 2019 | Year ended 31st March, 2020 |
|---------|--|----------------------------------|---|----------------------------------|-----------------------------------|
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| 1 | Income | | | | |
| | a) Revenue from operations | 3,833.23 | 6,193.53 | 5,780.53 | 24,675.01 |
| | b) Other income | 51.34 | 35.59 | 11.94 | 63.33 |
| | Total income | 3,884.57 | 6,229.12 | 5,792.47 | 24,738.34 |
| 2 | Expenses | | | | |
| | a) Purchases of stock-in-trade | 3,210.99 | 5,480.07 | 4,913.69 | 21,349.14 |
| | b) Change in inventories of stock-in-trade | 98.88 | (105.63) | (64.26) | (333.21) |
| | c) Employee benefits expense | 121.22 | 115.08 | 94.23 | 424.74 |
| | d) Finance costs | 7.55 | 12.43 | 16.76 | 62.76 |
| | e) Depreciation and amortisation expense | 86.09 | 94.83 | 74.97 | 339.81 |
| | f) Other expenses | 293.28 | 286.34 | 240.93 | 1,112.21 |
| | Total expenses | 3,818.01 | 5,883.12 | 5,276.32 | 22,955.45 |
| 3 | Profit before tax | 66.56 | 346.00 | 516.15 | 1,782.89 |
| 4 | Tax expenses | | | | |
| | Current tax | 16.90 | 66.75 | 179.95 | 448.84 |
| | Deferred tax charge / (credit) | 0.10 | (7.62) | 0.89 | (15.87) |
| | Tax in respect of earlier period / year | - | - | - | 0.03 |
| 5 | Net profit after tax | 49.56 | 286.87 | 335.31 | 1,349.89 |
| 6 | Other comprehensive income/(loss) (net of tax) | (1.03) | 0.49 | (0.32) | (3.79) |
| 7 | Total comprehensive income for the period / year | 48.53 | 287.36 | 334.99 | 1,346.10 |
| 8 | Paid-up equity share capital (Face Value - ₹10/- per share) | 647.77 | 647.77 | 624.08 | 647.77 |
| 9 | Other equity (excluding revaluation reserves) | | | | 10,487.75 |
| 10 | Earnings per share (of ₹10/- each) (not annualised): | | | | |
| | a) Basic in ₹ | 0.77 | 4.49 | 5.37 | 21.49 |
| | b) Diluted in ₹ | 0.76 | 4.46 | 5.30 | 21.33 |



Notes

- 1 The above financial results have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 2 The above financial results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on 11th July, 2020.
- 3 The limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been completed by the auditors of the Company.
- 4 The Company through Qualified Institutional Placement (QIP) allotted 20,000,000 equity shares to the eligible Qualified Institutional Buyers (QIB) at a issue price of ₹ 2,049 per equity share (including a premium of ₹ 2,039 per equity share) aggregating to ₹ 4,098 crore on 11th February, 2020. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "SEBI ICDR Regulations"), and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder (the "Issue"). Funds received pursuant to QIP are being utilised towards the object stated in the placement document and the balance unutilised as on 30th June, 2020 remain invested in deposits with scheduled commercial banks.
- 5 Pursuant to Avenue Supermarts Limited Employee Stock Option Scheme, 2016 Stock options convertible into 13,973,325 equity shares of ₹ 10/- each were granted to eligible employees at exercise price of ₹ 299/-. Out of the options granted, 38,77,295 options lapsed (31st March, 2020: 38,43,095) and 36,91,105 options were vested (31st March, 2020 : 36,91,105) as at 30th June, 2020. Against the vested options, 36,90,205 (31st March, 2020 : 36,90,205) equity shares of ₹ 10/- each were allotted pursuant to exercise of options, and balance 900 (31st March, 2020 : 900) options lapsed.
- 6 The rapidly expanding national spread of Covid-19 now has led to an uncertain and unpredictable path ahead for all of us. The health and safety of our customers and employees precedes everything else and we are taking all measures to ensure they feel safe and confident while shopping or working at DMart. Many cities and local municipalities continue to enforce rules that are significantly more severe than those notified by Central and State governments. The Company has taken into account the possible impact of COVID-19 in preparation of the standalone financial results, including its assessment of going concern assumption and recoverable values of assets. The full extent to which the pandemic will impact our future financial results is currently uncertain and will depend on further developments and social distancing rules inside the store; and any new information concerning the possible means to keep our citizens safe.
- 7 The Company is primarily engaged in the business of retail trades through offline channels. There are no separate reportable segment as per IND AS 108 - Operating Segments.
- 8 The standalone figures of the last quarter are the balancing figure between the audited figures in respect of the full financial year upto 31st March, 2020 and the unaudited year-to-date figures upto 31st December, 2019 being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 9 Previous year / quarter figures are regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of
Avenue Supermarts Limited



Ignatius Navil Noronha
CEO & Managing Director

Place: Thane

Date: 11th July, 2020

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Avenue Supermarts Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Avenue Supermarts Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended June 30, 2020 and year to date from April 1, 2020 to June 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Parent Company:

- i. Avenue Supermarts Limited

Subsidiaries:

- i. Avenue E-Commerce Limited
- ii. Align Retail Trade Private Limited
- iii. Nahar Seth & Jogani Developers Private Limited
- iv. Avenue Food Plaza Private Limited
- v. Reflect Wholesale and Retail Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of 3 subsidiaries, whose unaudited interim financial results include total revenues of Rs. 0.06 crore, total net loss after tax of Rs. 1.00 crore, and total comprehensive loss of Rs. Nil crore, for the quarter ended June 30, 2020 as considered in the Statement whose interim financial results and other financial information have not been reviewed by their auditors.

These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matter stated in paragraph 6 above stated is not modified with respect to our reliance on the work done and the reports of the other auditors.

For S R B C & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

VIJAY
MANIAR

Digitally signed by VIJAY MANIAR
DN: cn=VIJAY MANIAR, c=IN,
o=Personal,
email=vijay.maniar@srb.in
Date: 2020.07.11 13:44:53 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

UDIN: 20036738AAAADN4614

Mumbai; July 11, 2020



Avenue Supermarts Limited

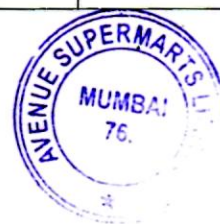
CIN : L51900MH2000PLC126473

Regd. Office : Anjaneya CHS limited, Orchard Avenue, Opp. Hiranandani Foundation School, Powai, Mumbai 400 076

Unaudited consolidated financial results for the quarter ended 30th June, 2020

(₹ in Crores, unless otherwise stated)

| Sr. No. | Particulars | Quarter ended 30th June, 2020 | Quarter ended 31st March, 2020 (Refer note - 8) | Quarter ended 30th June, 2019 | Year ended 31st March, 2020 |
|---------|--|----------------------------------|---|----------------------------------|--------------------------------|
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| 1 | Income | | | | |
| | a) Revenue from operations | 3,883.18 | 6,255.93 | 5,814.56 | 24,870.20 |
| | b) Other income | 50.60 | 34.85 | 10.95 | 59.99 |
| | Total income | 3,933.78 | 6,290.78 | 5,825.51 | 24,930.19 |
| 2 | Expenses | | | | |
| | a) Purchases of stock-in-trade | 3,244.16 | 5,510.48 | 4,928.63 | 21,441.68 |
| | b) Change in inventories of stock-in-trade | 86.85 | (104.64) | (66.51) | (338.75) |
| | c) Employee benefits expense | 128.86 | 126.14 | 100.39 | 456.10 |
| | d) Finance costs | 8.82 | 14.36 | 18.15 | 69.12 |
| | e) Depreciation and amortisation expense | 94.78 | 104.57 | 82.69 | 374.41 |
| | f) Other expenses | 311.54 | 306.62 | 255.29 | 1,182.86 |
| | Total expenses | 3,875.01 | 5,957.53 | 5,318.64 | 23,185.42 |
| 3 | Profit before tax | 58.77 | 333.25 | 506.87 | 1,744.77 |
| 4 | Tax expenses | | | | |
| | Current tax | 18.57 | 69.77 | 182.97 | 459.74 |
| | Deferred tax charge/ (credit) | 0.12 | (7.80) | 0.84 | (15.97) |
| | Tax in respect of earlier period/ year | - | - | - | 0.02 |
| 5 | Net profit after tax | 40.08 | 271.28 | 323.06 | 1,300.98 |
| 6 | Other comprehensive income /(loss) (net of tax) | (1.11) | 0.23 | (0.33) | (4.08) |
| 7 | Total comprehensive income for the period / year | 38.97 | 271.51 | 322.73 | 1,296.90 |
| 8 | Profit for the period / year | 40.08 | 271.28 | 323.06 | 1,300.98 |
| | Attributable to: | | | | |
| | Equity holders of the parent | 40.09 | 271.29 | 323.09 | 1,301.08 |
| | Non-controlling interests | (0.01) | (0.01) | (0.03) | (0.10) |
| 9 | Total comprehensive income for the period / year | 38.97 | 271.51 | 322.73 | 1,296.90 |
| | Attributable to: | | | | |
| | Equity holders of the parent | 38.98 | 271.52 | 322.76 | 1,297.00 |
| | Non-controlling interests | (0.01) | (0.01) | (0.03) | (0.10) |
| 10 | Paid-up equity share capital (Face Value - ₹10/- per share) | 647.77 | 647.77 | 624.08 | 647.77 |
| 11 | Other equity (excluding revaluation reserves) | | | | 10,431.97 |
| 12 | Earnings per share (of ₹10/- each) (not annualised): | | | | |
| | a) Basic in ₹ | 0.62 | 4.25 | 5.18 | 20.71 |
| | b) Diluted in ₹ | 0.61 | 4.21 | 5.11 | 20.55 |



Notes:-

- 1 The above financial results have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 2 The above financial results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on 11th July, 2020.
- 3 The limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been completed by the auditors of the Company.
- 4 The Parent Company through Qualified Institutions Placement (QIP) allotted 20,000,000 equity shares to the eligible Qualified Institutional Buyers (QIB) at a issue price of ₹2,049 per equity share (including a premium of ₹2,039 per Equity Share) aggregating to ₹4,098 crore on 11th February, 2020. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "SEBI ICDR Regulations"), and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder (the "Issue"). Funds received pursuant to QIP are being utilised towards the object stated in the placement document and the balance unutilised as on 30th June, 2020 remain invested in deposits with scheduled commercial banks.
- 5 Pursuant to Avenue Supermarts Limited Employee Stock Option Scheme, 2016 Stock options convertible into 13,973,325 equity shares of ₹10/- each were granted to eligible employees at exercise price of ₹299/-. Out of the options granted, 38,77,295 options lapsed (31st March, 2020: 38,43,095) and 36,91,105 options were vested (31st March, 2020 : 36,91,105) as at 30th June, 2020. Against the vested options, 36,90,205 (31st March, 2020: 36,90,205) of ₹10/- each were allotted pursuant to exercise of options, and balance 900 (31st March, 2020: 900) options lapsed.
- 6 The rapidly expanding national spread of Covid-19 now has led to an uncertain and unpredictable path ahead for all of us. The health and safety of our customers and employees precedes everything else and we are taking all measures to ensure they feel safe and confident while shopping or working at DMart. Many cities and local municipalities continue to enforce rules that are significantly more severe than those notified by Central and State governments. The Group has taken into account the possible impact of COVID-19 in preparation of the consolidated financial results, including its assessment of going concern assumption and recoverable values of assets. The full extent to which the pandemic will impact our future financial results is currently uncertain and will depend on further developments and social distancing rules inside the store; and any new information concerning the possible means to keep our citizens safe.
- 7 The Group is primarily engaged in the business of retail trades through offline and online channels. There are no separate reportable segment as per IND AS 108 - Operating Segments.
- 8 The consolidated figures for the last quarter are at balancing figure between the audited figures in respect of the full financial year upto 31st March, 2020 and the unaudited year to date figures upto 31st December, 2019 being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 9 Previous year / quarter figures are regrouped and rearranged wherever necessary.

For and on behalf of the Board of Directors of
Avenue Supermarts Limited



Ignatius Navil Noronha
CEO & Managing Director

Place: Thane
Date: 11th July, 2020

D^{*}Mart

AVENUE SUPERMARTS LIMITED

Standalone Total Revenue down by 33.7% at Rs. 3,833 Crore

Standalone PAT down by 85% at Rs.50Crore

For the Quarter ended June 30, 2020 (Q1FY21):

Standalone results

- Total Revenue stood at Rs.3,833 Crore, lower by 33.7% y-o-y
- EBITDA of Rs. 109Crore; y-o-y decline of 81.7%
- PAT at Rs.50Crore; y-o-y decline of 85.2%
- Basic EPS for Q1FY21 stood at Rs.0.77, as compared to Rs.5.37 for Q1FY20
- 2 Stores were added in the Q1FY21

Mumbai, July 11, 2020: Avenue Supermarts Ltd. (ASL), one of the largest food & grocery retailers in India, today declared its standalone and consolidated financial results for the quarter ended June 30, 2020.

Standalone results

Total Revenue for the quarter ended June 30, 2020 stood at Rs. 3,833 crore, as compared to Rs. 5,781 crore in the same period last year. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in Q1 FY21 stood at Rs. 109 crore, as compared to Rs. 596 crore in the corresponding quarter of last year. EBITDA margin stood at 2.8% in Q1 FY21 as compared to 10.3% in Q1 FY 20.

Net Profit is at Rs. 50 crore for Q1 FY21, as compared to Rs. 335 crore in the corresponding quarter of last year. PAT margin stood at 1.3% in Q1 FY21 as compared to 5.8% in Q1 FY 20.

Basic Earnings per share (EPS) for Q1 FY21 stood at Rs.0.77, as compared to Rs. 5.37 for Q1 FY20.

Consolidated results

Total Revenue for the quarter ended June 30, 2020 stood at Rs. 3,883 crore, as compared to Rs. 5,815 crore in the same period last year. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in Q1 FY21 stood at Rs. 112 crore, as compared to Rs. 597 crore in the

corresponding quarter of last year. EBITDA margin stood at 2.9% in Q1 FY21 as compared to 10.3% in Q1 FY 20.

Net Profit is at Rs. 40 crore for Q1 FY21, as compared to Rs. 323 crore in the corresponding quarter of last year. PAT margin stood at 1.0% in Q1 FY21 as compared to 5.5% in Q1 FY 20.

Basic Earnings per share (EPS) for Q1 FY21 stood at Rs. 0.62, as compared to Rs. 5.18 for Q1 FY20.

D-Mart follows **Everyday low cost - Everyday low price (EDLC-EDLP)** strategy which aims at procuring goods at competitive price, using operational and distribution efficiency and thereby delivering value for money to customers by selling at competitive prices.

Commenting on the financial performance of the company **Mr. Neville Noronha, CEO & Managing Director, Avenue Supermarts Limited**, said:

Covid-19 continued to spread across the country. The ensuing restrictions have had a significant impact on our operational and financial performance in the quarter. Our revenue, EBITDA and PAT for the quarter were significantly lower as compared to the same quarter last year.

At the end of Q1 of FY 2020-21, our review and analysis can be summed up into four key observations:

Essential Retailer – Being in the essential products business helped us in providing shoppers their basic needs, pay our employees their wages and our suppliers and other service providers their dues just like before. In the current circumstances, this is extremely satisfying to each and every DMartian.

Organized Retail (India versus Developed Countries) – Unlike developed countries where organized retailers had a surge of customers walking into their stores, it has not happened with the same intensity at our stores.

This was because of the strong enforcement of store shutdowns, restrictive movement of people in general and strict social distancing rules inside stores. While the overall lockdown rules have softened in general, they continue with the same or more severe intensity in certain cities and local municipalities from time to time. Its negative impact on footfalls and sales were significant. There is also a sales channel of traditional trade which is smart, agile and resourceful. India still has a strong and resilient network of small shops and neighbourhood stores. They came roaring back after the first 2 or 3 weeks of lockdown serving the needs of an anxious customer the way the customer wanted it - quickly over the counter or through home deliveries. Value wasn't top of mind for shoppers during this time.

The DMart Business Model – After the passage of three months we can say with further certainty that our business model of store ownership, steady incremental store additions over time and strong focus on cost efficiency during usual times has allowed the business to face the pandemic shocks with relatively less harm. While we are in the midst of the second wave of the pandemic and business outlook may continue to seem uncertain, we are less anxious than we were in the beginning of April 2020.

Online Sales – DMart Ready sales in Mumbai have grown very well. We are making all attempts to scale it up in a meaningful manner. We started Home Deliveries (using DMart Ready App) through our stores across the rest of the cities, but discontinued it once the stringent lockdowns were withdrawn and our stores were allowed to open for business.

Conclusion – Wherever stores were allowed to operate unhindered, we recovered to 80% or more of pre-Covid sales in most stores. Discretionary consumption continues to be under pressure, especially in the Non-FMCG categories. This is impacting gross margins negatively. Store operations and duration of operation per day continues to remain inconsistent across cities due to strict lockdowns enforced by local authorities from time to time. In addition, in certain cities authorities are once again insisting on selling only essential products. Hence our future revenues continue to remain uncertain. We continue to cooperate with local authorities and are taking all necessary precautions and measures to keep our shoppers and employees safe and make shopping 100% safe.

About Avenue Supermarts Limited: (www.dmartindia.com; BSE: 540376; NSE: DMART)

Avenue Supermarts Limited is a Mumbai-based company, which owns and operates D-Mart stores. D-Mart is a national supermarket chain that offers customers a range of home and personal products under one roof. The Company offers a wide range of products with a focus on Foods, Non-Foods (FMCG) and General Merchandise & Apparel product categories. The Company offers its products under various categories, such as grocery and staples, dairy and frozen, fruits and vegetables, home and personal care, bed and bath, crockery, toys and games, kids apparel, apparel for men & women and daily essentials.

The Company opened its first store in Mumbai, Maharashtra in 2002. As of June 30, 2020 the Company had 216 stores with Retail Business Area of 8.0 million sq. ft. across Maharashtra, Gujarat, Daman, Andhra Pradesh, Karnataka, Telangana, Tamil Nadu, Madhya Pradesh, Rajasthan, NCR, Chhattisgarh and Punjab.

For More Information, Please Contact:

E: investorrelations@dmartindia.com

Ph.: +91 22 33400700

Mr. ShahabShaikh | E: shahab@conceptpr.com / 9320897525