



November 12, 2019

**BSE Limited**  
Scrip Code: **535755**

**National Stock Exchange of India Limited**  
Symbol: **ABFRL**

**Sub.: Outcome of the Meeting of the Board of Directors of Aditya Birla Fashion and Retail Limited**  
**(“the Company”) held on November 12, 2019**

- Ref.: 1. Regulation 30 (read with Schedule III - Part A), 33 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**  
**2. ISIN: INE647001011**

Dear Sir/ Madam,

In continuation to our letter dated September 30, 2019 and pursuant to the above referred, kindly note that the Board of Directors of the Company, in its meeting held today i.e. on Tuesday, November 12, 2019 (“said meeting”), have *inter alia* considered and approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2019 (“Unaudited Financial Results”).

The said meeting commenced at 12 noon and concluded at 3:10p.m. 

Please find enclosed herewith a copy of the:

- Unaudited Standalone and Consolidated Financial Results alongwith the Limited Review Report thereon;  
*[Kindly note that pursuant to regulation 47 of the SEBI Listing Regulations extract of these results will be published in Business Standard and Navshakti newspapers on Wednesday, November 13, 2019.]*
- Press Release; and
- Investor Presentation for Q2 FY19 - 20.

The same is also available on the Company’s website i.e. [www.abfrl.com](http://www.abfrl.com).

Further, the Company had closed its Trading Window from Tuesday, October 1, 2019 and the same will open on Friday, November 15, 2019.

Thanking you.

Yours faithfully,  
For Aditya Birla Fashion and Retail Limited

  
**Geetika Anand**  
**Vice President & Company Secretary**



Encl.: a/a

**ADITYA BIRLA FASHION AND RETAIL LIMITED**

**Registered Office:**

Piramal Agastya Corporate Park, Building ‘A’,  
4<sup>th</sup> and 5<sup>th</sup> Floor, Unit No. 401, 403, 501, 502,  
L.B.S. Road, Kurla, Mumbai - 400 070

**CIN:** L18101MH2007PLC233901  
**Tel.:** +91 86529 05000  
**Fax:** +91 86529 05400

**Website:** [www.abfrl.com](http://www.abfrl.com)  
**E-mail:** [secretarial.abfrl@adityabirla.com](mailto:secretarial.abfrl@adityabirla.com)



## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

Rs. in Crores

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	March 31, 2019 (Audited)
I	Revenue from operations	2,297.18	2,065.46	2,007.34	4,362.64	3,920.86	8,117.72
II	Other income	16.22	17.51	18.70	33.73	27.17	64.78
III	<b>Total Income (I + II)</b>	<b>2,313.40</b>	<b>2,082.97</b>	<b>2,026.04</b>	<b>4,396.37</b>	<b>3,948.03</b>	<b>8,182.50</b>
IV	<b>Expenses</b>						
	(a) Cost of materials consumed	207.58	182.98	70.86	390.56	214.70	604.21
	(b) Purchases of stock-in-trade	1,360.46	706.81	1,064.31	2,067.27	1,944.57	3,549.26
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(426.29)	58.51	(173.79)	(367.78)	(276.70)	(228.50)
	(d) Employee benefits expense	247.66	260.13	224.14	507.79	441.75	913.02
	(e) Finance costs	105.22	94.19	49.70	199.41	94.11	187.42
	(f) Depreciation and amortisation expense	221.33	202.24	69.07	423.57	141.37	282.33
	(g) Rent expense	101.97	122.26	264.69	224.23	529.97	1,110.35
	(h) Other expenses	459.64	420.71	414.33	880.35	809.93	1,615.31
	<b>Total expenses</b>	<b>2,277.57</b>	<b>2,047.83</b>	<b>1,983.31</b>	<b>4,325.40</b>	<b>3,899.70</b>	<b>8,033.40</b>
V	<b>Profit before tax (III - IV)</b>	<b>35.83</b>	<b>35.14</b>	<b>42.73</b>	<b>70.97</b>	<b>48.33</b>	<b>149.10</b>
VI	Income tax expense						
	(a) Current tax	4.28	7.40	-	11.68	-	21.84
	(b) Deferred tax (Refer note 8)	24.65	6.18	-	30.83	-	(193.96)
VII	<b>Net profit/ (loss) after tax (V - VI)</b>	<b>6.90</b>	<b>21.56</b>	<b>42.73</b>	<b>28.46</b>	<b>48.33</b>	<b>321.22</b>
VIII	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit or loss						
	(a) Re-measurement gains/ (losses) on defined benefit plans	15.45	(8.34)	1.14	7.11	4.62	(1.72)
	Income tax effect on above	(5.40)	2.91	-	(2.49)	-	0.60
	(b) Fair value gains/ (losses) on equity Instruments	2.95	-	-	2.95	-	-
	Income tax effect on above	(1.03)	-	-	(1.03)	-	-
	<b>Total other comprehensive income</b>	<b>11.97</b>	<b>(5.43)</b>	<b>1.14</b>	<b>6.54</b>	<b>4.62</b>	<b>(1.12)</b>
IX	<b>Total comprehensive Income (VII + VIII)</b>	<b>18.87</b>	<b>16.13</b>	<b>43.87</b>	<b>35.00</b>	<b>52.95</b>	<b>320.10</b>
X	Paid-up equity share capital (Face value of Rs. 10/- each)	773.63	773.50	771.72	773.63	771.72	773.48
XI	Other equity (excluding share suspense)	-	-	-	-	-	655.38
XII	Earnings per equity share (of Rs. 10/- each) (not annualised) (including share suspense)						
	(a) Basic (Rs.)	0.09	0.28	0.55	0.37	0.62	4.15
	(b) Diluted (Rs.)	0.09	0.28	0.55	0.37	0.62	4.15

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## Notes:

## 1 Standalone Balance Sheet

		Rs. in Crores	
Particulars		As at September 30, 2019 (Unaudited)	As at March 31, 2019 (Audited)
<b>A ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment		662.35	636.37
(b) Capital work-in-progress		31.30	22.39
(c) Goodwill		1,859.60	1,859.60
(d) Other intangible assets		64.74	59.51
(e) Right to use assets		2,013.19	-
(f) Financial assets			
(i) Investments		170.01	4.21
(ii) Loans		3.23	3.08
(iii) Security deposits		288.13	271.26
(iv) Other financial assets		0.68	1.06
(g) Deferred tax assets (net)		298.77	263.38
(h) Non-current tax assets (net)		18.93	16.20
(i) Other non-current assets		87.64	114.85
<b>Sub-total - Non-current assets</b>		<b>5,498.57</b>	<b>3,251.91</b>
<b>II Current assets</b>			
(a) Inventories		2,341.43	1,921.28
(b) Financial assets			
(i) Current Investments		30.02	-
(ii) Loans		6.41	5.42
(iii) Security deposits		63.43	80.19
(iv) Trade receivables		1,067.11	786.59
(v) Cash and cash equivalents		113.59	57.19
(vi) Bank balance other than above		0.25	0.22
(vii) Other financial assets		174.37	133.81
(c) Other current assets		402.48	384.46
<b>Sub-total - Current assets</b>		<b>4,199.09</b>	<b>3,369.16</b>
<b>TOTAL - ASSETS</b>		<b>9,697.66</b>	<b>6,621.07</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital		773.63	773.48
(b) Other equity		567.87	655.40
<b>Total - Equity</b>		<b>1,341.50</b>	<b>1,428.88</b>
<b>II Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		821.31	723.78
(ii) Deposits		82.80	81.22
(iii) Lease liability		1,665.64	-
(iv) Other financial liabilities		28.80	-
(b) Provisions		117.15	115.21
(c) Other non-current liabilities		10.33	92.46
<b>Sub-total - Non-current liabilities</b>		<b>2,726.03</b>	<b>1,012.67</b>
<b>III Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		1,088.62	474.45
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		158.96	105.58
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,561.93	2,293.03
(iii) Deposits		149.16	111.34
(iv) Lease liability		611.83	-
(v) Other financial liabilities #		894.97	1,023.78
(b) Provisions		78.64	87.04
(c) Other current liabilities		86.02	84.30
<b>Sub-total - Current liabilities</b>		<b>5,630.13</b>	<b>4,179.52</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>9,697.66</b>	<b>6,621.07</b>

# Includes Current maturities of long-term debt - Rs. 404.83 (March 31, 2019 - Rs. 504.63)

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## 2 Standalone Statement of Cash Flows

		Rs. in Crores	
Particulars		Six months ended September 30,2019 (Unaudited)	Six months ended September 30,2018 (Unaudited)
<b>I</b>	<b>Cash flows from operating activities</b>		
	Profit before tax	70.97	48.33
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortisation expense	423.57	141.37
	Finance costs	198.26	94.11
	Loss/ (profit) on sale of property, plant and equipment	(4.22)	0.37
	Share - based payment to employees	6.39	8.04
	Interest income	(0.39)	(0.41)
	Net gain on sale of current investments	(2.94)	(1.07)
	Unrealised exchange (gain)/ loss	1.30	4.52
	Expense/ (income) on financial assets/ liabilities that is designated as at fair value through profit or loss	(12.18)	0.35
	Provision for doubtful debts, deposits and advances	0.62	9.47
	Bad debts written off	-	0.22
	<b>Operating profit before working capital changes</b>	<b>681.38</b>	<b>305.30</b>
	Changes in working capital:		
	(Increase)/ decrease in trade and other receivables	(280.17)	(165.52)
	(Increase)/ decrease in inventories	(420.15)	(437.34)
	(Increase)/ decrease in other assets	(89.57)	(70.06)
	Increase/ (decrease) In trade and other payables	321.78	555.80
	Increase/ (decrease) in provisions	0.65	1.90
	Increase/ (decrease) in other liabilities	119.45	4.15
	<b>Cash generated from operations</b>	<b>333.37</b>	<b>194.23</b>
	Direct tax paid	(14.41)	(6.40)
	<b>Net cash flow from operating activities</b>	<b>318.96</b>	<b>187.83</b>
<b>II</b>	<b>Cash flows from investing activities</b>		
	Purchase of property, plant and equipment, intangible assets and capital advance	(146.18)	(163.07)
	Consideration paid for acquisition of subsidiaries	(159.30)	-
	Purchase of current investments	(4,426.75)	(420.81)
	Inter-corporate deposits to subsidiaries	(5.01)	-
	Proceeds from sale of property, plant and equipment and intangible assets	1.01	1.22
	Proceeds from sale/ maturity of current investments	4,399.67	421.88
	Repayment of Inter-corporate deposits by subsidiaries	2.00	-
	Interest income	0.39	0.41
	<b>Net cash flow used in investing activities</b>	<b>(334.17)</b>	<b>(160.37)</b>
<b>III</b>	<b>Cash flows from financing activities</b>		
	Proceeds from issuance of equity share capital	1.01	0.91
	Proceeds from non-current borrowings	500.00	300.00
	Proceeds from current borrowings (net)	613.18	117.61
	Repayment of non-current borrowings	(502.27)	(362.04)
	Repayment of lease liability	(266.73)	-
	Interest paid	(273.58)	(78.53)
	<b>Net cash flow from/ (used in) financing activities</b>	<b>71.61</b>	<b>(22.05)</b>
	<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>56.40</b>	<b>5.41</b>
	Cash and cash equivalents at the beginning of the period	57.19	72.56
	<b>Cash and cash equivalents at the end of the period</b>	<b>113.59</b>	<b>77.97</b>

Place : Mumbai  
Date : November 12, 2019



  
Ashish Dikshit  
Managing Director

Aditya Birla Fashion and Retail Limited  
Registered Office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor,  
Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070  
CIN: L18101MH2007PLC233901 E-mail: secretarial.abfrl@adityabirla.com Website: www.abfrl.com



**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

Review Report to  
The Board of Directors  
Aditya Birla Fashion and Retail Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Aditya Birla Fashion and Retail Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
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



per Aditya Vikram Bhauwala  
Partner  
Membership No.: 208382  
UDIN: 19208382AAAADG2973



Mumbai  
November 12, 2019



Aditya Birla Fashion and Retail Limited

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

Rs. in Crores

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited) (Refer note 14)	September 30, 2018 (Unaudited) (Refer note 14)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited) (Refer note 14)	March 31, 2019 (Audited) (Refer note 14)
I	Revenue from operations	2,307.78	2,065.46	2,007.34	4,373.24	3,920.86	8,117.72
II	Other income	16.57	17.51	18.70	34.08	27.17	64.78
III	<b>Total income (I + II)</b>	<b>2,324.35</b>	<b>2,082.97</b>	<b>2,026.04</b>	<b>4,407.32</b>	<b>3,948.03</b>	<b>8,182.50</b>
IV	Expenses						
	(a) Cost of materials consumed	208.62	182.98	70.86	391.60	214.70	604.21
	(b) Purchases of stock-in-trade	1,366.19	706.81	1,064.31	2,073.00	1,944.57	3,549.26
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(427.43)	58.51	(173.79)	(368.92)	(276.70)	(228.50)
	(d) Employee benefits expense	252.96	260.13	224.14	513.09	441.75	913.02
	(e) Finance costs	105.70	94.19	49.70	199.89	94.11	187.42
	(f) Depreciation and amortisation expense	224.80	202.24	69.07	427.04	141.37	282.33
	(g) Rent expense	102.14	122.26	264.69	224.40	529.97	1,110.35
	(h) Other expenses	466.08	420.71	414.33	886.79	809.93	1,615.31
	<b>Total expenses</b>	<b>2,299.06</b>	<b>2,047.83</b>	<b>1,983.31</b>	<b>4,346.89</b>	<b>3,899.70</b>	<b>8,033.40</b>
V	<b>Profit before tax (III-IV)</b>	<b>25.29</b>	<b>35.14</b>	<b>42.73</b>	<b>60.43</b>	<b>48.33</b>	<b>149.10</b>
VI	Income tax expense						
	(a) Current tax	4.28	7.40	-	11.68	-	21.84
	(b) Deferred tax (Refer note 8)	23.36	6.18	-	29.54	-	(193.96)
VII	<b>Net profit/ (loss) after tax (V - VI)</b>	<b>(2.35)</b>	<b>21.56</b>	<b>42.73</b>	<b>19.21</b>	<b>48.33</b>	<b>321.22</b>
VIII	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	(a) Re-measurement gain/ (losses) on defined benefit plans	15.53	(8.34)	1.14	7.19	4.62	(1.72)
	Income tax effect on above	(5.40)	2.91	-	(2.49)	-	0.60
	(b) Fair value gain on equity instruments	2.95	-	-	2.95	-	-
	Income tax effect on above	(1.03)	-	-	(1.03)	-	-
	Items that will be reclassified to profit or loss						
	(a) Losses on foreign currency translation	(0.02)	-	-	(0.02)	-	-
	Income tax effect on above	0.01	-	-	0.01	-	-
	<b>Total other comprehensive income</b>	<b>12.04</b>	<b>(5.43)</b>	<b>1.14</b>	<b>6.61</b>	<b>4.62</b>	<b>(1.12)</b>
IX	<b>Total comprehensive income (VII + VIII)</b>	<b>9.69</b>	<b>16.13</b>	<b>43.87</b>	<b>25.82</b>	<b>52.95</b>	<b>320.10</b>
X	Profit/ (loss) for the period attributable to						
	- Owners of the Company	(0.84)	21.56	42.73	20.72	48.33	321.22
	- Non-controlling interest	(1.51)	-	-	(1.51)	-	-
		(2.35)	21.56	42.73	19.21	48.33	321.22
XI	Other comprehensive income for the period attributable to						
	- Owners of the Company	12.01	(5.43)	1.14	6.58	4.62	(1.12)
	- Non-controlling Interest	0.03	-	-	0.03	-	-
		12.04	(5.43)	1.14	6.61	4.62	(1.12)
XII	Total comprehensive income for the period attributable to						
	- Owners of the Company	11.17	16.13	43.87	27.30	52.95	320.10
	- Non-controlling interest	(1.48)	-	-	(1.48)	-	-
		9.69	16.13	43.87	25.82	52.95	320.10
XIII	Paid-up equity share capital (Face value of Rs. 10/- each)	773.63	773.50	771.72	773.63	771.72	773.48
XIV	Other equity (excluding share suspense)	-	-	-	-	-	655.38
XV	Earnings per equity share (of Rs. 10/- each) (not annualised) (including share suspense)						
	(a) Basic (Rs.)	(0.01)	0.28	0.55	0.27	0.62	4.15
	(b) Diluted (Rs.)	(0.01)	0.28	0.55	0.27	0.62	4.15

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BY  
  
S R B C & CO LLP  
MUMBAI



UNAUDITED CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

Rs. in Crores

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited) (Refer note 14)	September 30, 2018 (Unaudited) (Refer note 14)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited) (Refer note 14)	March 31, 2019 (Audited) (Refer note 14)
I	<b>Segment revenue</b>						
	Madura Fashion & Lifestyle	1,473.34	1,210.35	1,262.96	2,683.69	2,367.02	5,031.54
	Pantaloons	915.01	889.57	787.30	1,804.58	1,599.84	3,194.01
	<b>Total segment revenue</b>	<b>2,388.35</b>	<b>2,099.92</b>	<b>2,050.26</b>	<b>4,488.27</b>	<b>3,966.86</b>	<b>8,225.55</b>
	Less: Inter-segment revenue	80.57	34.46	42.92	115.03	46.00	107.83
	<b>Net sales/ Income from operations</b>	<b>2,307.78</b>	<b>2,065.46</b>	<b>2,007.34</b>	<b>4,373.24</b>	<b>3,920.86</b>	<b>8,117.72</b>
II	<b>Segment results [Profit before finance costs and tax]</b>						
	Madura Fashion & Lifestyle	104.41	49.48	83.57	153.89	97.31	263.44
	Pantaloons	50.03	74.06	13.31	124.09	52.04	86.78
	<b>Total segment results</b>	<b>154.44</b>	<b>123.54</b>	<b>96.88</b>	<b>277.98</b>	<b>149.35</b>	<b>350.22</b>
	Inter-segment results adjustments	21.70	(2.62)	5.44	19.08	7.98	15.44
	<b>Net segment results</b>	<b>132.74</b>	<b>126.16</b>	<b>91.44</b>	<b>258.90</b>	<b>141.37</b>	<b>334.78</b>
	Less: i) Finance costs	105.70	94.19	49.70	199.89	94.11	187.42
	ii) Other unallocable expenditure/ (income) - net	1.75	(3.17)	(0.99)	(1.42)	(1.07)	(1.74)
	<b>Profit before tax</b>	<b>25.29</b>	<b>35.14</b>	<b>42.73</b>	<b>60.43</b>	<b>48.33</b>	<b>149.10</b>
III	<b>Segment assets</b>						
		As at September 30, 2019 (Unaudited)	As at June 30, 2019 (Unaudited)	As at September 30, 2018 (Unaudited)	As at September 30, 2019 (Unaudited)	As at September 30, 2018 (Unaudited)	As at March 31, 2019 (Audited)
	Madura Fashion & Lifestyle	5,834.89	5,047.01	3,785.61	5,834.89	3,785.61	3,732.93
	Pantaloons	3,720.15	3,422.56	2,849.92	3,720.15	2,849.92	2,694.30
	<b>Total segment assets</b>	<b>9,555.04</b>	<b>8,469.57</b>	<b>6,635.53</b>	<b>9,555.04</b>	<b>6,635.53</b>	<b>6,427.23</b>
	Inter-segment eliminations	(172.39)	(100.46)	(81.15)	(172.39)	(81.15)	(90.14)
	Unallocated corporate assets	409.76	545.30	106.44	409.76	106.44	283.98
	<b>Total assets</b>	<b>9,792.41</b>	<b>8,914.41</b>	<b>6,660.82</b>	<b>9,792.41</b>	<b>6,660.82</b>	<b>6,621.07</b>
IV	<b>Segment liabilities</b>						
		As at September 30, 2019 (Unaudited)	As at June 30, 2019 (Unaudited)	As at September 30, 2018 (Unaudited)	As at September 30, 2019 (Unaudited)	As at September 30, 2018 (Unaudited)	As at March 31, 2019 (Audited)
	Madura Fashion & Lifestyle	3,841.17	3,465.45	2,200.98	3,841.17	2,200.98	2,114.61
	Pantaloons	2,220.52	2,078.17	1,257.98	2,220.52	1,257.98	1,187.22
	<b>Total segment liabilities</b>	<b>6,061.69</b>	<b>5,543.62</b>	<b>3,458.96</b>	<b>6,061.69</b>	<b>3,458.96</b>	<b>3,301.83</b>
	Inter-segment eliminations	(116.47)	(66.24)	(51.78)	(116.47)	(51.78)	(53.30)
	Unallocated corporate liabilities (including borrowings)	2,489.50	2,118.67	2,098.62	2,489.50	2,098.62	1,943.66
	<b>Total liabilities</b>	<b>8,434.72</b>	<b>7,596.05</b>	<b>5,505.80</b>	<b>8,434.72</b>	<b>5,505.80</b>	<b>5,192.19</b>

Note:

The business of the Company is divided into two business segments – Madura Fashion & Lifestyle and Pantaloons. These segments are the basis for management decision and hence the basis for reporting.

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## Notes:

## 1 Consolidated Balance Sheet

		Rs. in Crores	
Particulars		As at September 30, 2019 (Unaudited)	As at March 31, 2019 (Audited)  (Refer note 14)
<b>A</b>	<b>ASSETS</b>		
<b>I</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	667.06	636.37
	(b) Capital work-in-progress	31.44	22.39
	(c) Goodwill	1,954.35	1,859.60
	(d) Other intangible assets	161.40	59.51
	(e) Right to use assets	2,031.02	-
	(f) Financial assets		
	(i) Investments	7.16	4.21
	(ii) Loans	3.23	3.08
	(iii) Security deposits	290.04	271.26
	(iv) Other financial assets	0.73	1.06
	(g) Deferred tax assets	298.77	263.38
	(h) Non-current tax assets (net)	19.19	16.20
	(i) Other non-current assets	87.64	114.85
	<b>Sub-total - Non-current assets</b>	<b>5,552.03</b>	<b>3,251.91</b>
<b>II</b>	<b>Current assets</b>		
	(a) Inventories	2,356.35	1,921.28
	(b) Financial assets		
	(i) Current Investments	46.54	-
	(ii) Loans	6.44	5.42
	(iii) Security deposits	63.66	80.19
	(iv) Trade receivables	1,067.74	786.59
	(v) Cash and cash equivalents	118.50	57.19
	(vi) Bank balance other than above	0.25	0.22
	(vii) Other financial assets	171.48	133.81
	(c) Other current assets	409.42	384.46
	<b>Sub-total - Current assets</b>	<b>4,240.38</b>	<b>3,369.16</b>
	<b>TOTAL - ASSETS</b>	<b>9,792.41</b>	<b>6,621.07</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>Equity</b>		
	(a) Equity share capital	773.63	773.48
	(b) Other equity	560.15	655.40
	<b>Sub-total - Equity attributable to owners of the Company</b>	<b>1,333.78</b>	<b>1,428.88</b>
	Non-controlling interest	23.91	-
	<b>Total - Equity</b>	<b>1,357.69</b>	<b>1,428.88</b>
<b>II</b>	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	821.36	723.78
	(ii) Deposits	82.82	81.22
	(iii) Lease liability	1,681.77	-
	(iv) Other financial liabilities	28.80	-
	(b) Deferred tax liabilities	22.09	-
	(c) Provisions	119.62	115.21
	(d) Other non-current liabilities	10.33	92.46
	<b>Sub-total - Non-current liabilities</b>	<b>2,766.79</b>	<b>1,012.67</b>
<b>III</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	1,097.45	474.45
	(ii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	159.57	105.58
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,578.62	2,293.03
	(iii) Deposits	149.16	111.34
	(iv) Lease liability	615.58	-
	(v) Other financial liabilities #	895.33	1,023.78
	(b) Provisions	79.21	87.04
	(c) Other current liabilities	93.01	84.30
	<b>Sub-total - Current liabilities</b>	<b>5,667.93</b>	<b>4,179.52</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>9,792.41</b>	<b>6,621.07</b>

# Includes current maturities of long-term debt - Rs. 405.04 (March 31, 2019 - Rs. 504.63)

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## 2 Consolidated Statement of Cash Flows

₹ In Crores

Particulars	Six months ended September 30,2019	Six months ended September 30,2018
	(Unaudited)	(Unaudited) (Refer note 14)
<b>I Cash flows from operating activities</b>		
Profit before tax	60.43	48.33
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	427.04	141.37
Finance costs	198.74	94.11
Loss/ (profit) on sale of property, plant and equipment	(4.22)	0.37
Share - based payment to employees	6.39	8.04
Interest income	(0.34)	(0.41)
Net gain on sale of current investments	(2.95)	(1.07)
Unrealised exchange (gain)/ loss	1.30	4.52
Expense/ (income) on financial assets/ liabilities that is designated as at fair value through profit or loss	(12.19)	0.35
Provision for doubtful debts, deposits and advances	0.78	9.47
Bad debts written off	-	0.22
<b>Operating profit before working capital changes</b>	<b>674.98</b>	<b>305.30</b>
Changes in working capital:		
(Increase)/ decrease in trade and other receivables	(276.37)	(165.52)
(Increase)/ decrease in inventories	(421.13)	(437.34)
(Increase)/ decrease in other assets	(90.76)	(70.06)
Increase/ (decrease) in trade and other payables	316.53	555.80
Increase/ (decrease) in provisions	0.68	1.90
Increase/ (decrease) in other liabilities	122.37	4.15
<b>Cash generated from operations</b>	<b>326.30</b>	<b>194.23</b>
Direct tax paid	(14.72)	(6.40)
<b>Net cash flow from operating activities</b>	<b>311.58</b>	<b>187.83</b>
<b>II Cash flows from Investing activities</b>		
Purchase of property, plant and equipment, intangible assets and capital advance	(146.36)	(163.07)
Consideration paid for acquisition of Subsidiaries, net of cash acquired	(136.25)	-
Purchase of current investments	(4,473.31)	(420.81)
Proceeds from sale of property, plant and equipment and intangible assets	1.01	1.22
Proceeds from sale/ maturity of current investments	4,429.72	421.88
Interest income	0.34	0.41
<b>Net cash flow used in Investing activities</b>	<b>(324.85)</b>	<b>(160.37)</b>
<b>III Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital	1.01	0.91
Proceeds from non-current borrowings	500.00	300.00
Proceeds from current borrowings (net)	617.26	117.61
Repayment of non-current borrowings	(502.27)	(362.04)
Repayment of lease liability	(267.47)	-
Interest paid	(273.95)	(78.53)
<b>Net cash flow from/ (used in) financing activities</b>	<b>74.58</b>	<b>(22.05)</b>
<b>Net Increase in cash and cash equivalents</b>	<b>61.31</b>	<b>5.41</b>
Cash and cash equivalents at the beginning of the period	57.19	72.56
<b>Cash and cash equivalents at the end of the period</b>	<b>118.50</b>	<b>77.97</b>

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**Notes:**

- 3 The standalone and consolidated financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) - 34 "Interim Financial Reporting" 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.
- 4 During the quarter ended September 30, 2019, the Company has completed the acquisition of its subsidiaries. Accordingly, the Company publishes unaudited standalone financial results along with the unaudited consolidated financial results. In accordance with Ind AS 108 "Operating segments", the Company has disclosed the segment information on a consolidated basis as part of the unaudited consolidated financial results.
- 5 The standalone and consolidated financial results, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors at its meeting held on November 12, 2019.
- 6 The limited review as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.
- 7 The Group has adopted Ind AS 116 "Leases" effective April 01, 2019 using modified retrospective method as a result of which comparative information are not required to be restated.

Impact of Ind AS 116 on the standalone financial results for the quarter and six months ended September 30, 2019 is as follows:

The Company has recognised on April 01, 2019, right of use assets of Rs. 1,815.77 Crore and lease liability of Rs. 2,109.42 Crore, and the adjustment (i.e. charge) to the retained earnings as at April 1, 2019 is Rs. 129.82 Crore (net of straight lining of lease rentals of Rs. 94.10 Crore and deferred tax of Rs. 69.73 Crore). Therefore, rent expense, finance costs, depreciation and amortisation expense and other income for the year ended March 31, 2019 and quarter and six months ended September 30, 2018 are not comparable with quarter and six months ended September 30, 2019. Also, total assets and total liabilities as at March 31, 2019 and September 30, 2018 are not comparable with balances as at September 30, 2019.

Particulars	Quarter ended	Quarter ended	Change due to	Six months	Six months	Change due to
	September 30, 2019	September 30, 2019		ended	ended	
	(Comparable)	(As per Ind AS 116)	Ind AS 116	September 30, 2019	September 30, 2019	Ind AS 116
	(Unaudited)	(Unaudited)	Increase	(Comparable)	(As per Ind AS 116)	Increase
			/(Decrease)	(Unaudited)	(Unaudited)	/(Decrease)
			(Unaudited)			(Unaudited)
Rent expense	283.89	101.97	(181.92)	577.88	224.23	(353.65)
Finance costs	51.93	105.22	53.29	95.67	199.41	103.74
Depreciation and amortisation expense	65.98	221.33	155.35	125.63	423.57	297.94
Other Income	13.06	16.22	3.16	27.03	33.73	6.70
Profit/ (loss) before tax	59.38	35.83	(23.55)	112.30	70.97	(41.33)

- 8 The Government of India, on 20.09.2019, vide the Taxation Law (Amendment) Ordinance, 2019 inserted a new Section 115BAA in the Income Tax Act, 1961 which provides an option to the Company for paying income tax at reduced rates as per the provisions/conditions defined in the said Section. The Company is in the process of making a detailed evaluation of the impact of this Ordinance. Accordingly, pending evaluation, the Company has not given effect of the Ordinance in these unaudited financial results.
- 9 During the quarter ended September 30, 2019, the Nomination and Remuneration Committee of the Board of Directors has allotted 1,19,512 Equity Shares of Rs. 10/- each, pursuant to the exercise of Stock Options by eligible employees in terms of Employee Stock Option Scheme - 2013 and 5,403 Equity Shares of Rs. 10/- each pursuant to the exercise of Stock Options by eligible employees in terms of Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017.  
  
During the six months ended September 30, 2019, the Nomination and Remuneration Committee of the Board of Directors has allotted 1,19,512 Equity Shares of Rs. 10/- each, pursuant to the exercise of Stock Options by eligible employees in terms of Employee Stock Option Scheme - 2013 and 26,139 Equity Shares of Rs. 10/- each pursuant to the exercise of Stock Options by eligible employees in terms of Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017.
- 10 On effectiveness of the Composite Scheme of Arrangement amongst the Company, erstwhile Aditya Birla Nuvo Limited ("ABNL"), Madura Garments Lifestyle Retail Company Limited ("MGLRCL") and their respective Shareholders and Creditors under Section 391 to 394 of the Companies Act, 1956, the Company had issued 67,98,19,778 Equity Shares to the Shareholders of ABNL and MGLRCL ("said Shares"). Out of the said Shares, 67,60,37,600 Equity Shares were allotted to the Shareholders of ABNL and MGLRCL on January 27, 2016. However, pursuant to Clause 21 of the Composite Scheme, allotment of 37,82,178 Equity Shares to 3,475 Non-Resident Shareholders, including 4 Overseas Corporate Bodies ("OCBs") of ABNL ("NRE Shareholders") was kept pending until receipt of applicable regulatory approvals. Thereafter, from time to time, the Company has allotted 37,65,325 Equity Shares to 3,471 NRE Shareholders in terms of applicable laws. Accordingly, out of the said Shares, 16,853 Equity Shares held by 4 OCBs shall remain pending for allotment until receipt of Regulatory approvals.
- 11 On June 10, 2019, the Board of Directors of the Company had approved acquisition of 100% stake in:
  - a) "Jaypore E-Commerce Private Limited" ("Jaypore"), a B2B entity which sells ethnic fashion merchandise under its own brand "Jaypore" and of other third-party brands, by entering into a Share Purchase Agreement with its existing shareholders;
  - b) "TG Apparel & Decor Private Limited" ("TG Apparel"), a B2C entity which retails ethnic fashion, both online and offline, by entering into a Share Purchase Agreement with its existing shareholders.

On July 02, 2019, post completion of the conditions precedents under the aforesaid Share Purchase Agreement(s), Jaypore and TG Apparel became the wholly-owned subsidiaries of the Company. Consequent to the above, Jaypore Inc., USA, an overseas wholly-owned subsidiary of Jaypore has also become a wholly-owned subsidiary of the Company.

Further, on September 23, 2019, Jaypore allotted 10,91,338 Equity shares to the Company pursuant to the conversion of 10,91,338 Compulsorily Convertible Preference Shares Series B.
- 12 On July 15, 2019, the Company entered into a strategic partnership with India's leading designers "Shantanu & Nikhil" by way of acquisition of 51% stake in 'Finesse International Design Private Limited' ("Finesse"). The said acquisition was done through a combination of primary equity infusion and secondary share purchase by way of signing of Share Subscription and Purchase Agreement ("SSPA") and Shareholders' Agreement with Finesse and its shareholders.  
  
On July 26, 2019, post completion of the customary closing conditions under the said SSPA, Finesse became the subsidiary of the Company.
- 13 Previous periods' figures have been regrouped/ rearranged wherever necessary to conform to the current period's classification(s).

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- 14 The unaudited consolidated financial results for the quarter and six months ended September 30, 2019 are not comparable with the previous periods, in view of the matter discussed in note 11 and 12 above.
- 15 The consolidated and standalone cash flow statement for the six months ended September 30, 2018 have not been subjected to limited review by the statutory auditor of the Company.
- 16 Additional disclosures as per Regulation 63 read with Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	September 30, 2019	September 30, 2018	March 31, 2019
Debt equity ratio (times)*	3.42	1.66	1.19
Debt service coverage ratio (times)*	0.28	0.31	0.61
Interest service coverage ratio (times)*	1.36	1.51	1.80
Net worth (Rs in Crores)	1,341.50	1,155.02	1,428.88
Net profit/ (loss) after tax (Rs. in Crores)	28.46	48.33	321.22

\* The above ratios of September 30, 2019 are not comparable with the previous periods on account of Ind AS 116 "Leases". Also, refer note 7 above.

Details w.r.t. the unsecured, rated, redeemable, Non-Convertible Debentures ("NCDs") issued by the Company are as follows:

- The credit rating by CRISIL for the NCDs continues to be AA (Stable).
- The non-convertible debt securities of the Company are unsecured.
- The previous due date(s) for payment of interest and repayment of principal:  
Redemption of Series 1 NCDs issued by the Company in the year 2016 was due on April 12, 2019. Accordingly, the redemption amount has been duly paid.  
Redemption of Series 2 NCDs issued by the Company in the year 2016 was due on May 31, 2019. Accordingly, the redemption amount has been duly paid.
- The next due dates for the payment of interest and repayment of principal:  
NCDs issued by the Company in the year 2016, under Series 3, are Zero Coupon and payment of the redemption amount is due on April 20, 2020;  
NCDs issued by the Company in the year 2018, under Series 5, are Zero Coupon and payment of the redemption amount is due on August 14, 2021;

The Company has accumulated losses of the previous periods therefore the Company is not required to transfer any amount to the Debenture Redemption Reserve as per provisions of section 71 of the Companies Act, 2013.

- Details of the outstanding redeemable preference shares are as under:  
500,000, 8% Cumulative redeemable preference shares of ₹ 10/- each, redeemable at any time after completion of 15 years from March 31, 2009; and  
500, 6% Cumulative redeemable preference shares of ₹ 100/- each, redeemable at any time after completion of 15 years from October 14, 2009.

Ratios (based on standalone financial results) have been computed as follows:

Debt comprises Non-current borrowings, Current borrowings, Current maturities of long-term debt, Non-current lease liability and Current lease liability

Debt service coverage ratio = Earnings before interest and tax / (Finance cost + Principal repayment of non-current borrowings + Principal repayment of lease liability)

Interest service coverage ratio = Earnings before interest and tax / Finance cost

Debt equity ratio = Debt / Net worth; (Net worth: Equity share capital + Other equity)

Place : Mumbai  
Date : November 12, 2019



  
Ashish Dikshit  
Managing Director

Aditya Birla Fashion and Retail Limited  
Registered Office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor,  
Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070  
CIN: L18101MH2007PLC233901 E-mail: secretarial.abfri@adityabirla.com Website: www.abfri.com



**Independent Auditor's Review Report on the Quarterly and Year to Date 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  
Aditya Birla Fashion and Retail Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Aditya Birla Fashion and Retail Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (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"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
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:

Holding Company

- (i) Aditya Birla Fashion and Retail Limited

Subsidiaries

- (ii) Jaypore E-commerce Private Limited
- (iii) Jaypore Inc.
- (iv) TG Apparel & Décor Private Limited
- (v) Finesse International Design Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors 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



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**Chartered Accountants**

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 unaudited interim financial results and other unaudited financial information of subsidiaries whose interim financial results reflect total assets of Rs. 31.63 Crores as at September 30, 2019, total revenues of Rs. 13.79 Crores, total net loss after tax of Rs. 3.93 Crores and total comprehensive loss of Rs. 3.94 Crores for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, and net cash inflows of Rs. 1.38 Crores for the period from April 01, 2019 to September 30, 2019, as considered in the Statement, which have been reviewed by the independent auditors of the subsidiaries. The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the reports of such auditors and procedures performed by us as stated in paragraph 3 above.

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

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Aditya Vikram Bhauwala  
Partner

Membership No.: 208382

UDIN: 19208382AAAADH8554



Mumbai

November 12, 2019



## Aditya Birla Fashion and Retail posts strong business performance in a tough market, H1 PBT more than doubles

### Standalone Financials

<i>In Rs. Cr.</i>	Q2 FY19	Q2 FY20 (Comp.)	Growth	Q2 FY20 (Ind AS Adj.)
Revenue	2007	2297	14%	2297
EBITDA	162	177	10%	362
PBT	43	59	39%	36

<i>In Rs. Cr.</i>	H1 FY19	H1 FY20 (Comp.)	Growth	H1 FY20 (Ind AS Adj.)
Revenue	3921	4363	11%	4363
EBITDA	284	334	18%	694
PBT	48	112	132%	71

### Performance Summary

The Board of Directors of the Company at its meeting today have approved the results for the quarter ended 30<sup>th</sup> Sep 2019. These financials are after accounting for necessary adjustments pertaining to Ind AS 116.

In Q2 FY20, the Company posted a strong 14% growth in sales to Rs. 2297 Cr. This was accompanied by a robust 10% growth in EBITDA to Rs. 177 Cr. this year, on a comparable basis. At the same time, reported EBITDA (post Ind AS 116) for the quarter was at Rs. 362 Cr. The comparable Net profit for Q2 FY20 is Rs. 30 Cr.

For the first half of this fiscal, the Company recorded sales growth of 11% at Rs. 4363 Cr. The comparable EBITDA for the period grew by 18% to Rs. 334 Cr. with margins expanding from 7.2% in H1 FY19 to 7.6% in H1 FY20. During the period, the Company posted 132% increase in its comparable PBT at Rs. 112 Cr. from Rs. 48 Cr. last year. The comparable net profit for the period is Rs. 70 Cr.

### Business Segment Highlights

#### Madura Segment:

Madura business segment consists of **Lifestyle brands** – Louis Philippe, Van Heusen, Allen Solly and Peter England, **Fast Fashion brands** – Forever 21 and People and **Other businesses** that include Global brands, Innerwear and newly invested business in Ethnic, viz. Jaypore and Shantanu & Nikhil. The consolidated financials include the financials of both these businesses.

Madura segment recorded 16% growth in revenue in Q2 FY20 at Rs. 1463 Cr. as compared to Rs. 1263 Cr. in the same period last year, with a 20% growth in comparable EBITDA.

- **Lifestyle brands** reported a 15% jump in sales driven by exceptional growth in its new initiatives around women and kids wear businesses. The revenues for the period grew from Rs. 1090 Cr. last year to Rs. 1254 Cr. in the same period this year, amidst difficult market conditions. The business witnessed a 12% YoY increase in comparable EBITDA at Rs. 158 Cr.  
For H1 FY20, the reported revenues grew 11% YoY to Rs. 2259 Cr. while comparable EBITDA for the business grew at 16% to Rs. 252 Cr. over the same period last fiscal.
- **Fast Fashion** continues to operate on a calibrated business model. While People brand is gradually moving into Pantaloons, Forever 21 continues to run prudent operations with a focus on enhanced profitability.
- **Other Businesses** rapidly scaled up with individual sub-segments viz. Innerwear and Global brands displaying a robust growth trajectory. The segment recorded a strong YoY growth of 59% in revenue to Rs. 134 Cr. in Q2 FY20. For the first half of this financial year, the segment grew 67% in sales to Rs. 259 Cr.
  - Innerwear business progressed on its aggressive growth trajectory with the launch of newer categories and styles, along with the expansion of its distribution network, which stands at ~18,000 outlets at the end of this quarter.
  - Global brands grew fast, with strong same store sales growth across all portfolio brands.

#### Pantaloons Segment:

**Pantaloons** recorded a robust 16% growth on the back of strong LTL of more than 10% and rapid store expansion, despite difficult market conditions. Pantaloons segment reported revenue of Rs. 915 Cr. for the quarter as against Rs. 787 Cr. in Q2 FY19. This was driven largely by a superior product offering and intensified brand building. These initiatives have helped achieve 23% growth in comparable EBITDA at Rs. 64 Cr.

For H1 FY20, Pantaloons delivered a growth of 13% in sales to Rs. 1805 Cr., with EBITDA margins expanding from 8.1% last year to 8.4% this year.

#### Outlook

Aditya Birla Fashion and Retail Ltd. operates a well-diversified portfolio of very strong brands spread across varied segments, price points and wearing occasions. The Company is confident of continuing its market-leading performance on the back of wide distribution network, high quality talent and credible leadership team.

#### About Aditya Birla Fashion and Retail Limited

Aditya Birla Fashion and Retail Limited is India's largest pure-play fashion and lifestyle company with a strong bouquet of leading fashion brands and retail formats. The Company has a network of 2,875 stores, presence across approximately 22,000 multi-brand outlets with 5,400+ point of sales in department stores across India.

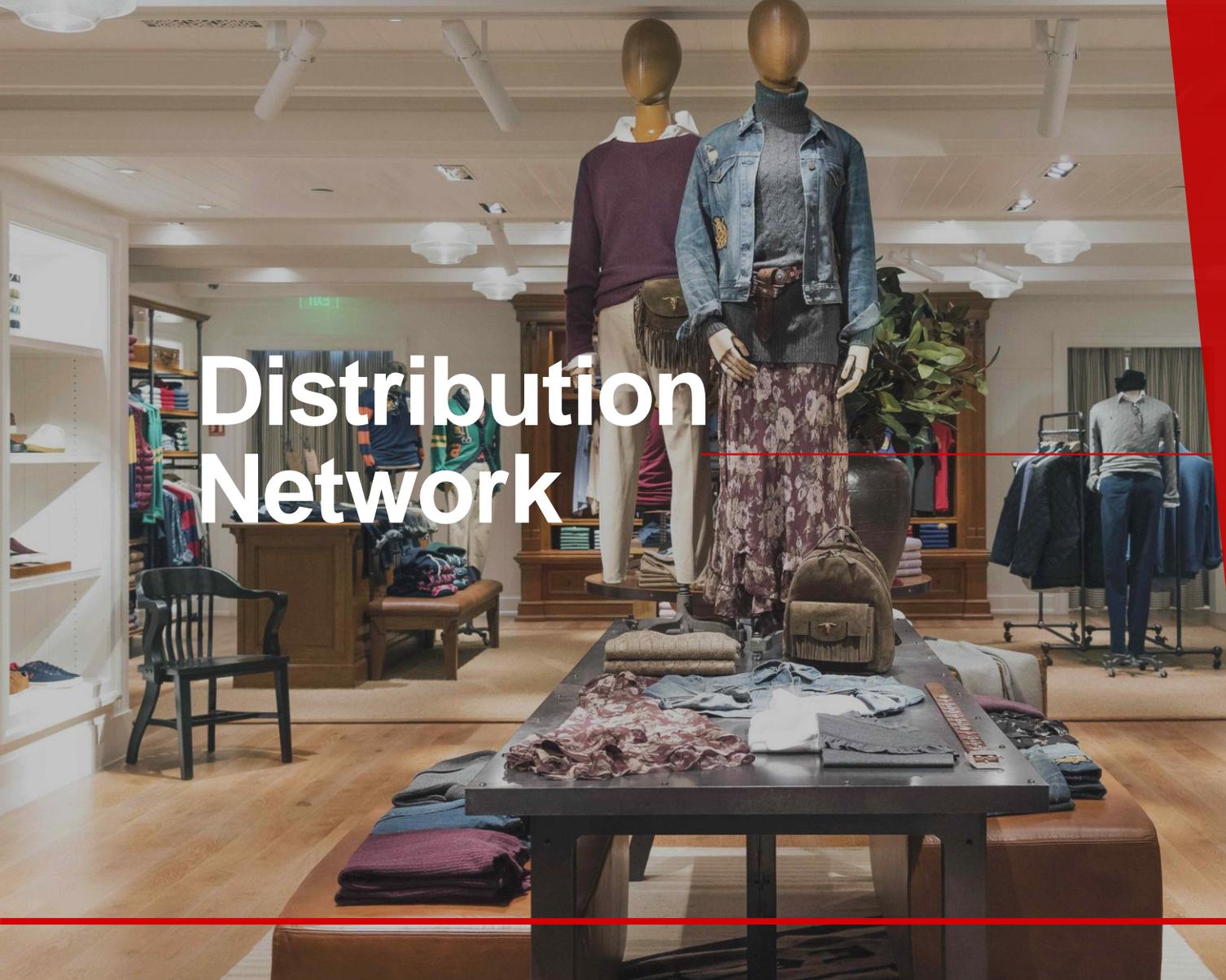
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# Performance

# Highlights Q2 FY20



# Distribution Network

**Distribution Network**

**Market Update**

**Q2 FY20 Highlights**

**Performance of Key Portfolios**

**Way Forward**

**Company Financials**

# India's widest distribution network

2,544

Brand Stores

331

Pantaloon Stores

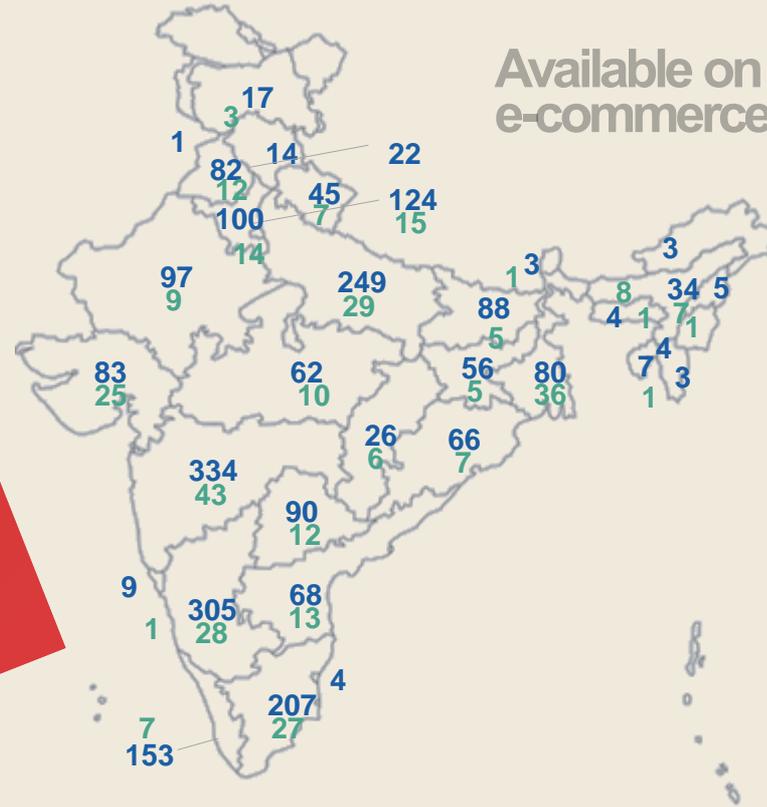
22,000

Multi-brand Outlets

5,403

SIS across  
Departmental stores

Available on all major  
e-commerce sites



7.9

Q2 FY20

7.2

Q2 FY19

Footprint

(million sq. ft.)

\* Includes VH Innerwear outlets





# Market Update

Distribution Network

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# Market Update



## Tough Market Conditions

Poor customer sentiments had an adverse impact on the overall consumer sector; albeit lower impact on apparel sector



## Promotions' driven Festive sales

Due to poor market conditions, most brands ran heavy promotions. E-commerce players intensified promotions during festive, followed by offline players



## New Categories driving growth

'Newer' categories like kids wear, innerwear, footwear and beauty segment gained traction with consumers



## Network Expansion

Expansion of Organized Retail continued as retailers made inroads into untapped markets



# Q2 – FY20 Highlights

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# ABFRL Q2 Highlights



**14%**

Revenue  
growth

**10%**

EBITDA  
growth

## Robust growth in tough market

Impressive overall growth with strong LTLs across businesses

## Reaching newer markets

Aggressive expansion in untapped markets

## New initiatives driving portfolio expansion

Strong growth across women's western, kids wear, non apparels and ethnic wear

## Accelerated Digital Transformation

Digitization across supply chain, consumer analytics and marketing

# ABFRL | Q2 Highlights

<b>Standalone Financials</b> <i>(In Rs. Cr.)</i>	<b>Q2 FY19</b>	<b>Q2 FY20 (Comp.)</b>	<b>Growth</b>	<b>Q2 FY20 (Ind AS Adj.)</b>
<b>Revenue</b>	2007	2297	14%	2297
<b>EBITDA</b>	162	177	10%	362
<b>EBITDA Margin</b>	8.0%	7.7%		15.8%
<b>EBIT</b>	92	111	20%	141
<b>PBT</b>	43	59	39%	36
<b>PAT</b>	43	30		7

# ABFRL | H1 Highlights

<i>Standalone Financials</i> <i>(In Rs. Cr.)</i>	H1 FY19	H1 FY20 (Comp.)	Growth	H1 FY20 (Ind AS Adj.)
Revenue	3921	4363	11%	4363
EBITDA	284	334	18%	694
EBITDA Margin	7.2%	7.6%		15.9%
EBIT	142	208	46%	270
PBT	48	112	132%	71
PAT	48	70		28

# Key segments | Q2 Highlights

<b>Standalone Financials</b>	<b>NSV</b>			<b>EBITDA</b>			<b>EBITDA %</b>	
	<b>Q2 FY19</b>	<b>Q2 FY20</b>	<b>Growth</b>	<b>Q2 FY19</b>	<b>Q2 FY20 (Comp.)</b>	<b>Growth (Comp.)</b>	<b>Q2 FY19</b>	<b>Q2 FY20 (Comp.)</b>
<i>(In Rs. Cr.)</i>								
<b>Madura</b>								
Lifestyle Brands	1090	1254	15%	140	158	12%	12.9%	12.6%
Fast Fashion	88	75	-15%	-10	0		-11.1%	-0.3%
Other Businesses *	84	134	59%	-17	-21		-19.7%	-15.6%
<b>Madura Segment</b>	<b>1263</b>	<b>1463</b>	<b>16%</b>	<b>114</b>	<b>137</b>	<b>20%</b>	<b>9.0%</b>	<b>9.3%</b>
<b>Pantaloon Segment</b>	<b>787</b>	<b>915</b>	<b>16%</b>	<b>52</b>	<b>64</b>	<b>23%</b>	<b>6.6%</b>	<b>7.0%</b>
Elimination	-43	-81		-4	-23			
<b>ABFRL</b>	<b>2007</b>	<b>2297</b>	<b>14%</b>	<b>162</b>	<b>177</b>	<b>10%</b>	<b>8.0%</b>	<b>7.7%</b>

\*Standalone financials does not include Jaypore and Shantanu & Nikhil Revenue: Rs. 11 Cr and EBITDA loss: Rs. 8 Cr.

# Key segments | H1 Highlights

Standalone Financials  (In Rs. Cr.)	NSV			EBITDA			EBITDA %	
	H1 FY19	H1 FY20	Growth	H1 FY19	H1 FY20 (Comp.)	Growth (Comp.)	H1 FY19	H1 FY20 (Comp.)
<b>Madura</b>								
Lifestyle Brands	2035	2259	11%	218	252	16%	10.7%	11.1%
Fast Fashion	177	155	-12%	-15	-9		-8.7%	-5.8%
Other Businesses *	155	259	67%	-42	-42		-26.8%	-16.4%
<b>Madura Segment</b>	<b>2367</b>	<b>2673</b>	<b>13%</b>	<b>161</b>	<b>200</b>	<b>25%</b>	<b>6.8%</b>	<b>7.5%</b>
<b>Pantaloon Segment</b>	<b>1600</b>	<b>1805</b>	<b>13%</b>	<b>130</b>	<b>151</b>	<b>16%</b>	<b>8.1%</b>	<b>8.4%</b>
Elimination	-46	-115		-7	-18			
<b>ABFRL</b>	<b>3921</b>	<b>4363</b>	<b>11%</b>	<b>284</b>	<b>334</b>	<b>18%</b>	<b>7.2%</b>	<b>7.6%</b>

\*Standalone financials does not include Jaypore and Shantanu & Nikhil Revenue: Rs. 11 Cr and EBITDA loss: Rs. 8 Cr.



# Performance of Key Portfolios

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## Lifestyle Brands

Strong growth in a tough market riding on network expansion and strong LTL

Robust performance backed by product enrichment and impactful marketing campaigns

## Pantaloons



## Fast Fashion

Profitability improvement measures driving turnaround

Rapid growth through portfolio expansion

## Other Businesses



# Performance of Key Portfolios

LOUIS PHILIPPE

VAN HEUSEN  
POWER DRESSING

Allen Solly

PETER ENGLAND

# Lifestyle Brands



# Lifestyle Brands

## Resilient growth story

LOUIS PHILIPPE

VAN HEUSEN  
POWER DRESSING

Allen Solly

PETER ENGLAND

- 15% growth in sales in tough market; EBITDA grew by 12%
- Continued strong LTL trajectory; @ 7% this quarter
- Digital Trade Show (DTS) successfully launched
  - all geared up for 12 season cycle
- Newer growth engines firing
  - PE small town format continues to add new markets
  - Women and kids wear categories continue to outperform; growing 60% and 30% respectively
- E-commerce continues to be the fastest growing channel

## Retail Network

Area (,000 sq. ft.)	2476	2666
	Q2 FY19	Q2 FY20
Stores	1897	2096

# Q2

## Channel-wise Revenue (in Rs. Cr.)

	Q2 FY19	Q2 FY20
Wholesale	518	595
Retail	354	404
Others	218	255

# H1

## Channel-wise Revenue (in Rs. Cr.)

	H1 FY19	H1 FY20
Wholesale	872	944
Retail	764	854
Others	399	462

## Loyalty Base (lakh)



# 50%

of revenues from  
loyal customers

# Performance of Key Portfolios

pantaløons



pantaloons

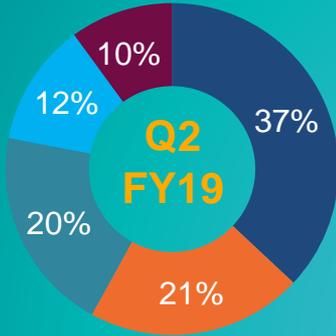
# Defying slowdown

- Strong double digit sales growth (16%) with robust LTL of +10.4%
- Best ever season sell through riding on superior products and improved freshness – instils confidence in our merchandise strategy
- 23% growth in EBITDA despite 34% higher marketing spends
- External brand contribution to sales reduces by ~250 bps YoY
- Running targeted campaigns focused on contemporising brand 'Pantaloons'

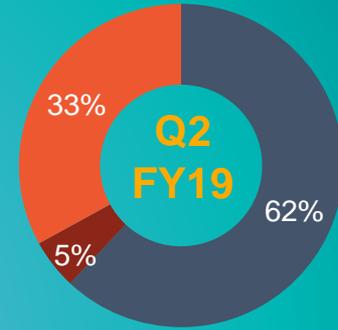
## Retail Network

Area (,000 sq. ft.)	3854	4259
	Q2 FY19	Q2 FY20
Stores	288	331

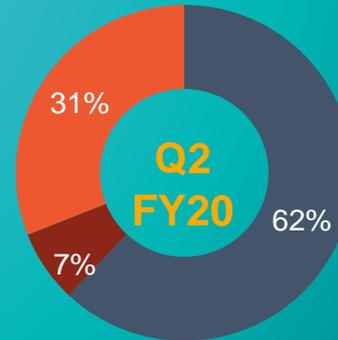
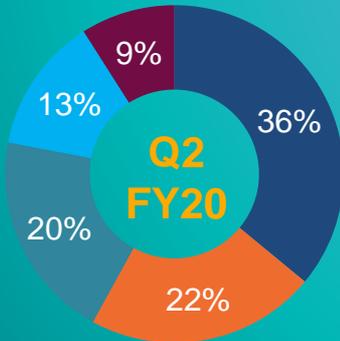
# Category Mix Ownership Mix



- Men
- Women's Western
- Women's Ethnic
- Kids
- Non Apps

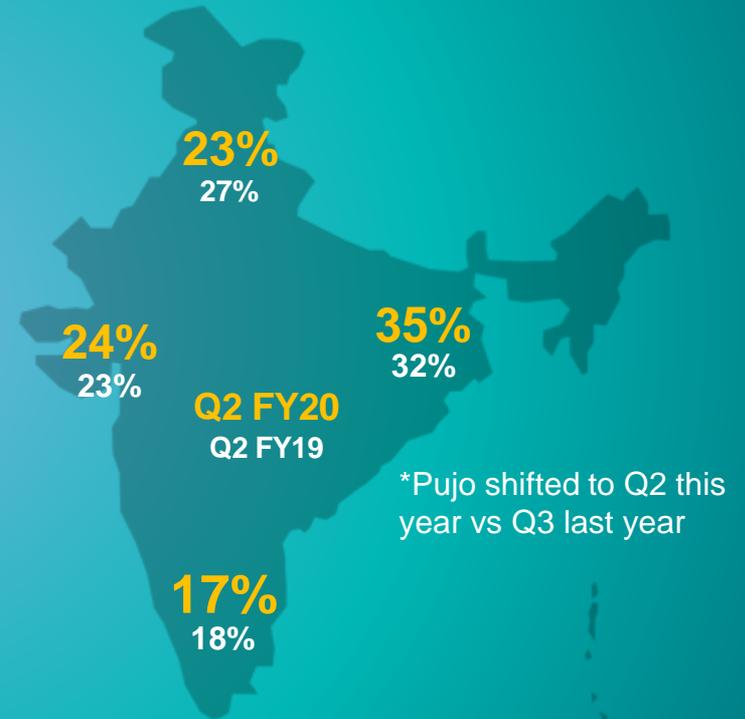


- Own Brands
- MFL
- External Brands



# Regional Mix

## Loyalty Base (lakh)



Madhya Pradesh (3% of sales) reclassified from North to West in FY20

# Performance of Key Portfolios



## Fast Fashion and Other Businesses

# Fast Fashion

Turnaround efforts  
bearing fruits

**FOREVER 21**

*People*  
FASHION & ACCESSORIES

## Operational Improvements

- F21 Indian operations unaffected by their US restructuring
- Local sourcing initiated
- People transition into Pantaloons on track

# Other Businesses

## Portfolio expansion

### Innerwear

Continue to scale up rapidly - 67% growth in Q2 YoY

Aggressive expansion continues, reaches 18000 doors

High secondary offtake at department stores and key MBOs driven by superior product

Product portfolio expansion - Adding new styles and categories

### Global Brands

Collective consistently posts very strong LTL (15% in Q2)

Premium services (personalized selling, customized tailoring - M2M) giving promising results

Mono brands more than doubles sales

Denims drive American Eagle's popularity amongst youth; grew 17% LTL

# Ethnic Business

## Foray into new segment

New Growth Platform set up for accelerating play in branded ethnic wear space

JAYPORE

SHANTANU & NIKHIL

# Way Forward

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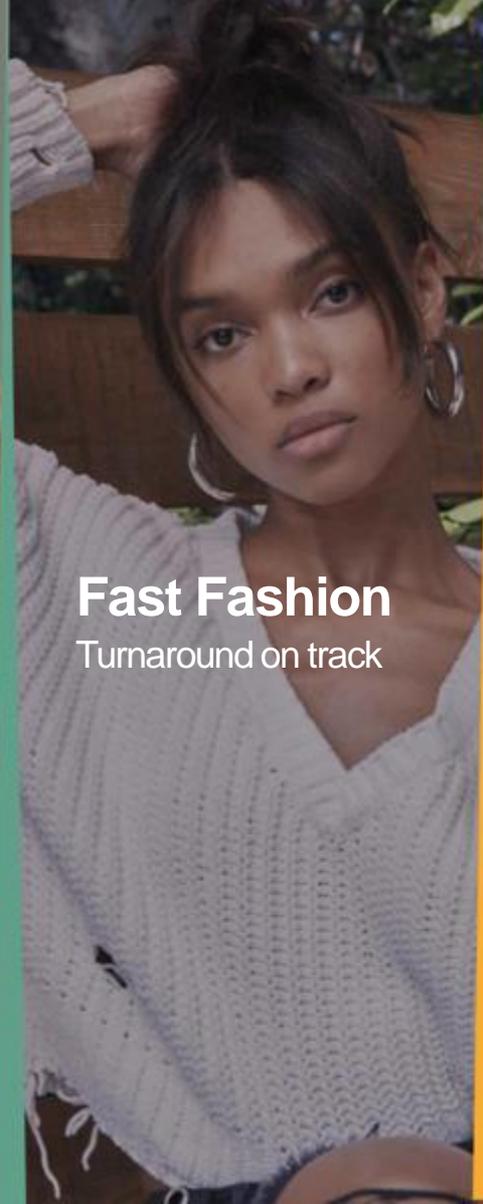
## Lifestyle Brands

Continue to drive growth through product innovation and network expansion



## Pantaloons

Modernized brand imagery  
Accelerated network expansion  
Drive margin improvement through enriched products



## Fast Fashion

Turnaround on track



## Other Businesses

Growth led by portfolio expansion



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# Financials

In Rs. Cr.	Q2 FY19	Q2 FY20	H1 FY19	H1 FY20
<b>Revenue from Operations</b>	<b>2,007</b>	<b>2,308</b>	<b>3,921</b>	<b>4,373</b>
Other Income	19	17	27	34
<b>Total Income</b>	<b>2,026</b>	<b>2,324</b>	<b>3,948</b>	<b>4,407</b>
<b>EXPENSES</b>				
Cost of Materials Consumed	71	209	215	392
Purchases of Stock-in-Trade	1,064	1,366	1,945	2,073
Changes in Inventories	(174)	(427)	(277)	(369)
Employee Benefits Expense	224	253	442	513
Finance Costs	50	106	94	200
Depreciation & Amortisation	69	225	141	427
Excise Duty	-	-	-	-
Rent Expense	265	102	530	224
Other Expenses	414	466	810	887
<b>Total Expenses</b>	<b>1,983</b>	<b>2,299</b>	<b>3,900</b>	<b>4,347</b>
Profit before Tax	43	25	48	60
Tax Expenses	-	28	-	41
<b>Net Profit after Tax</b>	<b>43</b>	<b>(2)</b>	<b>48</b>	<b>19</b>
Other Comprehensive Income	1	12	5	7
<b>Total Comprehensive Income</b>	<b>44</b>	<b>10</b>	<b>53</b>	<b>26</b>
Non-Controlling Interest	-	(1)	-	(1)
<b>Total Comprehensive Income (Owners)</b>	<b>44</b>	<b>11</b>	<b>53</b>	<b>27</b>

In Rs. Cr.	FY19	H1 FY20
Networth	1,429	1,358
Debt	1,703	2,324
Lease Liability	-	2,297
<b>Capital Employed</b>	<b>3,132</b>	<b>5,979</b>
Net Block (incl CWIP)	718	860
Goodwill	1,860	1,954
Right to Use Assets	-	2,031
Investments	4	7
Cash and Liquid Investments	57	165
Deferred Tax Assets	263	299
Net Working Capital	229	663
<b>Capital Employed</b>	<b>3,132</b>	<b>5,979</b>

# Intimation of Schedule of Conference Call

This is to inform that a conference call i.e. “Q2 FY 19-20 Earnings Call” with the Analysts/ Institutional Investors is scheduled to be held on Wednesday, November 13, 2019 at 15:30 HRS (IST)

<b>Date</b>	<b>Wednesday, November 13, 2019</b>	
<b>Time</b>	<b>15:30 HRS (IST)</b>	
<b>LOCATION</b>		<b>ACCESS NUMBERS</b>
<b>Universal Dial-in</b>		Primary Number (Toll Number): + 91 22 6280 1324, +91 22 7115 8225
<b>Local Dial-in</b> Available all over India		Toll Number: +91-7045671221 <i>Ahmedabad, Bengaluru, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Mumbai, Pune</i>
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**Aditya Birla Fashion and Retail Limited / CIN L18101MH2007PLC233901**

Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai 400 070

**Website [www.abfrl.com](http://www.abfrl.com) Email [invrelations.abfrl@adityabirla.com](mailto:invrelations.abfrl@adityabirla.com)**

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