

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

12th October, 2019

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 12th October, 2019

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 12th October, 2019, inter-alia other matters, has approved the Un-audited Standalone & Consolidated Financial Statement for the quarter and half year ended on 30th September, 2019 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 and 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) and the same is attached herewith.

Pursuant to Regulation 32(1) of the Listing Regulations, please note that there is no deviation/variation in the utilization of proceeds as mentioned in the objects stated in the Prospectus dated 14th March, 2017, in respect of the Initial Public Offering of the Company. Further please note that the issue proceeds have been fully utilized in the quarter ending 30th September, 2019.

The said meeting commenced at 12.30 p.m. and concluded at 3.00 p.m.

Kindly take the same on your record and acknowledge.

Thanking you.

Yours faithfully,
For **Avenue Supermarts Limited**

Ashu Gupta

Ashu Gupta
Company Secretary & Compliance Officer



Encl: As above

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
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 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 figures for net cash inflows 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 Vijay Maniar
Partner



Membership No.: 36738
UDIN: 19036738AAAA DK 2925
Mumbai, October 12, 2019



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 and six months ended 30th September, 2019

(₹ in Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended 30th September, 2019	Quarter ended 30th June, 2019	Quarter ended 30th September, 2018	Six months ended 30th September, 2019	Six months ended 30th September, 2018	Year ended 31st March, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a) Revenue from operations	5,949.01	5,780.53	4,872.52	11,729.54	9,431.94	19,916.25
	b) Other income	8.86	11.94	13.86	20.80	28.11	51.41
	Total income	5,957.87	5,792.47	4,886.38	11,750.34	9,460.05	19,967.66
2	Expenses						
	a) Purchases of stock-in-trade	5,443.43	4,913.69	4,394.61	10,357.12	8,321.06	17,409.12
	b) Change in inventories of stock-in-trade	(390.60)	(64.26)	(220.39)	(454.86)	(299.49)	(429.18)
	c) Employee benefits expense	104.42	94.23	84.20	198.65	161.16	335.03
	d) Finance costs	17.54	16.76	10.08	34.30	20.10	47.15
	e) Depreciation and amortisation expense	83.32	74.97	44.37	158.29	84.70	198.80
	f) Other expenses	276.36	240.93	224.46	517.29	436.89	959.10
	Total expenses	5,534.47	5,276.32	4,537.33	10,810.79	8,724.42	18,520.02
3	Profit before tax	423.40	516.15	349.05	939.55	735.63	1,447.64
4	Tax expenses (refer note 9)						
	Current tax	94.13	179.95	111.22	274.08	245.33	501.21
	Deferred tax charge	(4.18)	0.89	12.37	(3.29)	14.32	17.77
	Tax in respect of earlier period / year	-	-	(0.28)	-	(0.37)	(7.69)
5	Net profit after tax	333.45	335.31	225.74	668.76	476.35	936.35
6	Other comprehensive income (net of tax)	(2.53)	(0.32)	(0.14)	(2.85)	(0.29)	(1.27)
7	Total comprehensive income for the period / year	330.92	334.99	225.60	665.91	476.06	935.08
8	Paid-up equity share capital (Face Value - ₹10/- per share)	624.08	624.08	624.08	624.08	624.08	624.08
9	Other equity (excluding revaluation reserves)						4,970.40
10	Earnings per share (of ₹10/- each) (not annualised):						
	a) Basic in ₹	5.34	5.37	3.62	10.72	7.63	15.00
	b) Diluted in ₹	5.28	5.30	3.56	10.59	7.52	14.79
11	Debt redemption reserve				29.83	85.82	59.65
12	Net Worth				6,265.17	5,129.04	5,594.48
13	Debt equity ratio *				0.20	0.11	0.12
14	Debt Service Coverage Ratio (DSCR) *				1.26	28.91	2.48
15	Interest Service Coverage Ratio (ISCR) *				23.54	36.20	30.61
16	Paid up debt capital *				323.00	381.00	246.00

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S R B C & CO LLP
MUMBAI



Notes

1 Balance Sheet

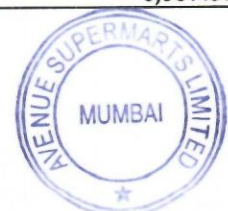
(₹ in Crores, unless otherwise stated)

Sr.No.		Particulars	As at	As at
			30th September, 2019 (Unaudited)	31st March, 2019 (Audited)
I		Assets		
1)		Non-current assets		
	a	Property, plant and equipment	4,739.81	4,205.86
	b	Capital work-in-progress	403.15	376.55
	c	Right of use assets	201.49	-
	d	Investment properties	17.58	18.10
	e	Intangible assets	9.90	10.27
	f	Financial assets		
	f.i	Investments in subsidiaries	237.05	212.00
	f.ii	Other non-current financial assets	54.11	36.06
	g	Other non-current assets	130.46	109.68
		Total non-current assets	5,793.55	4,968.52
2)		Current assets		
	a	Inventories	2,031.08	1,576.22
	b	Financial assets		
	b.i	Investments	72.92	-
	b.ii	Trade receivables	70.81	75.52
	b.iii	Cash and cash equivalents	224.09	120.23
	b.iv	Bank Balances other than cash and cash equivalents	14.76	93.32
	b.v	Other current financial assets	79.93	59.18
	c	Other current assets	107.87	104.58
		Total current assets	2,601.46	2,029.05
		Total assets	8,395.01	6,997.57
II		Equity and liabilities		
1)		Equity		
	a	Equity share capital	624.08	624.08
	b	Other equity	5,641.71	4,970.40
		Total equity	6,265.79	5,594.48
2)		Non current liabilities		
	a	Financial liabilities		
	a.i	Borrowings	275.00	125.67
	a.ii	Lease liability	170.93	-
	a.iii	Other non-current financial liabilities	0.66	0.78
	b	Deferred tax liabilities (net)	60.78	64.07
		Total non current liabilities	507.37	190.52
3)		Current liabilities		
	a	Financial liabilities		
	a.i	Borrowings	545.33	299.15
	a.ii	Lease liability	36.91	-
	a.iii	Trade payables due to :		
		Micro and small enterprises	25.16	5.44
		Other than micro and small enterprises	658.41	452.84
	a.iv	Other current financial liabilities	320.37	420.54
	b	Other current liabilities	15.08	21.93
	c	Provisions	20.59	12.67
		Total current liabilities	1,621.85	1,212.57
		Total equity and liabilities	8,395.01	6,997.57


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2 Cash Flow Statements for the six months ended 30th September, 2019		(₹ in Crores, unless otherwise stated)	
Sr. No.	Particulars	Six months ended	Six months ended
		30th September, 2019	30th September, 2018
		(Unaudited)	(Unaudited)
A	Cash flow from operating activities:		
	Profit before tax	939.55	735.63
	Adjustments for:		
	Depreciation and amortization expenses	158.29	84.70
	Finance cost	34.30	20.10
	Interest income	(4.47)	(15.97)
	Profit on sale of investments	(4.52)	(6.65)
	Expense on employee stock option scheme	4.90	10.20
	Rent income	(3.63)	(3.04)
	(Gain)/ loss on disposal of property, plant and equipment (net)	(3.05)	(2.18)
		181.82	87.16
	Operating profit before working capital changes	1,121.37	822.79
	Adjustments for:		
	Increase in trade payables	225.29	136.61
	Increase in provisions	4.11	2.66
	Increase/(decrease) in other current financial liabilities	3.08	(14.72)
	Increase/(decrease) in other current liabilities	(6.85)	(4.40)
	Decrease in other non-current financial liabilities	(0.12)	0.16
	Increase in trade receivables	4.71	(38.96)
	Increase in inventories	(454.86)	(299.49)
	Increase in other non-current financial assets	(5.37)	10.62
	Increase in bank balances other than cash and cash equivalents	(14.02)	(0.02)
	Increase in other current assets	(6.13)	(82.04)
	Decrease in other current financial assets	(19.03)	4.32
		(269.19)	(285.26)
	Cash flow from operating activities	852.18	537.53
	Direct taxes paid (net of refunds)	(300.30)	(235.45)
	Net cash flow from operating activities	551.88	302.08
B	Cash flow from investing activities:		
	Proceeds from disposal of property, plant and equipment	4.11	7.43
	(Increase)/decrease in current investments	(72.92)	51.71
	Realisation from FDs of IPO proceeds	92.58	155.07
	Interest received	6.84	20.88
	Gain on sale of investments	4.52	6.65
	Rent income received	3.61	2.24
		38.74	243.98
	Purchase of property, plant and equipment / investment properties	(757.31)	(599.51)
	Investment in subsidiaries	(25.05)	(25.10)
		(782.36)	(624.61)
	Net cash flow used in investing activities	(743.62)	(380.63)
C	Cash flow from financing activities:		
	Proceeds from share application money	0.62	-
	Proceeds from long term borrowings	50.00	-
	Proceeds of commercial papers	690.17	132.86
	Proceeds from non convertible debentures	200.00	-
	Proceeds of short term borrowings	265.14	35.88
		1,205.93	168.74
	Repayment of long term borrowings	(8.33)	(8.00)
	Repayment of commercial papers	(670.00)	-
	Repayment of non convertible debentures	(123.00)	(35.00)
	Repayment of short term borrowings	(50.00)	-
	Payment of lease liability	(35.16)	-
	Interest paid	(23.72)	(18.14)
		(910.21)	(61.14)
	Cash flow from financing activities	295.72	107.60
	Net increase/(decrease) in cash and cash equivalent	103.98	29.05
	Cash and cash equivalents at beginning of the period (including bank overdraft balances)	120.11	64.01
	Cash and cash equivalents at end of the period	224.09	93.06
	Cash and cash equivalents as per above comprises of the following		
	Cash and cash equivalents	224.09	93.09
	Bank overdrawn	-	(0.03)
	Balance as per statement of cash flows	224.09	93.06

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- 3 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.
- 4 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 12th October, 2019.
- 5 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.
- 6 The Company had completed the Initial Public offering (IPO) of fresh issue of 62,541,806 equity shares of ₹ 10 each at an issue price of ₹ 299 per share. The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) w.e.f. 21st March, 2017.

Use of IPO proceeds is summarised as below

(₹ in Crores, unless otherwise stated)

Particulars	Planned as per prospectus	Utilisation upto 30th September, 2019
Towards repayment / payment of NCDs / Term loans	1,080.00	1,080.00
Construction and purchase of fit outs for new stores	366.60	366.60
Towards general corporate purpose (including transaction cost of IPO)	423.40	423.40
Total	1,870.00	1,870.00

IPO proceeds have been fully utilised as at 30th September, 2019.

- 7 The Company has instituted an Avenue Supermarts Limited Employee Stock Option Scheme, 2016 ("the Scheme") as approved by the Board of Directors for issuance of stock option to eligible employees of the Company and of its subsidiaries. Pursuant to the said Scheme, Stock options convertible into 13,973,325 equity shares of ₹ 10/- each were granted to eligible employees at an exercise price of ₹ 299/- being the price at which fresh issue of shares were made in IPO. Out of the total options granted, 38,20,595 options lapsed (31st March, 2019 : 1,721,850) and 36,91,105 options were vested (31st March, 2019 : 18,000) till the end of period 30th September, 2019. 24,918 options have been exercised and pending to be allotted as at 30th September, 2019.
- 8 The Company has adopted modified retrospective approach as per para C8 (c)(ii) of IND AS 116 - Leases to its leases, effective from annual reporting period beginning 1st April, 2019. This has resulted in recognizing a right of use assets (an amount equal to the lease liability, adjusted by the prepaid lease rent) of ₹ 217.96 crore as at 1st April, 2019. In the statement of profit and loss for the current period, operating lease expenses has changed from rent to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability. To this extent, performance for the quarter and six month ended 30th September, 2019 is not comparable with previous period results. Reconciliation for the effects of the transition on Statement of Profit and Loss for the quarter and six months ended 30th September, 2019 as follows:

(₹ in Crores, unless otherwise stated)

Adjustments to increase / (decrease) in net profit	Quarter ended 30th September, 2019 comparable basis	Changes due to IND AS 116 increase / (decrease)	Quarter ended 30th September, 2019 as reported	Six months ended 30th September, 2019 comparable basis	Changes due to IND AS 116 increase / (decrease)	Six months ended 30th September, 2019 as reported
Other expenses	296.26	(19.90)	276.36	556.28	(38.99)	517.29
Finance costs	12.36	5.18	17.54	24.37	9.93	34.30
Depreciation and amortisation expense	62.00	21.32	83.32	119.01	39.28	158.29
Profit before tax	430.00	(6.60)	423.40	949.77	(10.22)	939.55

- 9 Tax expenses for the quarter and six months ended 30th September, 2019 reflect changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company.

10 Information provided pursuant to chapter V of SEBI (Listing obligation & disclosure requirement) Regulation, 2015

- a The company has allotted 1,000 secured rated listed redeemable non-convertible debentures (NCD) of ₹ 10 lakh each aggregating to ₹ 100 crore on private placement basis on 27th September, 2019 which are outstanding as on 30th September, 2019. These debentures are secured by way of First and exclusive Registered mortgage charge on specific retail store properties with a minimum asset cover of 1.25x at all times. Details of listed redeemable non-convertible debentures are as follows:

Particulars	Whether Secured / Unsecured	Credit Rating	Previous Due Date		Next Due Date	
			Principle	Interest	Principle	Interest
8% NCDs	Secured	CRISIL AA+/Stable	Not applicable	Not applicable	24-Sep-2021	11-Sep-2020

- b Formula used for the computation of ratios:

Debt Equity Ratio = Debt (includes lease liability) / Equity;

Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, finance cost and tax / (finance cost + Principal repayment during the period);

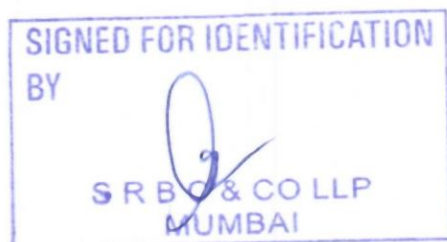
Interest Service Coverage Ratio (ISCR) = Earnings before finance cost and tax / finance cost

Paid up Debt Capital represents Redeemable Non-Convertible Debentures.

- 11 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.

- 12 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: 12th October, 2019

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated 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
Avenue Supermart 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 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 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 consolidated figures for the corresponding quarter ended September 30, 2018 and for the corresponding period from April 01, 2018 to September 30, 2018 as well as the consolidated figures for the net cash inflows for the period from April 01, 2018 to September 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors, 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:
Parent Company:
 - i. Avenue Supermarts LimitedSubsidiaries:
 - 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 of unaudited consolidated financial results include unaudited interim financial information and other unaudited financial information in respect of 3 subsidiaries, whose interim financial information reflect Group's share of total assets of Rs. 36.76 crore as at September 30, 2019, Group's share of total revenues of Rs. 6.88 crore and Rs.15.72 crore, Group's share of total net profit after tax of Rs. 1.58 crore and Rs.4.13 crore., Group's share of total comprehensive loss of Rs. 0.02 crore and Rs. 0.02 crore, for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019 respectively, and net cash outflows of Rs. 0.77 crore for the period from April 01, 2019 to September 30, 2019, as considered in the Statement. These unaudited interim financial information 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.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003


per Vijay Maniar
Partner

Membership No.: 36738

UDIN: 19036738AAAA0L1704

Mumbai, October 12, 2019





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 and six months ended 30th September, 2019

(₹ in Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended	Year ended
		30th September, 2019	30th June, 2019	30th September, 2018 (refer note 11)	30th September, 2019	30th September, 2018 (refer note 11)	31st March, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a) Revenue from operations	5,990.78	5,814.56	4,892.81	11,805.34	9,468.60	20,004.52
	b) Other income	8.12	10.95	13.73	19.07	27.30	48.35
	Total income	5,998.90	5,825.51	4,906.54	11,824.41	9,495.90	20,052.87
2	Expenses						
	a) Purchases of stock-in-trade	5,461.57	4,928.63	4,404.76	10,390.20	8,337.20	17,445.49
	b) Change in inventories of stock-in-trade	(392.38)	(66.51)	(227.54)	(458.89)	(311.12)	(444.65)
	c) Employee benefits expense	111.12	100.39	88.96	211.51	170.23	355.42
	d) Finance costs	19.01	18.15	10.17	37.16	20.21	47.21
	e) Depreciation and amortisation expense	91.91	82.69	47.56	174.60	90.98	212.49
	f) Other expenses	292.99	255.29	238.49	548.28	461.04	1,014.97
	Total expenses	5,584.22	5,318.64	4,562.40	10,902.86	8,768.54	18,630.93
3	Profit before tax	414.68	506.87	344.14	921.55	727.36	1,421.94
4	Tax expenses (refer note 9)						
	Current tax	96.19	182.97	113.56	279.16	249.40	509.13
	Deferred tax charge	(4.13)	0.84	12.19	(3.29)	14.68	18.02
	Tax in respect of earlier period/ year	(0.01)	-	(0.28)	(0.01)	(0.37)	(7.67)
5	Net profit after tax	322.63	323.06	218.67	645.69	463.65	902.46
6	Other comprehensive income (net of tax)	(2.54)	(0.33)	(0.12)	(2.87)	(0.27)	(1.31)
7	Total comprehensive income for the period / year	320.09	322.73	218.55	642.82	463.38	901.15
8	Profit for the period / year	322.63	323.06	218.67	645.69	463.65	902.46
	Attributable to:						
	Equity holders of the parent	322.66	323.09	218.69	645.75	463.70	902.54
	Non-controlling interests	(0.03)	(0.03)	(0.02)	(0.06)	(0.05)	(0.08)
9	Total comprehensive income for the period / year	320.09	322.73	218.55	642.82	463.38	901.15
	Attributable to:						
	Equity holders of the parent	320.12	322.76	218.57	642.88	463.43	901.23
	Non-controlling interests	(0.03)	(0.03)	(0.02)	(0.06)	(0.05)	(0.08)
10	Paid-up equity share capital (Face Value - ₹10/- per share)	624.08	624.08	624.08	624.08	624.08	624.08
11	Other equity (excluding revaluation reserves)						4,963.37
12	Earnings per share (of ₹10/- each) (not annualised):						
	a) Basic in ₹	5.17	5.18	3.50	10.35	7.43	14.46
	b) Diluted in ₹	5.11	5.11	3.45	10.23	7.32	14.26
13	Debenture redemption reserve				29.83	85.82	59.65
14	Net worth				6,235.28	5,143.05	5,587.45
15	Debt equity ratio *				0.21	0.11	0.13
16	Debt service coverage ratio (DSCR) *				1.24	28.76	2.68
17	Interest service coverage ratio (ISCR) *				21.68	35.64	30.10
18	Paid up debt capital *				323.00	381.00	246.00
	* refer note 10						

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Notes:

1 Balance Sheet*(₹ in Crores, unless otherwise stated)*

Sr. No.	Particulars	As at	As at
		30th September, 2019 (Unaudited)	31st March, 2019 (Audited)
I	Assets		
1)	Non-current assets		
a	Property, plant and equipment	4,810.80	4,274.03
b	Capital work-in-progress	403.53	376.84
c	Right of use assets	254.07	-
d	Investment properties	17.58	18.10
e	Goodwill	78.27	78.27
f	Intangible assets	28.61	29.97
g	Financial assets		
g.i	Other non-current financial assets	50.36	32.38
h	Deferred tax assets (net)	0.18	0.22
i	Other non-current assets	132.91	113.33
	Total non-current assets	5,776.31	4,923.14
2)	Current assets		
a	Inventories	2,067.54	1,608.65
b	Financial assets		
b.i	Investments	100.44	16.53
b.ii	Trade receivables	32.88	64.37
b.iii	Cash and cash equivalents	235.27	124.98
b.iv	Bank Balances other than cash and cash equivalents	15.82	94.09
b.v	Other current financial assets	79.53	59.10
c	Other current assets	122.28	114.86
	Total current assets	2,653.76	2,082.58
	Total assets	8,430.07	7,005.72
II	Equity and liabilities		
1)	Equity		
a	Equity share capital	624.08	624.08
b	Other equity	5,611.82	4,963.37
	Equity attributable to owner	6,235.90	5,587.45
	Non-controlling interest	0.50	0.56
	Total equity	6,236.40	5,588.01
2)	Non current liabilities		
a	Financial liabilities		
a.i	Borrowings	275.00	125.67
a.ii	Lease Liability	212.14	-
a.iii	Other non-current financial liabilities	0.66	0.78
b	Provisions	0.96	1.05
c	Deferred tax liabilities (net)	59.96	63.29
	Total non current liabilities	548.72	190.79
3)	Current liabilities		
a	Financial liabilities		
a.i	Borrowings	550.33	304.15
a.ii	Lease Liability	49.13	-
a.iii	Trade payables		
	Micro and small enterprises	25.16	5.44
	Other than micro and small enterprises	660.35	457.83
a.iv	Other current financial liabilities	323.35	423.71
b	Other current liabilities	15.58	22.95
c	Provisions	21.05	12.84
	Total current liabilities	1,644.95	1,226.92
	Total equity and liabilities	8,430.07	7,005.72

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2 Cash Flow Statements for the Six months ended 30th September, 2019

(₹ in Crores, unless otherwise stated)

Sr. No.	Particulars	Six months ended	Six months ended
		30th September, 2019	30th September, 2018
		(Unaudited)	(Unaudited)
I	Cash flow from operating activities:		
	Profit before tax	921.55	727.36
	Adjustments for:		
	Depreciation and amortization expenses	174.60	90.98
	Finance cost	37.16	20.21
	Interest income	(4.27)	(15.35)
	Profit on sale of investments	(5.31)	(7.30)
	Expense on employee stock option scheme	5.01	10.55
	Rent income	(1.30)	(2.06)
	(Gain)/ loss on disposal of property plant and equipment (net)	(3.05)	(2.18)
		202.84	94.85
	Operating profit before working capital changes	1,124.39	822.21
	Adjustments for:		
	Increase in trade payables	222.24	146.00
	Increase in current provisions	4.38	2.89
	Increase/(decrease) in other current financial liabilities	5.53	(17.56)
	Decrease in other current liabilities	(7.38)	(4.90)
	Decrease in non-current provisions	(0.09)	(0.12)
	Increase/ (Decrease) in other non-current financial liabilities	(0.12)	0.16
	(Increase)/decrease in trade receivables	31.49	(36.94)
	Increase in inventories	(458.89)	(311.67)
	(Increase)/decrease in other non-current financial assets	(10.09)	9.03
	Increase in bank balances other than cash and cash equivalents	(14.31)	(0.05)
	Increase in other current assets	(5.53)	(87.86)
	(Increase)/ decrease in other current financial assets	(18.71)	4.97
		(251.48)	(296.05)
	Cash flow from operating activities	872.91	526.16
	Direct taxes paid (net of refunds)	(305.19)	(238.74)
	Net cash flow from operating activities	567.72	287.42
II	Cash flow from investing activities:		
	Proceeds from disposal of property plant and equipment	4.07	7.42
	(Increase)/decrease in current investments	(83.91)	50.64
	Realisation from FDs of IPO proceeds	92.58	155.07
	Interest received	6.64	20.83
	Gain on sale of investments	5.31	7.30
	Rent income received	1.30	1.46
		25.99	242.72
	Purchase of property, plant and equipment/ intangible assets/investment properties	(768.29)	(608.99)
		(768.29)	(608.99)
	Net cash flow from investing activities	(742.30)	(366.27)
III	Cash flow from financing activities:		
	Proceeds from share application money pending allotment	0.62	-
	Proceeds from long term borrowings	50.00	-
	Proceeds from short term borrowings	270.14	35.88
	Proceeds from commercial papers	690.17	133.13
	Proceeds from non convertible debentures	200.00	-
		1,210.93	169.01
	Repayment of long term borrowings	(8.33)	(8.00)
	Repayment of non convertible debentures	(123.00)	(35.00)
	Repayment of commercial papers	(670.00)	-
	Repayment of short term borrowings	(55.00)	-
	Payment of Lease Liability	(45.78)	-
	Interest paid	(23.83)	(18.53)
		(925.94)	(61.53)
	Cash flow from financing activities	284.99	107.48
	Net increase in cash and cash equivalent	110.41	28.63
	Cash and cash equivalents at beginning of the period (including bank overdraft balances)	124.86	67.45
	Cash and cash equivalents at end of the period	235.27	96.08
	Cash and cash equivalents as per above comprises of the following		
	Cash and cash equivalents	235.27	96.11
	Bank overdrawn	-	(0.03)
	Balance as per statement of cash flows	235.27	96.08

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AVENUE SUPERMARTS LIMITED
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- 3 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.
- 4 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 12th October, 2019.
- 5 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.
- 6 The Company had completed the Initial Public offering (IPO) of fresh issue of 62,541,806 equity shares of ₹ 10 each at an issue price of ₹ 299 per share. The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) w.e.f. 21st March, 2017. Use of IPO proceeds is summarised as below

(₹ in Crores, unless otherwise stated)

Particulars	Planned as per prospectus	Utilisation upto 30th September, 2019
Towards repayment / payment of NCDs / Term loans	1,080.00	1,080.00
Construction and purchase of fit outs for new stores	366.60	366.60
Towards general corporate purpose (including transaction cost of IPO)	423.40	423.40
Total	1,870.00	1,870.00

IPO proceeds have been fully utilised as at 30th September, 2019.

- 7 The Company has instituted an Avenue Supermarts Limited Employee Stock Option Scheme, 2016 ("the Scheme") as approved by the Board of Directors for issuance of stock option to eligible employees of the Company and of its subsidiaries. Pursuant to the said Scheme, Stock options convertible into 13,973,325 equity shares of ₹ 10/- each were granted to eligible employees at an exercise price of ₹ 299/- being the price at which fresh issue of shares were made in IPO. Out of the total options granted, 38,20,595 options lapsed (31st March, 2019 : 17,21,850) and 36,91,105 options were vested (31st March , 2019 : 18,000) till the end of period 30th September, 2019. 24,918 options have been exercised and pending to be allotted as at 30th September, 2019.
- 8 The Group has adopted modified retrospective approach as per para C8 (c)(ii) of IND AS 116 - Leases to its leases, effective from annual reporting period beginning 1st April, 2019. This has resulted in recognizing a right of use assets (an amount equal to the lease liability, adjusted by the prepaid lease rent) of ₹ 262.77 crores as at 1st April, 2019. In the statement of profit and loss for the current period, operating lease expenses has changed from rent to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability. To this extent performance for the quarter and six months ended 30th September, 2019 is not comparable with previous period results. Reconciliation for the above effects on Statement of Profit and Loss for the quarter and six months ended 30th September, 2019 as follows:

(₹ in Crores, unless otherwise stated)

Adjustments to Increase/ (decrease) in net profit	Quarter ended 30th September, 2019 comparable basis	Changes due to IND AS 116 Increase /(decrease)	Quarter ended 30th September, 2019 as reported	Six months ended 30th September, 2019 comparable basis	Changes due to IND AS 116 Increase /(decrease)	Six months ended 30th September, 2019 as reported
Other expenses	318.12	(25.13)	292.99	597.37	(49.09)	548.28
Finance costs	12.40	6.61	19.01	24.47	12.69	37.16
Depreciation and amortisation expense	66.37	25.54	91.91	127.48	47.12	174.60
Profit before tax	421.70	(7.02)	414.68	932.27	(10.72)	921.55

- 9 Tax expenses for the quarter and six months ended 30th September, 2019 reflect changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the group.
- 10 Information provided pursuant to chapter V of SEBI (Listing obligation & disclosure requirement) Regulation,2015
- a The company has allotted 1,000 secured rated listed redeemable non-convertible debentures (NCD) of ₹ 10 lakh each aggregating to ₹ 100 crore on private placement basis on 27th September, 2019 which are outstanding as on 30th September, 2019. These debentures are secured by way of First and exclusive Registered mortgage charge on specific retail store properties with a minimum asset cover of 1.25x at all times. Details of listed redeemable non-convertible debentures are as follows:

Particulars	Whether Secured / Unsecured	Credit Rating	Previous Due Date		Next Due Date	
			Principle	Interest	Principle	Interest
8% NCDs	Secured	CRISIL AA +/Stable	Not Applicable	Not Applicable	24-Sep-2021	11-Sep-2020

- b Formula used for the computation of ratios:

Debt Equity Ratio = Debt (includes lease liability) / Equity;

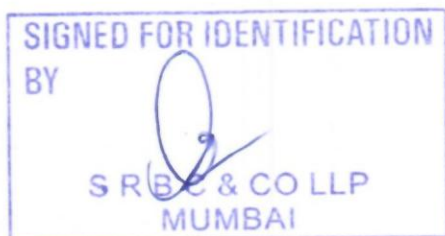
Debt Service Coverage Ratio (DSCR) = Earnings before depreciation, finance cost and tax / (finance cost+ Principal repayment during the period);

Interest Service Coverage Ratio (ISCR) = Earnings before finance cost and tax / finance cost

Paid up Debt Capital represents redeemable Non-Convertible Debentures .

- 11 The consolidated figures for the corresponding quarter ended 30th September, 2018 and Six months ended 30th September, 2018 are approved by the Board of Directors and have not been subjected to Limited review by the auditors.
- 12 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.
- 13 Previous year / quarter figures are regrouped and rearranged wherever necessary.

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



Place: Thane
Date: 12th October, 2019

Ignatius Navil Noronha
CEO & Managing Director



AVENUE SUPERMARTS LIMITED

Standalone Total Revenue up by 22.1% at Rs. 5,949 Crore

Standalone PAT up by 47.7% at Rs. 333 Crore

For the Quarter ended September 30, 2019 (Q2FY20):

Standalone Results

- Total Revenue stood at Rs. 5,949 crore, y-o-y growth of 22.1%
- EBITDA of Rs. 515 crore; y-o-y growth of 32.3%
- PAT stood at Rs. 333 crore; y-o-y growth of 47.7%
- Basic EPS for Q2FY20 stood at Rs. 5.34, as compared to Rs. 3.62 for Q2FY19
- 5 stores were added in the Q2FY20

For the Half Year ended September 30, 2019 (H1FY20):

- Total Revenue stood at Rs. 11,730 crore, y-o-y growth of 24.4%
- EBITDA of Rs. 1,111 crore; y-o-y growth of 36.8%
- PAT stood at Rs. 669 crore; y-o-y growth of 40.4%
- Basic EPS for H1FY20 stood at Rs. 10.72, as compared to Rs. 7.63 for H1FY19
- 13 stores were added in the H1FY20

Mumbai, October 12, 2019: Avenue Supermarts Ltd. (ASL), one of the largest food & grocery retailers in India, today declared its standalone and consolidated financial results for the quarter and half year ended September 30, 2019.

Standalone results

Total Revenue for the quarter ended September 30, 2019 stood at Rs. 5,949 crore, as compared to Rs. 4,872 crore in the same period last year. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in Q2 FY20 stood at Rs. 515 crore, as compared to Rs. 390 crore in the corresponding quarter of last year. EBITDA margin improved from 8.0% in Q2 FY19 to 8.7% in Q2 FY20.

Net Profit of Rs. 333 crore for Q2 FY20, as compared to Rs. 226 crore in the corresponding quarter of last year. PAT margin improved from 4.6% in Q2 FY19 to 5.6% in Q2 FY20.

Basic Earnings per share (EPS) for Q2 FY20 stood at Rs. 5.34, as compared with Rs. 3.62 for Q2 FY19.

Total Revenue for HIFY20 stood at Rs. 11,730 crore, as compared to Rs. 9,432 crore in the same period last year. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in HIFY20 stood at Rs. 1,111 crore, as compare to Rs. 812 crore during HIFY19. EBITDA margin improved from 8.6% in HI FY19 to 9.5% in HI FY20.

Net Profit of Rs. 669 crore for HI FY20, as compared to Rs. 476 crore in HIFY19. PAT margin improved from 5.1% in HIFY19 to 5.7% in HI FY20.

Basic Earnings per share (EPS) for HI FY20 stood at Rs. 10.72, as compared with Rs. 7.63 for HIFY19.

Consolidated results

Total Revenue for the quarter ended September 30, 2019 stood at Rs. 5,991 crore, as compared to Rs. 4,893 crore in the same period last year. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in Q2 FY20 stood at Rs. 517 crore, as compare to Rs. 388 crore in the corresponding quarter of last year. EBITDA margin improved from 7.9% in Q2 FY19 to 8.6% in Q2 FY20.

Net Profit of Rs. 323 crore for Q2 FY20, as compared to Rs. 219 crore in the corresponding quarter of last year. PAT margin improved from 4.5% in Q2 FY19 to 5.4% in Q2 FY20.

Basic Earnings per share (EPS) for Q2 FY20 stood at Rs. 5.17, as compared with Rs. 3.50 for Q2 FY19.

Total Revenue for HIFY20 stood at Rs. 11,805 crore, as compared to Rs. 9,469 crore in the same period last year. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in HIFY20 stood at Rs. 1,114 crore, as compare to Rs. 811 crore during HIFY19. EBITDA margin improved from 8.6% in HI FY19 to 9.4% in HI FY20.

Net Profit of Rs. 646 crore for HI FY20, as compared to Rs. 464 crore in HIFY19. PAT margin improved from 4.9% in HIFY19 to 5.5% in HI FY20.

Basic Earnings per share (EPS) for HI FY20 stood at Rs. 10.35, as compared with Rs. 7.43 for HIFY19.

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, "Revenue growth for the quarter was slightly lower than our estimates while gross margin saw improvement over the corresponding period last year due to better revenue mix. PAT margin improvement is in line with revenue growth and also aided by revision in corporate tax rates".

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 an emerging 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 bed and bath, dairy and frozen, fruits and vegetables, crockery, toys and games, kids apparel, ladies garments, apparel for men, home and personal care, daily essentials, grocery and staples.

The Company opened its first store in Mumbai, Maharashtra in 2002. As of September 30, 2019 the Company had 189 stores with Retail Business Area of 6.5 million sq. ft. across Maharashtra, Gujarat, Daman, Andhra Pradesh, Karnataka, Telangana, Tamil Nadu, Madhya Pradesh, Rajasthan, NCR, Chhattisgarh and Punjab.

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