DMart
Daily Discounts Daily Savings

GOOD PRODUCTS GREAT VALUE

2022-23
ANNUAL REPORT
AVENUE SUPERMARTS LIMITED

Contents

Key Highlights FY 2022-23

₹41,833 cr
Revenue from Operations

₹3,659 cr
EBITDA

₹2,556 cr
Profit After Tax

324
# of Stores

10/1
# of States and Union Territory and NCR

40
# of New Stores Added*

13.4 mn sq. ft.
Retail Business Area

*During FY 2022-23, 1 location was reconverted from Fulfilment Centre to DMart Store.

Good Products Great Value

DMart has continued in its mission to fulfill customers' everyday needs by providing good quality products at great value. Our customer-centric approach has been instrumental in helping us achieve credible growth thus far.

About DMart

DMart was conceived by value investor Mr. Radhakishan Damani in the year 2000, who at the time was operating a single store in Maharashtra. With a mission to be the lowest-priced retailer in its area of operation, DMart has grown steadily over the years, and operates 324 stores in 10 States, 1 Union Territory and NCR. The Company has delivered stable performance across stakeholder metrics by focusing on financial fundamentals, with fortitude and strong conviction.

OUR BEGINNING

By the late 1990s, our founder, Mr. Radhakishan Damani, was already established as one of the more successful and well-known value investors in the Indian equity markets. Through his investing style, he had developed a very keen understanding of the Indian consumer sector and its psyche. He was anxious to start a business beyond investing, which would enable him to test his hypothesis about the Indian consumer. After a couple of years of introspection and research, he decided to start a grocery retail chain, focusing primarily on the value segment.

DMart, our retail chain, was conceived by him in the year 2000. Mr. Damani imagined the retail business with the same values of simplicity, speed, and nimbleness that he espoused in his stellar investing career.

A focus on financial fundamentals, high levels of patience and strong conviction have been the bedrock on which the Company's values and business direction have been built.

DMart took eight years to start its first ten stores. This wasn't because of dearth of investment opportunities, but more because of his belief in the importance of validating the business model from a perspective of both profitability and scalability. His beginnings at DMart were frugal. For a number of years since inception, DMart's corporate operations were run from a small space carved out from one of the early stores. He and his early leadership team worked together as one cohesive unit without any hierarchy or barriers.

More importantly, from the very beginning, he had the foresight to understand and strongly believed that any business needs the right blend of entrepreneurship and professionalism. Entrepreneurship to build and strengthen the concept in its formative years, and professionalism to allow a committed team to create, sustain and grow a scalable business model into the future.

Today, DMart continues to focus on this early belief system created during our formative years. We have a good blend of entrepreneurial spirit and high-quality execution. We humbly attribute our success to the values and the way of business thinking that our founder has instilled in us.

Core Values, Vision and Mission

OUR CORE VALUES

Action

Focus
To be focused about what I do.

Motivated
To have a strong drive towards achieving my goals.

Enthusiastic
To love what I do.

Care

Respect
To respect every individual in the organisation, treat her/him with dignity and pay due consideration to make her/him believe that she/he makes a difference to the organisation.

Listen
To listen and resolve any employee / partner / customer grievance quickly and fairly.

Truth

Integrity
To be open, honest and fair in all our relationships with highest level of personal and business integrity.

OUR VISION

It is our continuous endeavour to investigate, identify and make available new products / categories for the customer's everyday use and at the 'best' value than anybody else.

OUR MISSION

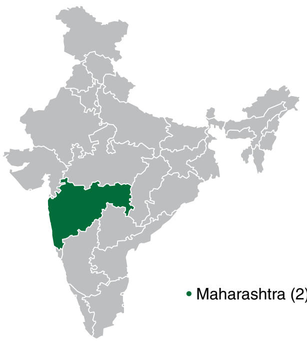
To be the lowest priced retailer in the area of operation / city / region.

Presence and Expansion Strategy

DMart has a consistently growing presence across India

At DMart, we follow a cluster-based expansion approach. We thus focus on deepening our penetration in the areas where we are already present, before expanding to newer regions. Using this strategy, we added 40 stores in FY 2022-23, thus ending the year with 324 stores, spread across 10 states, 1 union territory, and NCR.

FY 2002-03



- Maharashtra (2)

FY 2007-08

- Maharashtra (9)
- Gujarat (3)

FY 2012-13

- Maharashtra (40)
- Gujarat (14)
- Telangana (5)
- Karnataka (3)

CUMULATIVE STORES

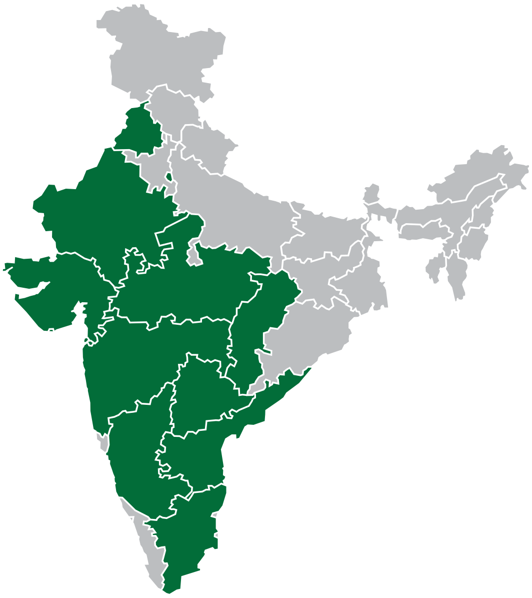
Note: Maps not to scale

2 **Stores**

12 **Stores**

62 **Stores**

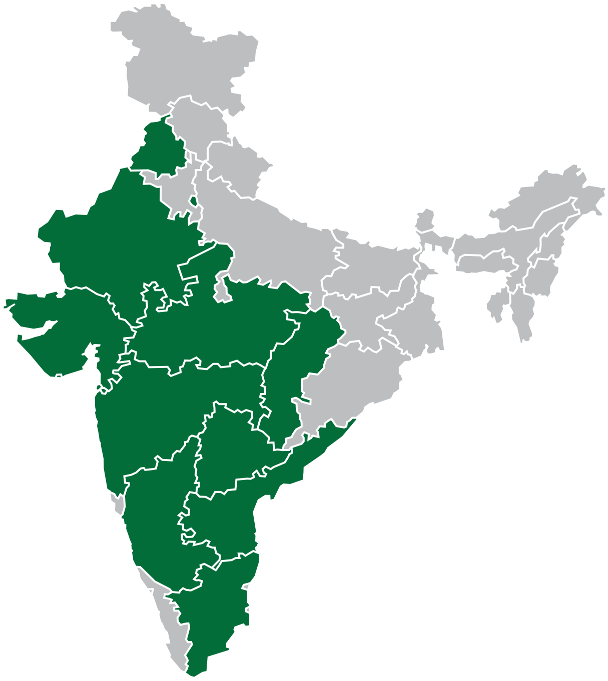
FY 2021-22



- Maharashtra (88)
- Gujarat (48)
- Telangana (31)
- Karnataka (29)
- Andhra Pradesh (23)
- Madhya Pradesh (17)
- Tamil Nadu (15)
- Rajasthan (10)
- Punjab (9)
- NCR (7)
- Chhattisgarh (6)
- Daman (1)

284 Stores

FY 2022-23



- Maharashtra (99)
- Gujarat (55)
- Telangana (36)
- Karnataka (29)
- Andhra Pradesh (29)
- Madhya Pradesh (19)
- Tamil Nadu (19)
- Rajasthan (12)
- Punjab (11)
- NCR (8)
- Chhattisgarh (6)
- Daman (1)

324 Stores

Note: Maps not to scale

Key Product Categories

DMart offers varied, everyday-use items to its customers with a prudent product mix. The products on offer at our stores can be broadly classified into three categories – Foods, Non-foods, and General Merchandise and Apparel.

THE KEY PRODUCT CATEGORIES CAN BE CLASSIFIED INTO:

Foods

Groceries, staples, processed foods, dairy, frozen products, beverages & confectionery, and fruits & vegetables

56.03%
Revenue contribution in FY 2022-23

56.86%
Revenue contribution in FY 2021-22

Non Foods (FMCG)

Home care products, personal care products, toiletries, and other over-the-counter products

20.93%
Revenue contribution in FY 2022-23

19.74%
Revenue contribution in FY 2021-22

General Merchandise & Apparel

Bed & bath, toys & games, crockery, plastic goods, garments, footwear, utensils, and home appliances

23.04%
Revenue contribution in FY 2022-23

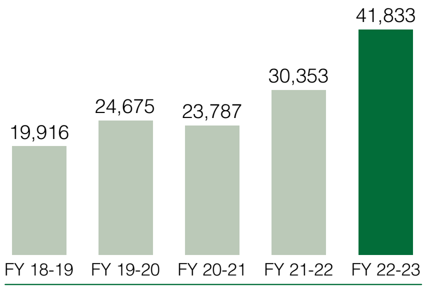
23.40%
Revenue contribution in FY 2021-22

Key Performance Indicators

With a strategy of maintaining cost efficiencies while offering the best customer value, DMart has witnessed stable performance across financial and operational parameters over the years.

REVENUE FROM OPERATIONS

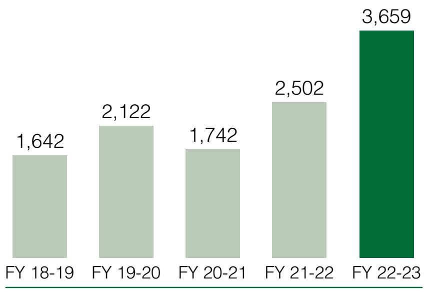
38% Y-O-Y



(₹ cr)

EBITDA

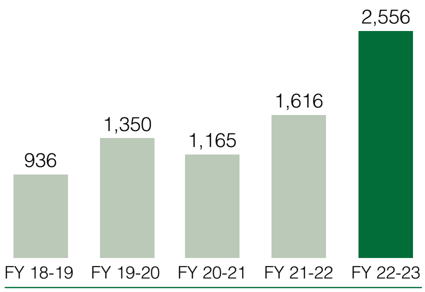
46% Y-O-Y



(₹ cr)

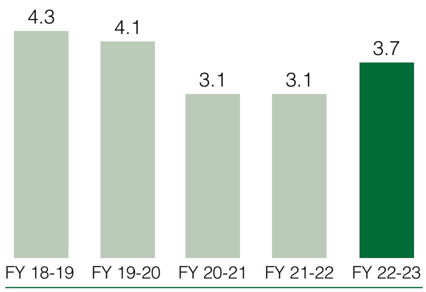
PROFIT AFTER TAX

58% Y-O-Y

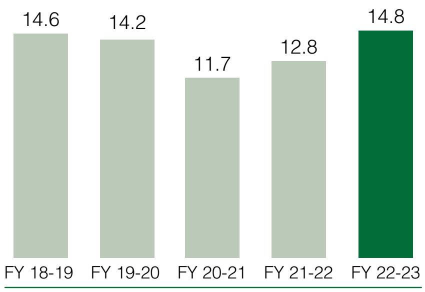


(₹ cr)

FIXED ASSET TURNOVER

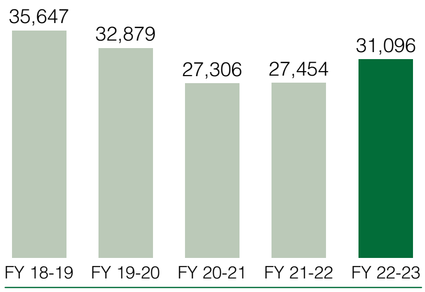


INVENTORY TURNOVER



REVENUE PER RETAIL BUSINESS AREA SQ FT

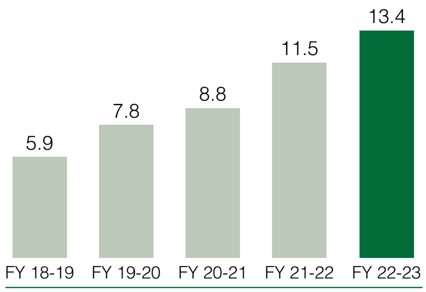
13% Y-O-Y



(₹)

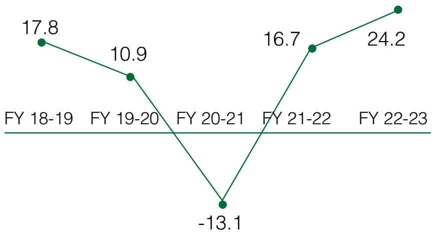
RETAIL BUSINESS AREA

17% Y-O-Y



(mn sq. ft.)

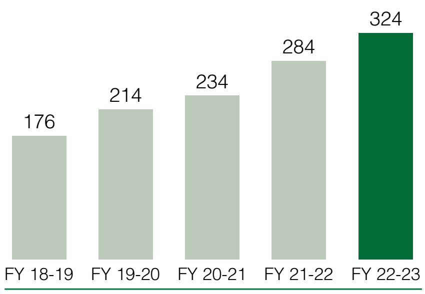
LIKE FOR LIKE GROWTH (LFL)*



(%)

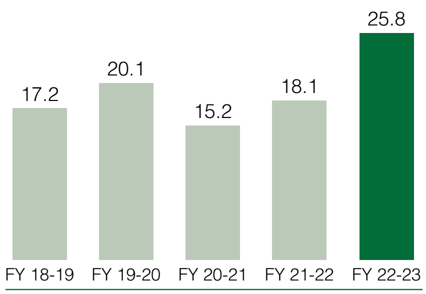
* LFL growth means the growth in revenue from sales of stores that have been operational for at least 24 months at the end of a fiscal year.

OF STORES



OF BILL CUTS

42% Y-O-Y



(in crore)

Message from the Chairman

Since FY 2017-18, we have more than doubled our store count to 324 despite the outbreak of the pandemic in 2020. Our strong belief in our business model and focused execution have driven this steady growth.

Dear Shareholders,

As I reflect over the last 2 years, the word that resonates with me the most is – change. The outbreak of the pandemic led to several challenges. As a Company we seized several opportunities in the evolving 'new normal.' The only constant was our unwavering focus on continuously delivering our value proposition to our customers.

During the financial year, we continued to deliver growth across our key financial metrics, which reaffirmed my belief in our strategy and execution capabilities. This would not have been possible without the dedication and determination of our greatest asset – our people.

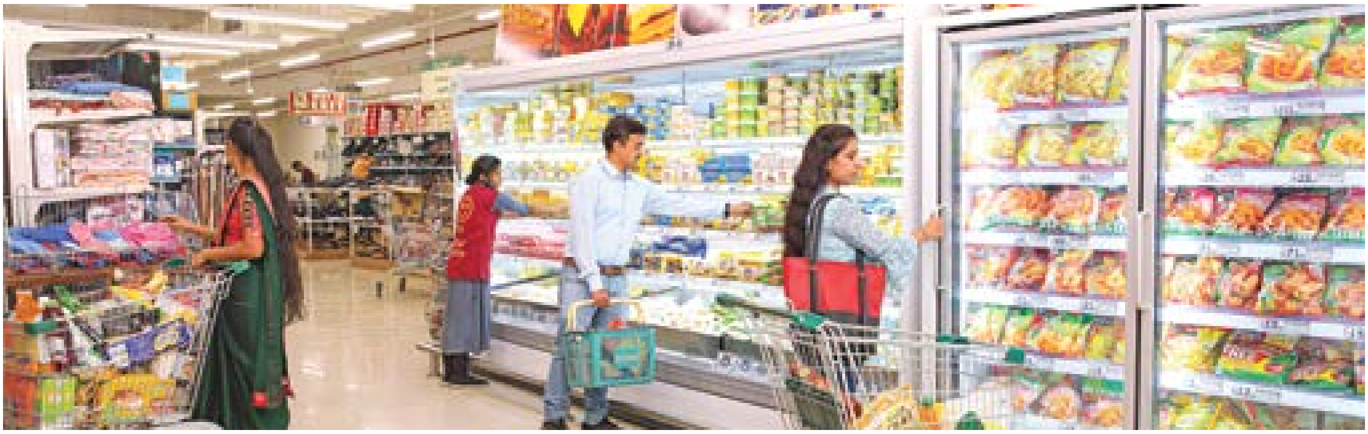
Macro Environment

The global macro headwinds notwithstanding, India remains a bright spot. In comparison to other sub-continent countries, India has remained resilient from geopolitical and other disruptions. In fact, India is expected to be one of the fastest-growing major economies in the world. This resilience stems from the structural strengths of its economy, bolstered by supportive government policies, a stable political and economic environment, and robust private consumption.

The Year That Was

At DMart, our growth in the organised retail segment continues, driven by a steady expansion of our store network, and reasonable growth across financial and operational parameters.

We expanded our store presence and successfully opened 40 new stores during FY 2022-23. Since FY 2017-18, we have more than doubled our store count to 324 despite the outbreak of the pandemic in 2020. Our strong belief in our business model and focused execution have driven this steady growth.



We firmly remain committed to India's long-term consumption story. Our cluster-based expansion strategy and gradual penetration into large and small towns continue to be our guiding light.

Serving the Community

As we continue to expand and evolve, we remain aware of our obligation to society and the environment, and we are dedicated to fulfilling this responsibility with unwavering commitment and utmost sincerity.

We remain steadfast in making a meaningful impact on the environment. In furtherance of this goal, we continued to pursue green building certifications for our buildings while investing in renewable energy, among several other eco-friendly practices.

As part of our CSR commitments, we continued directing our support to the public education system. In the past two years, we have also enabled virtual systems through which the students are able to attend classes remotely.

Our programme supported students from 10 Municipal Corporations and 2 Zilla Parishads. We cover more than 300 Government / Municipal / Zilla Parishad Schools (Public Schools) across these cities/towns, positively impacting more than 128,000 students. Our support also continues to several external institutions which are running impactful programmes to support the economically and socially disadvantaged in the areas of education, healthcare, environment, and nutrition.

In Gratitude

I would like to extend my heartfelt gratitude to all our shareholders for their continued trust in DMart and our core values. To our employees, I express my appreciation for their relentless focus, passion, and dedication in enabling us to serve our customers during good times and tough.

I remain confident about India's long-term growth potential, as well as in our ability to scale and serve millions of Indians with our value proposition. I request your continued support in this journey.

Best regards,

Ramesh Damani
Chairman

Environmental Focus at DMart

Rooftop Solar Panels and Carports

Our fundamental business model thrives on the principle of doing more with less. Value retail is more supply chain than retail. Our ability to deliver good quality products in the most efficient way possible, ensuring a conducive environment to our end consumer is the bedrock on which the business model was created and further strengthened.

We continue to strengthen our approach to sustainability through various means that would have a meaningful long-term positive impact to our company, its employees, the environment and all other stakeholders. Considering the overall development of the country, the emission per person and the nature of our business model, we have developed a matrix for our go to market strategy on sustainability. It is an approach that is practical and appropriate. It is not aggressive or path breaking, however it is contextual to deliver incremental results over a long period of time.

Our fundamental business model thrives on the principle of doing more with less. Value retail is more supply chain than retail. Our ability to deliver good quality products in the most efficient manner and in a conducive environment to our end consumer is the bedrock on which the business model was created and further strengthened. We like bulk at every step of the process – bulk in procurement, bulk in movement of goods and bulk in buying behaviour of our shoppers. It is our endeavour to make customers come to our store less often but buy significantly more than they would buy at any other retail store. This approach helps us create capacity to serve more customers per day. A customer buying a very large quantity of goods once or twice a month is also significantly better for the climate than 10 quick deliveries a week of small value items at the doorstep.

Both types of need exist and hence multiple formats of retail evolve. However, we like to play in the bulk buying need sector. This invariably needs a lot of hard work from our employees and partners, precision systems and a competent workforce. Hence our focus on recruiting locals in every location and then upskilling them and grooming them to become leaders of tomorrow is very intrinsic to our model of efficient operation and long-term competitive advantage. Our endeavour is also to nurture local products and local businesses so that they too can compete with minimal costs to launch their products. At the same time, we have active conversations with our large and organised suppliers on how they could create a positive impact to climate change through innovation. We have just begun this journey and we hope to make good progress over time.

Our purpose to deliver good products also means we make significant attempts to enhance the quality of products such that they have durability and long-lasting capability while also delivering great value to the shopper. Our view on quality is that it is relative to the evolution of the customer in that state or city. It is our constant attempt to nudge the customer to choose wisely, such that in the long-term they get great value by choosing good-quality products.

Our commitment to making improvements towards the environmental situation is reflected in increasingly getting our locations certified under Green Building movement in India - 191 buildings of the Company have achieved either Platinum or Gold certification under USGBC / IGBC. That apart, our footprint decisions consider optimal use of resources and it is our earnest attempt to minimise adverse environmental impact.

We have integrated consolidation of buying and transporting merchandise through our large distribution centres into our model as opposed to being delivered in small lots to our various stores by vendors, increasing deployment of vehicles using greener fuel; continually increasing use of solar energy; fresh water conservation practices viz. use of sewage treatment plants, waste-water recycling, rainwater harvesting; responsible disposal of plastic waste and electronic waste; choice of sustainable building materials as few major initiatives that help us conserve key resources. We also have a very large installation of an IOT ecosystem that monitors many of our energy consuming equipment and recommends basis alerts on early warnings of possible breakdowns and energy conservation possibilities.

Our first few steps on Sustainability have been to identify a few key ideas and go ahead and implement them. We are now in the process of building systems to measure, monitor and then define and design the direction on other aspects of sustainability. Our belief is that Sustainability has to be intrinsic to our business model. Unless there is an economic model to Sustainability, it won't last too long. The Sustainability Matrix that we have defined for ourselves is the culmination of that deliberation and crystalisation of the direction we want to take to achieve our goals. In order to achieve these targets, we have established management systems which entail regular monitoring of KPIs, development of an environmental management plan and reviewing progress on a regular basis.

We have appointed a Sustainability Officer who is responsible for periodic review of material issues, scanning the external environment for evolving sustainability trends and regulations, monitoring the progress on sustainability targets and facilitating in implementing sustainability initiatives. It is our firm belief that a far more sustainable world for the future will be led by a congruence of efforts – regulatory, economic, best-in-class practices by our company, our suppliers and most importantly by our shoppers through the choices they make while shopping with us.

Reproduced from Annual Report 2021-22 (Green Building Certification Number updated for the current year.)

	Compliance	Savings	Best Practices
DMart	• Extended Producer Responsibility for plastic waste • E-Waste disposal to certified vendors • Solar energy installations • Water conservation (rain water harvesting and Sewage Treatment Plant (STP)) • **Natural Gas Generators**	• Renewable energy • Water recycling • Light weight packaging • Energy management through IOT • Use of Energy efficient devices • Circularity of paper waste	• Green Building Certifications • Water conservation • Recycled plastic usage • Use of low-emission vehicles for transportation • Reduction of GHG • Environment-friendly building materials • Home delivery through reusable crates (no secondary packaging) • Reduced secondary packaging in apparel and general merchandise • **Use of Baling Machines for better plastic waste management at our premises** • **Sale of articles with Recycled Material to customers**
Customers	• No plastic shopping bags • **Sustainable plastic bags for loose grocery** • **All plastic packaging in prescribed thickness**	• Reduce plastic use (Bulk Dispenser) • Bulk buying results in reduced trips to store	• Carry own bags for shopping • Recycle plastic waste and e-waste • Purchase of loose grocery with reduced plastic packaging
Vendors / Partners	• Extended Producer Responsibility for plastic and electronic waste • E-Waste disposal to certified vendors	• Bulk transportation directly to our warehouses rather than individual stores. • Reduce plastic use (Bulk Dispenser)	• Bulk transportation to and from distribution centres (reduces GHG) • Preference for local products (reduced transportation) • **Use of recycled material in selected products**

Text in bold indicates changes or additions made during the year including regulatory compliance.

The above matrix indicates some of our efforts within each dimension. However, we recognise that sustainability is a journey and the opportunities for us with each of our stakeholders are significant. We intend to continue on this path and make a meaningful positive impact on the environment.

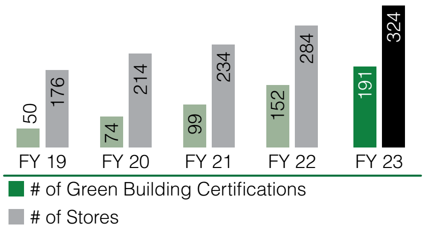
DMart

Progress made in FY 2022-23

A. Green Building Certification

A green building as per Indian Green Building Council (IGBC)/US Green Building Council USGBC) is one where a significant effort has been made throughout a building's life-cycle from the time of construction to demolition which ensures minimal environmental impact.

We have consistently increased Green Building Certifications for our stores. It is a constant endeavour to construct all our premises using several sustainable and environment friendly practices.



We have obtained 191 certifications thus far (1 Platinum, 189 Gold, 1 Silver). All our new stores have been Green Building Certified. Stores opened in the last quarter of the financial year typically receive their certification in the following financial year. Hence there is a difference in the total number of new stores opened since FY 2018-19 vis-à-vis the total Green Building Certificates obtained during the same period.

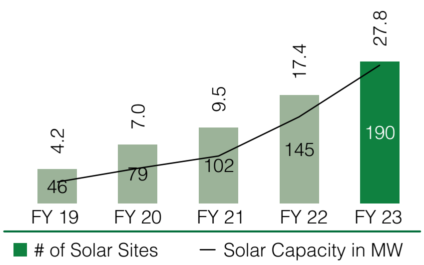
There are several factors that are considered for awarding this certification. Some of those are elaborated on below in detail (including our efforts within those factors):

1. Energy Efficiency Measures

a) Solar Energy:

We have now commissioned 190 solar plants with a cumulative capacity of 27.8 MW from these installations. Of the total energy requirement at these premises, 22% is met through Solar Energy.

As part of our commitment, we strive to incorporate solar power systems in all new premises, subject to feasibility. We have already started implementing rooftop solar plants in selected distribution and production centres, along with the installation of car ports at 22 stores. By March 2023, 40 of our stores meet over 50% of their electricity needs through solar energy. Additionally, we have initiated a pilot project to install solar lights in open spaces within some of our locations.



b) Efficient Lightings:

For the conservation of energy, we use LED lighting fixtures.

c) Energy efficient air-conditioning:

We use BEE Star-rated split air conditioners which consume less energy in comparison to conventional air conditioners. We have also commenced using energy-efficient inverter air conditioners at select locations.

d) Energy Monitoring Systems (IOT):

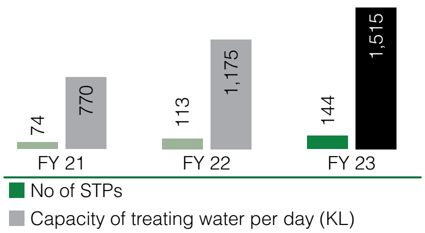
Our stores are equipped with an IoT Ecosystem that helps in monitoring several of our energy consuming equipment and recommends alerts on early warnings of possible breakdowns and energy conservation possibilities.

e) Natural Gas Generators:

During the year some of our stores have been equipped with Natural Gas Generators. They produce no particulate matter, relatively lesser emissions and lower noise pollution vis-a-vis diesel generators.

Water Conservation

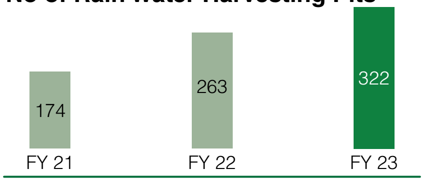
a) Sewage Treatment Plants (STPs): We recognise water as a valuable and scarce resource, and thus, we are actively working towards minimising our reliance on freshwater. Across our premises, we have established 144 Sewage Treatment Plants (STPs) with a combined capacity of treating 1,515 kilolitres of water per day. 37% of our total water usage at these premises is met through recycled water.
As a result, we have successfully reduced our fresh water usage by an estimated 111,690 kilolitres across these 144 premises.



b) **Pressure Washers:** We have started using Pressure Washers at our premises. Water is released with pressure from the nozzles of this equipment which helps in efficient cleaning at significantly lower water consumption. Further, the equipment also has an integrated auto-stop system which enhances energy efficiency.

c) **Rain Water Harvesting:** We have rainwater harvesting system across locations comprising of 322 pits/ tanks with a designed cumulative capacity of 8,115 cubic meters per day.

No of Rain Water Harvesting Pits



d) **Water Efficient Fixtures:** We have installed low-flow water-efficient fixtures at our stores. These have aerators fixed by default to maintain and regulate water flow.

2. **Sustainable Building Material**

a) **Usage of AAC Blocks:** We encourage the usage of Autoclaved Aerated Concrete (AAC) Blocks, which contain up to 65% of recycled material, for construction of our stores. These blocks use fly-ash – a large pollutant by-product of thermal power plants.

b) **Ready Mix Concrete (RMC):** We consistently strive to procure RMC from nearby locations to minimise transportation distances, resulting in significant reduction in carbon emissions. In addition, we actively promote the utilisation of fly-ash (within permitted limits) in our RMC, contributing to sustainable construction practices in our building construction.

c) **Manufactured Sand:** We use manufactured sand in several locations for the construction of our buildings. This significantly reduces our dependence on river sand.

d) **Eco-Friendly Speed Breakers:** To maintain safe vehicular movement within our premises we install speed breakers at strategic points. We have installed speed breakers made up of composite material which has a combination of recycled plastic, concrete waste, and rubber waste. For the year FY 2022-23, we have installed 2,435 meters of recycled speed breakers cumulatively at 22 locations replacing the conventional PVC speed breakers. This cumulatively consists of 47% of the total speed breakers installed at our premises last year.

B. Recycling / Reuse / Sustainable Products

a) **Packaging Waste:** At all our stores, paper and plastic packaging waste that gets generated is segregated and sustainably managed through authorised recyclers. This year we sent 41,706 MT of paper waste and 2,877 MT of plastic waste for recycling / co-processing. In addition, we have also sustainably disposed of post-consumer plastic waste of more than 3,991 MT through authorised channels.

b) **Hydraulic Baling Press Machine:** We have installed hydraulic baling machines at 71 locations. These baling machines present multiple benefits like no loose plastic littering, good hygiene and reduced transportation frequency. This initiative helps in reducing the number of truck trips for the recycler and thus reduces Scope 3 emissions to that extent.

c) **Products with Recycled materials** We have introduced several articles for our customers that are made from recycled plastic/fabric/yarn.

Article	% of Recycled articles sold to total articles sold
	FY 2022-23
Planters and Plates	75%
Speed Breakers (from Recycled material)	47%
Shopping Bags	44%
Pillows	33%
Bath Towels	15%

d) **Compostable Grocery Bags:** We have implemented the use of bio-degradable plastic bags for loose groceries at all our stores.

e) **Refillable Dispenser:** We have collaborated with a large FMCG Company to provide a dispenser at one of our stores for certain FMCG products (liquid detergent and fabric softener). Customers can bring their own container and refill using the dispenser and thus reduce consumption of new plastic bottles / pouches.

C. Transportation Efficiency

We have implemented pilot programs in our supply chain management, incorporating vehicles powered by cleaner fuels such as CNG and exploring mass transportation option through railways. We will closely monitor the progress and effectiveness of these pilots before scaling them across our entire network.

Corporate Social Responsibility

We are cognisant of aligning our social activities with our core values. Our social initiatives are directed towards empowering the youth of the country and enabling them to join the economic mainstream. We believe that as a company we have a unique opportunity and responsibility to make meaningful contributions to the lives of recipients through our structured interventions.

Over the years, our programme has focused on foundational education, sports promotion, nutrition, healthcare and environment. We conduct our programme through a combination of strong direct implementation and meaningful contribution / partnerships with reputed external organisations.

We have a large internal team led by our Head of CSR to manage all our programmes. Further, we have a team of 18 to focus on various interventions. “School Excellence Programme” is our flagship intervention in the field of foundational education. Our mission through this intervention is to work with Government / Municipal / Zilla Parishad Schools (Public Schools) to promote the quality of education and give infrastructural support at these schools.

We have 9 structured interventions within this programme for which we have directly deployed more than 500 multi-skilled teachers, 37 supervisors, 3 counselors and 3 computer engineers. We strongly believe that access to good quality education to these students in their formative years will significantly contribute to their success during adulthood.

Our programme supported students from 10 Municipal Corporations and 2 Zilla Parishads. We continued our interventions in Mumbai, Thane, Navi Mumbai, Panvel, Mira-Bhayander, Kalyan-Dombivali, Bhiwandi, Shirdon, Pune and Aurangabad. This year we have extended our coverage to two new cities in Maharashtra (Nashik and Kolhapur). We cover more than 300 Government / Municipal / Zilla Parishad Schools (Public Schools) across these cities / towns positively impacting more than 128,000 students.

Our support also continues to several external institutions which are running impactful programmes to support the economically and socially disadvantaged in the areas of Education, Healthcare, Environment and Nutrition. In addition, each year we carry out independent impact assessment through a reputed agency to gauge the effectiveness of our programmes and contributions. A thorough review and analysis of the key findings is undertaken by our team to further improve the impact and effectiveness of our interventions.

Summary of the Progress of our Direct Intervention Programmes:

Programme	FY 21-22				FY 22-23			
	# of Students	# of Schools	# of Teachers	# of Assets / Meetings	# of Students	# of Schools	# of Teachers	# of Assets / Meetings
Digital Literacy Programme	85,000	239	210	105 Labs	112,000	291	227	114 Labs
Reading programme	73,000	207	85	90 Libraries	82,000	227	137	101 Libraries
English for All*	13,000	57	23	-	12,500	47	40	-
Swachh School Abhiyan	67,000	184	5	-	65,941	214	6	-
Building As a Learning Aid	125,000	290	5 supervisors	-	128,000	300	6 supervisors	-
Remedial Classes	3,500	28	29	-	3,900	34	85	-
Sports for All	5,500	15	20 coaches	-	10,092	38	16 coaches	-
Parent Engagement Programme	-	-	3 Counsellors	406 Meetings	-	-	3 Counsellors	332 Meetings

*We were able to support a significantly larger number of students/schools in FY 22 when most schools operated in the online format.

DIRECT INTERVENTION PROGRAMMES

1. Digital Literacy Programme

Computer-aided learning is one of our flagship support programmes. We have set up a Computer Lab in each programme school that has up to 21 Computers. 2 Headphones per computer have also been provided to facilitate audio-video learning. There is also an internet facility available in each Lab. All necessary software required for teaching and the curriculum plans are installed. Hardware procurement, maintenance, and servicing of the hardware is the responsibility of our technical team. Our curriculum focuses on improving basic computer skills, language, and general knowledge proficiency as well as numerical skills. These topics are taught using educational games and interactive tutorials, which simplifies concepts and makes learning enjoyable. Quarterly training sessions are organised for all teachers. With constant feedback, teachers are able to work on their areas of development and deliver the content more effectively.

# of Students	# of Schools	# of Labs	# of Teachers
112,000	291	114	227

2. Reading programme

Our reading programme provides students with contextual books, which help them inculcate an interest in reading and improve their vocabulary and reading proficiency. The libraries are used as a space to build literacy skills through activity-based learning. We provide a good collection of books in different languages. The stories are inspiring and relatable to children. The entire curriculum is delivered to children by a skilled teacher through interactive sessions which focus on pre-reading, reading, and comprehension. We ensure that all the teachers undergo comprehensive training that equips them to manage the library as a librarian as well as to conduct the reading programme sessions. They are trained in different ways of engaging the children through voice modulation and other techniques.

# of Students	# of Schools	# of Libraries	# of Teachers
82,000	227	101	137

3. English for All

Our effort in this programme is directed towards teaching students to speak and read English effectively. The entire curriculum is delivered to children through interactive sessions, phonics, and activity-based learning. The curriculum is designed to improve four core skills of the Language - Listening, Speaking, Reading, and Writing. This programme is run by well-qualified, competent, and committed teachers who are equipped through rigorous training to teach English. Our teachers are equipped with appropriate content and pedagogical skills to achieve desired outcomes.

# of Students	# of Schools	# of Teachers
12,500	47	40

4. Swachh School Abhiyan

Through this programme, we aim to foster a culture of cleanliness and personal hygiene at school premises. We encourage schools to maintain a high standard of cleanliness through competitive grading among them. This has motivated all schools to maintain their facilities and promote cleanliness among students. We have developed 8 criteria to grade schools in areas of cleanliness related to classrooms, drinking water areas, toilets, mid-day meals, floor, dustbin, head master room, and personal hygiene of students. Our supervisors are trained to do meticulous monitoring of school premises and accordingly assign grades to schools. This programme has enabled us to successfully advocate the importance of cleanliness which has allowed schools to participate and win state level prizes in cleanliness.

# of Students	# of Schools	# of Teachers
65,941	214	6

5. Building As a Learning Aid (BALA)

We have seen the positive impact of a well-designed and colourful workplace, and our BALA initiative replicates this concept in public schools by designing and improving the aesthetics of the school premises. BALA aims to foster a child-friendly environment in schools by stimulating curiosity among students to learn and remember easily through vibrant visuals. Our BALA paintings are created to be contextually sound and visually appealing. Our main themes include school details on the outside of the building, values, mindsets, good habits, sustainable actions, vocabulary, academic concepts, maps, and inspirational quotes spread across staircases, pillars, and corridors. Additionally, we also have theme-based paintings especially done to complement our Digital Literacy programme and Reading Programme, which are done in all computer labs and reading libraries where we have our interventions.

# of Students	# of Schools	# of Supervisors
128,000	300	6

6. Remedial Classes

These classes are conducted beyond school hours across select schools in Mumbai and Navi Mumbai region covering Grade 9 and 10 students by focusing on the key subjects of mathematics, science, and english. The core objective of this programme is to enable students to perform well in their Board exams and also build a strong foundation for their higher education. The programme is designed through Beginning of the Year (BOY) assessment to map the learning level of the students and accordingly, training sessions for teachers are designed wherein they deep-dive into curriculum planning and efficient strategies of assessment in order to help students achieve grade level proficiency in the key subjects. The impact of the content taught to these students is evaluated through Mid of Year (MOY) and End of Year (EOY) assessments. We also partnered with experts to create career awareness among students of several public schools.

# of Students	# of Schools	# of Teachers
3,900	34	85

7. Public Private Partnership (PPP) model Schools (3 Public Schools covered)

Our PPP Model Schools in partnership with Thane Municipal Corporation (TMC) have the vision of transforming school education in Thane Municipal schools by providing holistic education to the students.

In 2015, we partnered with TMC and commenced our interventions in two schools to imbibe holistic English-medium education to Grade 9 and 10 students. In a span of 7 years, our schools have been well-received among students, teachers, and parents by providing engaging learning experiences and shaping the careers of students while achieving 100% pass results in SSC Board Exams.

Over the years, the transition from primary to secondary school has proven to be challenging for students. As the syllabus becomes more extensive and the evaluation pattern changes, it creates obstacles for students to excel in their academic journey, particularly in grades 9 and 10. Recognising this issue, we took the initiative to extend our support programme to three schools, undertaking comprehensive responsibility from grades 1 to 10.

Our objective was to ensure that students from classes 1 to 8 receive a quality education with a focus on foundational literacy and numeracy. By strengthening their fundamental skills, we aimed to prepare them for secondary classes with greater rigor and purpose.

# of Students	# of Schools	# of Teachers
1,645	3	69

8. Sports for All

Under this programme, we focus on improving the cognitive skills of children from Municipal schools during their formative years, and develop interest and participation in district/state/national level sports such as Athletics, Wrestling, and Kabaddi. Extensive training, structured curriculum, and sports attire are provided to sport coaches. Most of these coaches are state and national level champions in their respective sports. We provide good quality and defined quantity sport kits to schools.

# of Students	# of Labs	# of Coaches
10,092	38	16

9. Parent Engagement Programme

This programme aims to engage parents in their child's overall development. Our team of counsellors conducts parent meetings in schools on key topics to address the gap in the development needs of their children. The main theme of these meetings is to impart the importance of education, nutrition, and the various ways in which a parent can take an interest in a child's education and be a positive support for their children. Regular discussions and meetings are organised with the counsellors throughout the year to build the theme for parent engagement sessions. During these sessions, the need analysis for parents' role in engaging in their child's development is evaluated by the Programme Manager and a detailed outline of the programme is defined. School Principals are actively invested in our programme and participate in the sessions.

# of Meetings	# of Counsellors
332	3

EXTERNAL PROGRAMMES

EDUCATION

1. Dakshana Foundation, Pune

Dakshana is a non-profit organisation that helps under privileged students, predominantly from rural India, to prepare for IIT and medical entrance (NEET) exams through a residential programme. They have been offering free coaching scholarships for competitive exams such as JEE/ NEET/AIIMS for over 13 years. Over the years, Dakshana has sponsored more than 7,200 scholars, of which 3,001 have been admitted to IITs, 1,300 to the NITs, and 1,442 have been admitted to government medical colleges. DMart has been supporting Dakshana for the past three years and has continued the association this year to sponsor Dakshana's scholarship programme.

2. Shanti Bhavan, Bangalore

Shanti Bhavan aims to provide holistic quality education and empower children from underprivileged backgrounds. Their residential programme provides 19 years of educational intervention, from ages 4 to 23 years, catering to emotional development, mental and physical fitness, social and cognitive growth, and academic excellence of children.

We have extended our support to their programme that helps educate 28 such children.

3. Indian Institute of Technology, Mumbai

Indian Institute of Technology-Mumbai and DMart have collaborated to promote education and scientific research. The support includes the following:

(i) Provide scholarships to students of limited financial means from the Undergraduate, Dual Degree, and Integrated 5-year programmes in all disciplines

(ii) Fellowships to support M.Tech and PhD students in all disciplines. This contribution is towards human resource development in the field of Science and Technology. Additionally, this collaboration will enable nurturing start-up ideas and promote entrepreneurship development at IIT-Mumbai.

4. Udayan Shalini Fellowship (USF)

Udayan Care is a Delhi-based Public Charitable Trust, which has been working for the quality care of disadvantaged children and women for the last 27 years. Udayan Care works to empower vulnerable children, women, and youth in 28 cities across 15 states of India. Udayan Care has spread its work for more disadvantaged groups by establishing more family homes, promoting girls' higher education, providing vocational training and livelihood programmes, advocating for better standards in institutional care, etc. In 27 years, they have directly impacted the lives of over 35,000 children, women, and youth as beneficiaries as well as thousands as indirect beneficiaries, through their advocacy efforts.

The Udayan Shalini Fellowship of Udayan Care is a unique academic excellence and personality development programme. They support higher education and also provide regular mentoring, leadership development, and inculcating a sense of social responsibility to selected talented girls. The South Mumbai Chapter (Cuffe Parade – Santa Cruz) started in 2016 and currently supports 200 girls and has over 140 mentors as volunteers and the West Mumbai Chapter (Borivali - Bhayandar) started in 2018 and currently supports 150 girls and has over 70 mentors as volunteers.

In FY 2021-22, they have inducted 85 new girls (40 in South Mumbai and 45 in West Mumbai) to help these girls to realise their true potential and become independent, empowered, and dignified women. It is a programme for deserving and talented girls from weak socio-economic backgrounds aiming to turn them into empowered and dignified women or Shalinis. Each girl child stays in the programme until she finishes her course, which is an average period of 5-6 years. Along with DMart CSR support, they started the new East Mumbai Chapter with 40 brilliant aspiring girls from low income communities.

Eligible Girls are selected through a time-tested elaborate system based on the basic criteria of Need, Ambition, and Talent (NAT), designed with the help of the core committee of this programme, which comprises of experienced educationists. It also includes house inspection and commitment from parents to support their girl child to complete their further education.

HEALTHCARE

1. Tata Cancer Care, Assam

Under their Cancer care initiative, Tata Trusts is engaged in setting up and/or equipping cancer care hospitals at different locations to make cancer treatment more easily accessible and affordable, particularly to patients from the economically weaker sections of society.

With the aim to strengthen the government system and holistically transform cancer care in the country, we have collaborated with them to support their Cancer Programme in Assam. The trust inaugurated 7 hospitals in Assam. Last year, we supported a hospital in Jorhat, Assam by providing medical equipment for radiotherapy treatment and improving the overall quality of cancer treatment. This year we have further supported this initiative by supporting their intervention which focuses on community outreach, cancer awareness, screening, and early detection, training of general practitioners, and patient support (treatment, transport, accommodation).

NUTRITION

1. Seva Mandir, Udaipur

Seva Mandir has been working for the betterment of marginalised communities for over 54 years in the districts of Udaipur and Rajsamand, Rajasthan. In order to address the early childcare needs of underprivileged children, Seva Mandir has been running Balwadis, a full day child care centre, since 1984. The Balwadis caters to children in the age group of 1-5 years with a key focus on daycare, pre-school education, and health. These Balwadis are run by locally recruited women, rigorously trained by Seva Mandir.

10 Balwadis in Badgaon and Girwa blocks of Udaipur district are supported by us. This has benefitted more than 290 children and 218 mothers/caregivers from marginalised communities.

2. Akshaya Patra

Akshaya Patra is a not-for-profit organisation that runs Mid-Day Meal Programme to feed millions of children in India who lack the means but have the zeal to learn and achieve. By feeding them one wholesome meal a day, they intend to provide them with the nourishment and motivation they need to pursue an education for a better future.

As a support to this initiative, we have built an infrastructure of kitchen in Mumbai Metropolitan Region (MMR) to support and feed up to 25,000 children per day. Currently, 19,000 children under Bhiwandi Municipal Corporation and Zilla Parishad receive Mid-Day meals from this kitchen.

ENVIRONMENT

1. Tata Trusts: Water Resource Management (CSPC)

This project is designed to address both supply and demand side management of available water resources to ensure quality drinking and domestic water availability and also to stop or reduce the speed of landward salinity ingress in coastal areas through community-driven initiatives.

DMart has partnered with Tata Trust Water Resource Management (CSPC) to provide interventions in water resource development as well as promotion of sustainable use of available water resources in Bhavnagar district of Gujarat. Major actions include maximally harvest the rainfall runoff, construction / repairs of water harvesting, recharge structures, pond desilting, check dam, well recharge, farm ponds, stream treatment and bore well recharge.

Board of Directors

Mr. Ramesh Damani
Chairman & Independent Director

Mr. Elvin Machado
Whole-time Director

Mr. Ignatius Navil Noronha
Managing Director & CEO

Mr. Chandrashekhar Bhave
Independent Director

Mr. Ramakant Baheti
Whole-time Director &
Group CFO

Mrs. Manjri Chandak
Non-executive Director

Ms. Kalpana Unadkat
Independent Director

Senior Leadership Team

Mr. Ignatius Navil Noronha
Managing Director & CEO

Mr. Ramakant Baheti
Whole-time Director & Group CFO

Mr. Elvin Machado
Whole-time Director

Mr. Narayanan Bhaskaran
Chief Operating Officer,
Retail

Mr. Niladri Deb
Chief Financial Officer

Mr. Hitesh Shah
Vice President, Operations

Mr. Trivikrama Rao Dasu
CEO, Avenue E-Commerce
Limited

Corporate Information

BOARD OF DIRECTORS

Mr. Ramesh Damani
Independent Director (Chairman)

Mr. Chandrashekhar Bhave
Independent Director

Ms. Kalpana Unadkat
Independent Director

Mrs. Manjri Chandak
Non-executive Director

Mr. Ignatius Navil Noronha
Managing Director & CEO

Mr. Ramakant Baheti
Whole-time Director & Group CFO

Mr. Elvin Machado
Whole-time Director

CHIEF FINANCIAL OFFICER
Mr. Niladri Deb

COMPANY SECRETARY & COMPLIANCE OFFICER
Mrs. Ashu Gupta

COMMITTEES OF THE BOARD

Audit Committee

Mr. Chandrashekhar Bhave – Chairman
Mr. Ramesh Damani – Member
Ms. Kalpana Unadkat – Member
Mrs. Manjri Chandak – Member

Nomination & Remuneration Committee

Mr. Chandrashekhar Bhave – Chairman
Mr. Ramesh Damani – Member
Mrs. Manjri Chandak – Member

Stakeholders' Relationship Committee

Mrs. Manjri Chandak – Chairperson
Mr. Ramesh Damani – Member
Mr. Ramakant Baheti – Member

Corporate Social Responsibility Committee

Mr. Chandrashekhar Bhave – Chairman
Mr. Ramesh Damani – Member
Mr. Ramakant Baheti – Member
Mrs. Manjri Chandak – Member

Risk Management Committee

Mr. Ignatius Navil Noronha – Chairman
Mr. Ramakant Baheti – Member
Mrs. Manjri Chandak – Member
Ms. Kalpana Unadkat– Member
Mr. Vikram Bhatia – Member
Mr. Narayanan Bhaskaran - Member
(Appointed w.e.f. 9th July, 2022)
Mr. Niladri Deb - Member
(Appointed w.e.f. 9th July, 2022)
Mr. Ashutosh Dhar - Member
(Ceased w.e.f. 9th July, 2022)

BANKERS
Axis Bank Limited
HDFC Bank Limited
ICICI Bank Limited
Kotak Mahindra Bank Limited
State Bank of India
Sumitomo Mitsui Banking Corporation
The Hong Kong and Shanghai Banking Corporation Limited

AUDITORS
S R B C & Co LLP
Chartered Accountants

REGISTERED OFFICE
Anjaneya Co-op. Housing Society Ltd.
Orchard Avenue, Opp. Hiranandani Foundation School,
Powai, Mumbai - 400 076

Tel: +91-22-40496500

CORPORATE OFFICE
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E-mail: investorrrelations@dmartindia.com
Website: www.dmartindia.com

REGISTRAR & SHARE TRANSFER AGENT
Link Intime India Private Limited
C-101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai - 400 083

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Fax: +91-22-4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

Management Discussion and Analysis

ECONOMIC OVERVIEW

The Indian economy is expected to grow by an estimated 7% in FY 2022-23 (Source: Ministry of Statistics & Programme Implementation) led by supportive government policies and strong private consumption. This was facilitated by near-universal vaccination coverage post COVID-19 outbreak, the normalisation of growth in contact-intensive sectors to pre-pandemic levels, and the continued consumer spending on the back of pent-up demand.

However, inflation remained high almost throughout the year, prompting the regulator to raise the repo rate cumulatively by 250 basis points from May 2022 to February 2023. The effectiveness of the monetary policy response became evident in March 2023 when headline retail inflation slowed down to a 15-month low of 5.66%. Despite high interest rates and a slowdown in global growth, the Indian economy showed resilience and strong growth across sectors.

Outlook

Globally, there are concerns of slowdown in growth due to uncertainty in the financial markets. Geo-political risks also continued to remain heightened in some regions. In India, inflation continues to be the key economic indicator for regulators. However, the domestic economy remains resilient led by several inherent factors such as growing urbanisation, stable geo-political environment and favourable demographics.

INDUSTRY OVERVIEW

FY 2022-23 is estimated to have seen full resumption of activities post the COVID-19 pandemic which impacted the previous two years. The overall retail industry is estimated to have grown at 15% to ₹84 trillion in FY 2022-23. Organised retail is estimated to have grown at 20% to ₹9 trillion (~11% of the overall retail industry) while E-retail is estimated to have grown at 24% to ₹3 trillion (~3.7% of the overall retail industry). Of the total organised retail industry, the food and grocery segment accounts for about 25% (in value terms) as of FY 2022-23.

Retail industry is estimated to grow at a compounded annual growth rate of 10-11% between 2023 and 2028 as economic activity picks up and inflation remains in a low to moderate range. Consumption revival, coupled with economic growth, is expected to boost consumer sentiment and drive discretionary spends. (Source: CRISIL Research)

BUSINESS OVERVIEW

Avenue Supermarts Limited (DMart) is a national supermarket chain, with a focus on value-retailing. We offer a wide range of products with a focus on the Foods, Non-Foods (FMCG) and General Merchandise & Apparel product categories. Since launching our first store in 2002 in Mumbai, Maharashtra, we have grown to 324 stores with a retail business area of 13.4 million sq. ft. spread across Maharashtra (99), Gujarat (55), Telangana (36), Andhra Pradesh (29), Karnataka (29), Madhya Pradesh (19), Tamil Nadu (19), Rajasthan (12), Punjab (11), NCR (8), Chhattisgarh (6) and Daman (1). We remain focussed on our strategy of offering our customers good quality products at great value, based on the Everyday Low Cost/Everyday Low Price (EDLC/EDLP) principle. Our store offerings provide our customers with a distinctive shopping experience, comprising of a wide range of everyday value retail products sold in a modern ambience and with the feel of a large retail mall. We believe our endeavour to facilitate one-stop shop convenience for our customers' everyday shopping needs, along with our competitive pricing due to our local market knowledge, careful product assortment and supply chain efficiencies, has helped us achieve steady growth.

Key Performance Indicators

Over the years we have seen steady growth in the number of stores and consequently our retail business area.

Financial Year	No. of Stores	Retail Business Area (mn sq. ft.)
FY 2022-23	324**	13.4
FY 2021-22	284	11.5
FY 2020-21	234*	8.8
FY 2019-20	214	7.8
FY 2018-19	176	5.9

*22 New Stores were added in FY 2020-21 and two of our older stores were converted in fulfillment centre for Avenue E-Commerce Limited

**During FY23, 1 location was reconverted from Fulfilment Centre to DMart Store

Our operations are ably supported by a network of distribution centres and packing centres. As of 31st March, 2023 we had 49 distribution centres and 10 packing centres. Our total number of bill cuts, was 25.8 crore in FY 2022-23 as compared to 18.1 crore during FY 2021-22. Our annualised revenue from sales per retail business area sq. ft. was ₹31,096 in FY 2022-23 and ₹27,454 in FY 2021-22.

Financial Performance

(₹ in cr)

Particulars	Standalone			Consolidated		
	FY 2023	FY 2022	Increase/ (Decrease)%	FY 2023	FY 2022	Increase/ (Decrease)%
Revenue from Operations	41,833.25	30,352.50	37.82%	42,839.56	30,976.27	38.30%
Other Income	163.09	140.87	15.77%	129.34	117.49	10.09%
Finance Cost	48.07	39.60	21.39%	67.41	53.79	25.32%
Profit Before tax	3,231.16	2,181.73	48.10%	3,060.09	2,064.12	48.25%
Profit After Tax	2,556.40	1,616.17	58.18%	2,378.34	1,492.40	59.36%
EPS - Basic (in ₹)	39.46	24.95	58.16%	36.72	23.04	59.38%
EPS - Diluted (in ₹)	39.22	24.75	58.46%	36.49	22.86	59.62%

Key Financial Ratios

		FY 2023	FY 2022
(i)	Operating Profit Margin (%)	7.84%	7.32%
(ii)	Net Profit Margin (%)	6.11%	5.32%
(iii)	Interest Coverage Ratio	68.22	56.09
(iv)	Debtors Turnover	128.20	138.92
(v)	Inventory Turnover (Based on sales)	14.83	12.77
(vi)	Current Ratio*	4.00	3.06
(vii)	Debt Equity Ratio	0.03	0.03
(viii)	Return on Net Worth*	16.80%	12.32%

*Notes :

1. Current Ratio increase is due to the bank fixed deposits held last year reclassified to current assets this year.
2. Return on Net Worth Ratio increase is on account of increased earnings in the current year.

Human Capital

Our employees are critical to our business. We internally assess our employees to periodically identify competency gaps and use development inputs (such as skill upgradation training) to address these gaps. We have implemented staff training policies and assessment procedures and intend to continue placing emphasis on attracting and retaining motivated employees. We plan to continue investing in training programmes and other resources that enhance our employees' skills and productivity. We will continue to help our employees develop understanding of our customer-oriented corporate culture and service quality standards to enable them to continue to meet our customers' changing needs and preferences.

At the end of FY 2022-23, we had a total of 12,108 permanent employees and 48,793 employees were hired on contractual basis.

Information Technology (IT)

Our deep understanding of local needs and our ability to adapt quickly to changing consumer preferences has helped our performance driven growth. Our robust IT systems have significantly aided this growth by simplifying complex processes throughout our operations. Our IT systems are equipped with an array of data management tools specific to our business needs and support key aspects of our business. IT has enabled our cash management systems, in-store systems, logistics systems, human resources, project management, maintenance, and other administrative functions. This implementation has contributed positively towards minimising product shortage, pilferage, out of stock situations etc., and has increased overall operational efficiency

Internal Control Systems and their Adequacy

We have put in place internal control systems and a structured internal audit process vested with the task of safeguarding the assets of the organisation and ensuring reliability and accuracy of the accounting and other operational data. The internal audit department reports to the Audit Committee of the Board of Directors.

Similarly, we maintain a system of monthly review of the business as a key operational control, wherein the performance of units is reviewed and corrective action is initiated. We also have in place a capital expenditure control system for authorising spend on new assets and projects. Accountability is established for implementing the projects on time and within the approved budget.

The Audit Committee and the Senior Management Team are regularly apprised of the internal audit findings and regular updates are provided of the action taken on the internal audit reports. The Audit Committee reviews the quarterly, half yearly and the annual financial statements of the Company. A detailed note on the functioning of the Audit Committee and of the other committees of the Board forms part of the section on corporate governance in the Annual Report.

During the year, we carried out a detailed review of internal financial controls. The findings were satisfactory and suggestions for improvement have been taken up for implementation. Policy guidelines and Standard Operating Procedures (SOPs) continue to be updated where required, to keep pace with business requirements.

Risks and Concerns

The Board of Directors reviews the Company's business risks and formulates strategies to mitigate those risks. The Senior Management team, led by the Managing Director, is responsible for proactively managing risks with appropriate mitigation measures and ensuring their implementation thereof.

Below are some of the key risks and concerns in our business:

- If we are unable to continue to offer daily low prices pursuant to our EDLC/EDLP pricing strategy, we risk losing our distinct advantage and a substantial portion of our customers, which will adversely affect our business, financial condition, and results of operations
- Availability of commercially viable real estate properties at suitable locations for our new stores, timely execution of sale deeds/leave and license registrations and getting regulatory approvals for these properties
- Our ability to attract, hire, train and retain skilled employees
- Our inability to maintain an optimal level of inventory in our stores may impact our operations adversely
- Our continued understanding and prediction of consumers' changing needs and preferences and timely customising of our offerings
- Effective management of our store expansion and operations in newer locations/cities/states
- Any breach of our cyber security measures could potentially result in disruption of our business operations
- The outbreak of new variants of COVID-19 or any other pandemic could materially and adversely affect our business, financial condition, and results of operations
- Climate Change may result in lower sales, lesser profits and / or increased investments in the short to medium-term. Further, any potential change in Climate related regulations may lead to higher cost of compliance.

DMart

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of Avenue Supermarts Limited ("the Company") together with the audited financial statements of the Company for the financial year ended 31st March, 2023.

FINANCIAL PERFORMANCE

The Company's financial performance during the year ended 31st March, 2023 compared to the previous financial year is summarised below:

(₹ in crore)

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Income from operations	41,833.25	30,352.50	42,839.56	30,976.27
Other Income	163.09	140.87	129.34	117.49
Total Income	**41,996.34**	**30,493.37**	**42,968.90**	**31,093.76**
Expenses	38,765.18	28,311.64	39,908.81	29,029.64
Profit before tax	**3,231.16**	**2,181.73**	**3,060.09**	**2,064.12**
Less : Tax Expense	674.76	565.56	681.75	571.72
Profit after Tax	**2,556.40**	**1,616.17**	**2,378.34**	**1,492.40**
Other comprehensive Income (net of taxes)	(4.22)	(3.20)	(5.00)	(5.03)
Total Comprehensive income for the year	2,552.18	1,612.97	2,373.34	1,487.37

The financial statements for the year ended 31st March, 2023 have been prepared as per the Indian Accounting Standards (Ind AS).

BUSINESS AND OPERATIONS

During the year under review, your Company expanded operations by adding 40 new stores. The Company has presence across 10 states, 1 union territory and NCR with a total of 324 stores as of 31st March, 2023. We remain focused on our strategy of offering our customers good quality products at great value, based on the Everyday Low Cost/Everyday Low Price (EDLC/EDLP) principle.

On standalone basis, the total income for FY 2023 was ₹41,996.34 crore, which is 37.72% more than the previous year's income of ₹30,493.37 crore. Our total income on consolidated basis for FY 2023 was ₹42,968.90 crore as against ₹31,093.76 crore during FY 2022.

On standalone basis, the net profit after tax (PAT) for FY 2023 stood at ₹2,556.40 crore as against previous year's net profit of ₹1,616.17 crore thereby recording a growth of 58.18%. Our net profit after tax (PAT) on consolidated basis for FY 2023 amounted for ₹2,378.34 crore as compared to ₹1,492.40 crore in the previous year.

There was no change in nature of business of the Company, during the year under review.

CREDIT RATING

Your Company has been rated by CRISIL Limited ("CRISIL") vide its letter dated 16th February, 2022 for its bank facilities as follows:

Instruments	Rating
Bank Loan Facilities of ₹500 crore (Earlier Limit 585 crore)	CRISIL AA+/Stable (Re-affirmed)

Further, CRISIL Ratings Limited vide its letter dated 27th April, 2023 has revised its Credit rating outlook as mentioned below:

Instruments	Rating
Bank Loan Facilities of ₹500 crore	CRISIL AA+/Positive (Outlook revised from 'Stable' and Rating Reaffirmed)

The Company was not identified as a "Large Corporate" for financial year 2022-23 as per the criteria under SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August, 2021.

UTILISATION OF QUALIFIED INSTITUTION PLACEMENT (QIP) PROCEEDS

The proceeds of funds raised under Qualified Institutional Placement of the Company are utilised as per Objects of the Issue. The disclosure in compliance with the Regulation 32(7A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is as under:

(₹ in crore)

Sr. No.	Particulars	Actual utilisation of QIP proceeds up to 31st March, 2023	Actual utilisation of QIP proceeds up to 31st March, 2022
1.	Capex payment	1,515.00	1,422.00
2.	Repayment of Non-convertible Debentures	300.00	300.00
3.	Repayment of WCDL/ Commercial Paper	250.00	250.00
4.	Repayment of Term Loan	158.00	158.00
5.	WC/General Corporate expenses (Excluding QIP expenses)	820.00	713.00
	Total	**3,043.00**	**2,843.00**

Out of the total fund of ₹4,078 crore (net of QIP expenses) raised by the Company under Qualified Institutional Placement, an amount of ₹1,035 crore is unutilised as on 31st March, 2023.

CHANGES IN SHARE CAPITAL

Pursuant to exercise of stock options as per the Avenue Supermarts Limited Employee Stock Option Scheme, 2016 by Employees of the Company and that of its subsidiary companies, the Company allotted 489,287 equity shares of ₹10/- each at an exercise price of ₹299/- per equity share on 28th March, 2023. Consequently, the paid up share capital of the Company stands increased to ₹6,482,639,780/- divided into 648,263,978 equity shares of ₹10/- each upon allotment.

During FY 2022-23 there was no change in the authorised share capital of the Company.

The Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor issued any sweat equity shares during the year under review.

DIVIDEND

With a view to conserve resources for expansion of business, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

DIVIDEND DISTRIBUTION POLICY

The Company has in place a Dividend Distribution Policy in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the Company's website at https://www.dmartindia.com/investor-relationship

TRANSFER TO RESERVES

The Company has not transferred any amount of profit to the reserves during the financial year under review.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the applicable provisions of the Companies Act, 2013 including the relevant Indian Accounting Standards (Ind AS) as issued by the Institute of Chartered Accountants of India and notified under Section 133 of the Companies Act, 2013, this Annual Report includes Consolidated Financial Statements for the financial year 2022-23.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has 5 subsidiaries as on 31st March, 2023, The details of which are appended hereunder:

ALIGN RETAIL TRADES PRIVATE LIMITED (ARTPL)

ARTPL, a wholly-owned subsidiary Company incorporated on 22nd September, 2006, is engaged in the business of packing and selling of grocery products, spices, dry fruits, etc. Its revenue from operations for FY 2023 stood at ₹2,211.29 crore against ₹1,587.09 crore in the previous year and the Company posted net profit after tax of ₹23.08 crore for FY 2023 against ₹17.15 crore for FY 2022.

AVENUE FOOD PLAZA PRIVATE LIMITED (AFPPL)

AFPPL was incorporated on 08th June, 2004 as a wholly-owned subsidiary of our Company. It is engaged in the business of operating food outlets at DMart stores. The revenue from operations of the Company for FY 2023 stood at ₹124.41 crore as against ₹43.34 crore for FY 2022. The Company reported loss after tax of ₹2.03 crore against profit after tax of ₹0.31 crore for previous year.

AVENUE E-COMMERCE LIMITED (AEL)

AEL, a subsidiary Company, incorporated on 11th November, 2014 is engaged in the business of online and multi-channel grocery retail under the brand name of DMart Ready. AEL allows its customers to order a broad range of grocery and household products through its mobile app and website www.dmart.in. Customers can either self-pick up their online orders from any designated DMart Ready Pick-up Points or get them delivered at their doorstep. At most of the Pick-up Points, it also offers a select range of merchandise for instant purchase.

AEL completed 6 years of service in the e-commerce space in January 2023. During the Financial Year 2022-23, it expanded its service coverage to include 10 more cities - Chandigarh, Jaipur, Sanand, Anand, Belagavi, Chennai, Vishakhapatnam, Bhilai, Raipur and Ghaziabad. Our current service footprint includes a total of 22 cities. AEL also operates a small format grocery store under the brand name, DMart miniMAX. Starting from two DMart miniMAX stores at the beginning of the Financial Year, AEL added 13 more miniMAX stores this year.

AEL's revenue from operations for FY 2023 stood at ₹2,202.03 crore vis-à-vis ₹1,667.21 crore in the FY 2022. The Company registered a loss of ₹193.70 crore in FY 2023 against the loss of ₹142.07 crore in FY 2022.

NAHAR SETH & JOGANI DEVELOPERS PRIVATE LIMITED (NSJDPL)

NSJDPL, subsidiary Company was incorporated on 21st February, 2014, with main object of, amongst others, development of land and construction. Revenue from operations of the Company for FY 2023 and FY 2022 was ₹0.75 crore and the Company earned net profit after tax of ₹0.61 crore for FY 2023 against ₹0.55 crore for FY 2022.

REFLECT HEALTHCARE AND RETAIL PRIVATE LIMITED (RHRPL)

RHRPL, a wholly-owned subsidiary Company was incorporated on 28th May, 2018 as Reflect Wholesale and Retail Private Limited. Registrar of Companies, Mumbai had approved change in object clause of the RHRPL to operate in the healthcare business and accordingly, name of the Company was changed from Reflect Wholesale and Retail Private Limited to Reflect Healthcare and Retail Private Limited w.e.f. 15th September, 2022. Further during the year under review, the Company has commenced its operations by launching first pharmacy outlet in the Mumbai Metropolitan Region. RHRPL's revenue from operations for FY 2023 stood at ₹11,000/- and registered a loss of ₹0.14 crore in FY 2023.

The Company does not have any Joint Venture or Associate Company within the meaning of Section 2(6) of the Companies Act, 2013.

Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014, the salient features of the financial statements and performance of each subsidiary in Form AOC-1 is disclosed under **Annexure-I** and forms part of this Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements and separate audited financial statements in respect of subsidiaries are available on the website of the Company under web link https://www.dmartindia.com/investor-relationship. The same shall also be sent to Members electronically who request for the same by sending e-mail to Company at investorrelations@dmartindia.com from their registered e-mail address.

The Company has formulated a Policy for determining material subsidiaries. The said policy is available on the website of the Company at https://www.dmartindia.com/investor-relationship.

RELATED PARTY TRANSACTIONS

The Company has formulated a policy on the Related Party Transactions and the same is hosted on the Company's website at https://www.dmartindia.com/investor-relationship

All the related party transactions are placed before the Audit Committee for their review and approval. Prior Omnibus approval is obtained before the commencement of the new financial year, for the transactions which are repetitive in nature and also for the transactions which are not foreseen (subject to financial limit). A statement of all related party transactions is presented before the Audit Committee on a quarterly basis specifying the nature, value and terms & conditions of the transactions. All transactions entered with related parties were in compliance with the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and the Listing Regulations.

All related party transactions entered into by the Company during the financial year under review were in the ordinary course of business and on arm's length basis and the same were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations except the transaction as disclosed in **Annexure-II**, which forms part of this report in the prescribed format Form AOC-2 as specified under the provisions of Section 134(3)(h) of the Companies Act, 2013 and Rule 8 of the Companies(Accounts) Rules, 2014.

The transactions entered by the Company during the financial year under review were in conformity with the Company's Policy on Related Party Transactions.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

Particulars of loans given, investments made, guarantees given and securities provided during the year under review and as covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the notes to the standalone financial statements forming part of the Annual Report.

MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company comprises of seven Directors, of which three are Executive Directors, one Non-executive Woman Director and three Independent Directors (including Woman Independent Director). The constitution of the Board of Directors of the Company is in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, as amended from time to time.

Re-appointments:

The Board of Directors at its meeting held on 13th May, 2023 approved the following re-appointments, subject to approval of shareholders at the ensuing Annual General Meeting:

1. Re-appointment of Mr. Ramakant Baheti as a Whole-time Director of the Company for a period of five years commencing from 1st May, 2024;

2. Re-appointment of Mr. Elvin Machado as a Whole-time Director of the Company for a period of three years commencing from 10th June, 2024.

Directors retiring by rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, one-third of the Directors are liable to retire by rotation every year and if eligible, offer themselves for re-appointment at the AGM.

Mr. Ramakant Baheti (DIN: 00246480), Director being longest in the office, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and he being eligible has offered himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the AGM Notice.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard-2 on General Meetings, necessary details of Mr. Ramakant Baheti and Mr. Elvin Machado, are provided as an Annexure to the Notice of the Annual General Meeting.

Key Managerial Personnel

During the year under review, there was no change in Key Managerial Personnel of the Company as prescribed under Section 203 of the Companies Act, 2013.

Declarations by Independent Directors

In accordance with Section 149(7) of the Companies Act, 2013, and Regulation 25(8) of the Listing Regulations, as amended, each Independent Director of the Company has provided a written declaration confirming that he/she meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, Independent Directors fulfill the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Listing Regulations and are independent from Management.

All the Independent Directors of the Company have enrolled their names in the online database of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Familiarisation Programmes

The Company has conducted Familiarisation programmes for the Independent Directors of the Company covering the matters as specified in Regulation 25(7) of the Listing Regulations .The details of the training and Familiarisation programmes conducted by the Company are hosted on the Company's website under the web link https://www.dmartindia.com/investor-relationship.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Board Meetings

The Board of Directors met Six (6) times during the financial year under review. The details of the Board meetings and attendance of each Director thereat are provided in the Corporate Governance Report forming part of the Annual Report.

Audit Committee

The Company's Audit Committee composition is in line with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The composition of the Audit Committee is as under:

Sr. No.	Name	Category	Designation
1.	Mr. Chandrashekhar Bhave	Non-Executive and Independent Director	Chairman
2.	Mr. Ramesh Damani	Non-Executive and Independent Director	Member
3.	Ms. Kalpana Unadkat	Non-Executive and Independent Director	Member
4.	Mrs. Manjri Chandak	Non-Executive Director	Member

The Members of the Audit Committee are financially literate and have requisite accounting and financial management expertise. The terms of reference of the Audit Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee is in conformity with the provisions of the Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The composition of the Nomination and Remuneration Committee is as under:

Sr. No.	Name	Category	Designation
1.	Mr. Chandrashekhar Bhave	Non-Executive and Independent Director	Chairman
2.	Mr. Ramesh Damani	Non-Executive and Independent Director	Member
3.	Mrs. Manjri Chandak	Non-Executive Director	Member

The terms of reference of the Nomination and Remuneration Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

The Company has formulated Nomination and Remuneration Policy, which sets standards for appointment, remuneration and evaluation of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company.

The said policy *inter-alia* other matters includes the criteria for determining qualifications, attributes, independence of Directors as required under sub-section (3) of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The Nomination and Remuneration Policy of the Company is hosted on the Company's website under the web link https://www.dmartindia.com/investor-relationship

Stakeholders Relationship Committee
Pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Stakeholders' Relationship Committee was constituted by the Board of Directors.

The composition of Stakeholders Relationship Committee is as under:

Sr. No.	Name	Category	Designation
1.	Mrs. Manjri Chandak	Non-Executive Director	Chairperson
2.	Mr. Ramesh Damani	Non-Executive and Independent Director	Member
3.	Mr. Ramakant Baheti	Executive Director	Member

The brief terms of reference of the Stakeholders' Relationship Committee and particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

Corporate Social Responsibility Committee
In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee.

The brief outline of the Company's CSR initiatives undertaken during the year under review is furnished in **Annexure-III** in the format as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The Company's CSR Policy is placed on the website of the Company https://www.dmartindia.com/investor-relationship.

The composition of the CSR Committee is as under:

Sr. No.	Name	Category	Designation
1.	Mr. Chandrashekhar Bhave	Non-Executive and Independent Director	Chairman
2.	Mr. Ramesh Damani	Non-Executive and Independent Director	Member
3.	Mrs. Manjri Chandak	Non-Executive Director	Member
4.	Mr. Ramakant Baheti	Executive Director	Member

The brief terms of reference, particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

Risk Management Committee
Pursuant to Regulation 21 of the Listing Regulations, the Board constituted Risk Management Committee to frame, implement and monitor risk management plan of the Company. The Board has adopted the Risk Management Policy and framework to mitigate foreseeable risks, avoid events, situations or circumstances, which may lead to negative consequences on the Company's businesses. The major risks identified are systematically approached through mitigating actions on continual basis. Risk evaluation is an ongoing and continuous process within the Company and it is regularly updated to the Board of the Company.

The Risk Management Committee has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's enterprise wide risk management framework. A detailed analysis of the business risks and opportunities is given under Management Discussion and Analysis Report.

The composition of the Risk Management Committee is as under:

Sr. No.	Name	Category	Designation
1.	Mr. Ignatius Navil Noronha	Executive Director	Chairman
2.	Mr. Ramakant Baheti	Executive Director	Member
3.	Mrs. Manjri Chandak	Non-Executive Director	Member
4.	Ms. Kalpana Unadkat	Non-Executive and Independent Director	Member
6.	Mr. Vikram Bhatia	Sr. VP – Information Technology	Member
6.	Mr. Narayanan Bhaskaran*	Chief Operating Officer – Retail	Member
7.	Mr. Niladri Deb*	Chief Financial Officer	Member

*The Risk Management Committee was re-constituted by the Board of Directors of the Company at their meeting held on 9th July, 2022 by inducting Mr. Narayanan Bhaskaran, Chief Operating Officer - Retail and Mr. Niladri Deb, Chief Financial Officer of the Company as members of the Committee. Mr. Ashutosh Dhar, Sr. VP – Loss Prevention & Risk Management ceased to be a Member of the Committee with effect from 9th July, 2022.

Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2023; the Board of Directors hereby confirms that:

a) in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) such accounting policies have been selected and applied consistently and the Directors made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for that year;

c) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts of the Company have been prepared on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Vigil Mechanism

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and in accordance with Regulation 22 of the Listing Regulations, the Company had adopted 'Vigil Mechanism Policy' for Directors, Employees and other Stakeholders of the Company to report concerns about unethical behaviour. The policy provides a mechanism, which ensures adequate safeguards to Employees, Directors and other stakeholders from any victimisation on raising concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, and so on. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism Policy is hosted on the Company's website www.dmartindia.com

Annual Evaluation of Directors, Committees and Board

Pursuant to the provisions of the Companies Act, 2013 and as per the Listing Regulations, the Board of Directors carried out annual performance evaluation of its own performance, the directors individually as well as the working of its Committees.

The performance of the Board as a whole and of its Committees was evaluated by the Board through structured questionnaire which covered various aspects such as the composition and quality, meetings and procedures, contribution to Board processes, effectiveness of the functions allocated, relationship with management, professional development, adequacy, appropriateness and timeliness of information etc.

Taking into consideration the responses received from the Individual Directors to the questionnaire, performance of the Board and its Committees was evaluated. The Directors expressed their satisfaction with the evaluation process.

In terms of requirements of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company was held on Saturday, 14th January, 2023 to review:

- The performance of non-independent directors and the Board as a whole and its Committees thereof;
- The performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- To assess the quality, quantity and timeliness of the flow of information between the Management and the Board.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

PARTICULARS OF EMPLOYEES

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure-IV.**

In terms of Section 136(1) of the Act, details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and rule 5(2) and rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available for inspection. Any member interested in obtaining a copy of the same may write to Company at investorrelations@dmartindia.com from their registered e-mail address.

Employee Stock Options

The Members of the ESOP Committee vide circular resolution dated 14th March, 2017 approved grant of 13,973,325 options under the ESOP Scheme 2016 to 4,747 eligible employees of the Company, irrespective of their grade, pursuant to the eligibility criteria stipulated under the ESOP Scheme 2016.

The Employee Stock Option Scheme 2016 is being administered and monitored by ESOP Committee of the Company. The scheme is in compliance with the SEBI (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the year under review, 2,959,262 options (including the options vested to deceased employees on the date of death) were vested and 489,287 equity shares of ₹10/- each were allotted to eligible employees pursuant to exercise of options under Employee Stock Option Scheme, 2016 of the Company. The eligible employees can continue to exercise options vested to them till 13th June, 2023.

In terms of the provisions of the SEBI (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021, the details of the Stock Options granted under the aforesaid ESOP Scheme are uploaded on the website of the Company https://www.dmartindia.com/investor-relationship.

A certificate from Rathi and Associates, Secretarial Auditors of the Company, has been obtained by the Company with respect to implementation of Employee Stock Option Scheme, 2016 and the same shall be available for inspection by Members who request for the same by sending e-mail to Company at investorrelations@dmartindia.com from their registered e-mail address.

Internal Financial Control Systems and their adequacy

The details of the internal financial control systems and their adequacy are included in Management Discussions and Analysis Report, which forms part of the Annual Report.

AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

Statutory Auditors

S R B C & Co LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) were re-appointed as Statutory Auditors of the Company at the 22nd AGM held on 17th August, 2022, to hold office till the conclusion of 27th AGM of the Company.

The Auditors have issued an unmodified opinion on the Financial Statements, both standalone and consolidated for the financial year ended 31st March, 2023. The said Auditors' Report(s) for the financial year ended 31st March, 2023 on the financial statements of the Company forms part of this Annual Report.

Observations of Statutory Auditors on Accounts for the year ended 31st March, 2023

The Auditors Report for the financial year ended 31st March, 2023 does not contain any qualification, adverse remark or reservation and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Auditors have not reported any matter to the Company required to be disclosed under Section 143(12) of the Companies Act, 2013.

Secretarial Audit Report for the year ended 31st March, 2023

The Secretarial Audit Report, pursuant to the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, was obtained from M/s. Rathi and Associates, Practicing Company Secretaries in Form MR-3 for the financial year 2022-23. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

The said Report is disclosed under **Annexure-V** and forms part to this report.

Internal Audit and Control

The Company has robust internal audit system for assessment of audit findings and its mitigation. The Internal Audit function covers all the stores, distribution centres, inventory audit, stock takes, audit for project related accounts, corporate accounts etc.

During the year under review Mr. Rohit Mundhra was re-appointed as an Internal Auditor of the Company by the Board based on the recommendation of the Audit Committee at its meeting held on 14th May, 2022.

The Internal Auditor of the Company directly reports to the Audit Committee for functional matters. The Audit Committee reviews internal audit report and internal control measures at its quarterly meetings. Company's internal controls are commensurate with the size and operations of the business. Continuous internal monitoring mechanism ensures timely identification and redressal of issues.

OTHER DISCLOSURES:

Other disclosures as per the provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are furnished as under:

Annual Return

In terms of Section 92(3) of the Companies Act, 2013 read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on 31st March, 2023 is available on the Company's website at https://www.dmartindia.com/investor-relationship

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as required to be furnished as per the provisions of Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo are disclosed under **Annexure–VI** which forms part of this Report.

Report on Corporate Governance and Management Discussion and Analysis

A separate report on Corporate Governance is provided together with the Certificate from the Practicing Company Secretaries confirming compliance of conditions of Corporate Governance as stipulated under the Listing Regulations. Pursuant to the provisions of Regulation 34 read with Schedule V of the Listing Regulations, a report on Management Discussion & Analysis is attached separately, which forms part of this Annual Report.

Business Responsibility and Sustainability Report (BRSR)

The Company has provided BRSR in lieu of Business Responsibility Report and the same is in line with the SEBI requirement based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' notified by Ministry of Corporate Affairs (MCA). Pursuant to the provisions of Regulation 34 of the Listing Regulations, the said report is attached separately, which forms part of this Annual Report.

Secretarial Standards Compliance

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at work place in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY 2022-23 are as follows:

No. of complaints received during the year	1
No. of complaints disposed off during the year	1
No. of complaints pending as on 31.03.2023	0

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions for the same during the year under review:

1. Deposits covered under Chapter V of the Companies Act, 2013;

2. Material changes and/or commitments that could affect the Company's financial position, which have occurred between the end of the financial year of the Company and the date of this report;

3. Significant or material orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future;

4. Non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;

5. Receipt of any remuneration or commission from any of its subsidiary companies by the Managing Director or the Whole-Time Directors of the Company;

6. Revision of the financial statements pertaining to previous financial periods during the financial year under review;

7. Maintenance of cost records as per sub-section (1) of Section 148 of the Companies Act, 2013;

8. Frauds reported as per Section 143(12) of the Companies Act, 2013;

9. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year and;

10. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

ACKNOWLEDGEMENTS AND APPRECIATION

Your Board takes this opportunity to thank Company's employees at all levels for their hard work and commitment. Your Board also places on record its sincere appreciation for the continued support received from the customers, members, suppliers, bankers, financial institutions and all other business partners/associates.

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

	Ignatius Navil Noronha	**Ramakant Baheti**
Place: Thane	Managing Director & CEO	Whole-time Director & Group CFO
Date: 13th May, 2023	DIN: 01787989	DIN: 00246480

Registered Office:
Anjaneya CHS Limited, Orchard Avenue,
Opp. Hiranandani Foundation School,
Powai, Mumbai – 400 076
CIN: L51900MH2000PLC126473
Tel No.: 022-40496500
E-mail ID: investorrelations@dmartindia.com
Website: www.dmartindia.com

ANNEXURE I

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

		(₹ in crore)	(₹ in crore)	(₹ in lakh)	(₹ in lakh)	(₹ in lakh)
1	Name of the Subsidiaries	Align Retail Trades Private Limited	Avenue E-Commerce Limited	Avenue Food Plaza Private Limited	Nahar Seth & Jogani Developers Private Limited	Reflect Healthcare and Retail Private Limited (Formerly known as Reflect Wholesale and Retail Private Limited)
2	Date since when subsidiary was acquired	18.08.2009	02.02.2018	18.08.2009	21.02.2014	28.05.2018
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of the Holding Company	Same as of the Holding Company	Same as of the Holding Company	Same as of the Holding Company	Same as of the Holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.	N.A.	N.A.
5	Share capital	4.34	436.92	1.67	10.00	210.00
6	Reserves and Surplus	156.47	(350.27)	2,641.94	454.17	(15.81)
7	Total Assets	188.01	545.47	5,921.46	1,304.42	250.47
8	Total Liabilities	27.20	458.82	3,277.85	840.25	56.28
9	Investments	Nil	Nil	Nil	Nil	Nil
10	Turnover	2,211.29	2,202.03	12,440.50	75.00	0.11
11	Profit/Loss before taxation	31.42	(193.70)	(268.66)	78.77	(13.78)
12	Tax Expense	8.34	Nil	(65.73)	17.65	Nil
13	Profit/Loss after taxation	23.08	(193.70)	(202.93)	61.12	(13.78)
14	Proposed Dividend	Nil	Nil	Nil	Nil	Nil
15	% of shareholding	**100%**	**99.88%**	**100%**	**90%**	**100%**

***Total Liabilities excluding of share capital and Reserves & Surplus**

Names of the subsidiaries which are yet to commence operations – NIL

Names of subsidiaries which have been liquidated or sold during the year – NIL

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to the Associate Companies & Joint Ventures

Part "B": Associates and Joint Ventures

Note: The Company does not have any Associate/Joint Venture Company as on 31st March, 2023
Names of the associate or joint ventures which are yet to commence operations - NIL
Names of the associate or joint ventures which have been liquidated or sold during the year – NIL

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

Ignatius Navil Noronha Managing Director & CEO DIN:01787989	Ramakant Baheti Whole-time Director & Group CFO DIN:00246480	Niladri Deb Chief Financial Officer	Ashu Gupta Company Secretary

Place: Thane
Date: 13th May, 2023

D Mart

ANNEXURE II

DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO SECTION 188(1) OF THE ACT

Form AOC- 2

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

1. Details of contracts or arrangements or transactions not at arm's length basis

Name of the related party and nature of relationship	Mr. Radhakishan S. Damani - Promoter
Nature of contracts/arrangements/transactions	Mentorship Agreement
Duration of the contracts/arrangements/transactions	5 years w.e.f. 16th October, 2022
Salient terms of the contracts or arrangements or transactions including the value, if any	Re-appointment of Mr. Radhakishan S. Damani, Promoter of the Company as 'Chief Mentor' for a fixed fee of ₹1/- p.a.
Justification for entering into such contracts or arrangements or transactions	The said agreement was entered with the said Promoter to seek his strategic guidance and obtain advisory services.
Date of approval by the Board	15th October, 2022
Amount paid as advances, if any:	Nil
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of the related party and nature of relationship	During the year under review, the Company did not enter into any material related party transactions as per section 188 of the Companies Act, 2013 and applicable rules thereof.
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Date of approval by the Board, if any	
Amount paid as advances, if any	

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

Ignatius Navil Noronha
Managing Director & CEO
DIN: 01787989

Ramakant Baheti
Whole-time Director & CFO
DIN: 00246480

Place: Thane
Date: 13th May, 2023

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES

(As per Annexure II of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021)

1. Brief Outline of CSR Policy of the Company

The objective of the CSR activities of the Company is to foster better quality of life for local communities and promote a socially inclusive society where equal opportunities are made available to all. The Company would like to make a meaningful impact to the lives of beneficiaries through structured interventions that contribute to their economic and social progress. Over the years, our programme has focused on foundational education, sports promotion, nutrition, healthcare and environment. We conduct our programme through a combination of strong direct implementation and meaningful contribution/partnerships with reputed external organisations.

Our programme supported students from 10 Municipal Corporations and 2 Zilla Parishads. We continued our interventions in Mumbai, Thane, Navi Mumbai, Panvel, Mira-Bhayander, Kalyan-Dombivali, Bhiwandi, Shirdon, Pune and Aurangabad. This year we have extended our coverage to two new cities in Maharashtra (Nashik and Kolhapur). We cover more than 300 Government/Municipal/Zilla Parishad Schools (Public Schools) across these cities/towns positively impacting more than 128,000 students.

Our support also continues to several external institutions which are running impactful programmes to support the economically and socially disadvantaged in the areas of Education, Healthcare, Environment and Nutrition. In addition, each year we carry out independent impact assessment through a reputed agency to gauge the effectiveness of our programmes and contributions. A thorough review and analysis of the key findings is undertaken by our team to further improve the impact and effectiveness of our interventions.

The CSR Policy of the Company is also available on the Company's website: www.dmartindia.com.

2. The composition of the CSR Committee

Sr. No.	Name of Director	Nature of Directorship	Designation	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Mr. Chandrashekhar Bhave	Non-Executive & Independent Director	Chairman	5	5
2.	Mr. Ramesh Damani	Non-Executive & Independent Director	Member	5	5
3.	Mrs. Manjri Chandak	Non-Executive Director	Member	5	5
4.	Mr. Ramakant Baheti	Executive Director	Member	5	5

3. Provide the web-link where Composition of CSR committee, CSR policy, and CSR projects approved by the board are disclosed on the website of the Company: https://www.dmartindia.com/investor-relationship

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

Impact Assessment for below mentioned CSR projects were carried out by the Company:

- Establishment of the Head and Neck Cancer Institute of India (CanCare Trust)
- Support to Jorhat Cancer Centre (JCC) for purchase of a CT Simulator machine (Tata Trusts)
- Expansion of Dr. Hedgewar Hospital in Aurangabad (Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan)
- Dakshana India Education Trust
- Distributing oxygen concentrators (Donatekart)

These reports are available on the Company's website: https://www.dmartindia.com/investor-relationship

EXECUTIVE SUMMARY OF IMPACT ASSESSMENT OF CSR PROJECTS:

Establishment of the Head and Neck Cancer Institute of India (CanCare Trust)

DMart Foundation collaborated with CanCare Trust to provide support for establishment of the 'Head and Neck Cancer Institute of India (HNCII)'. The hospital is envisaged to provide state-of-the-art cancer treatment facilities and specialised treatment options to head and neck cancer patients at a subsidised rate. This project is in alignment with DMart Foundation's vision of supporting charitable hospitals to deliver better healthcare. An amount of ₹5 Cr was disbursed for construction of the hospital. The intervention addresses SDG 3 of the UN SDGs, Agenda 2030. Nationally, it targets activity (i) of Schedule VII of the Companies Act, 2013.

As part of the impact assessment, a qualitative approach was deployed to evaluate project progress and analyse areas of impact emerging out of the interactions with the key stakeholders. A sample size of 4 was covered that involved conducting key informant interviews (KIIs) with the CanCare Trust team and the Dmart Foundation team as part of the assessment.

The study found the project is under the purview of Brihanmumbai Municipal Corporation (BMC) public private partnership. Head and Neck Cancer Institute of India' (HNCII) is envisaged to be a 93-bed hospital with 20% of the beds reserved for underprivileged patients and municipal employees to whom treatment would be provided free of cost or at a highly subsidised rate. The treatment cost for the rest would be similar to that of Tata Memorial Hospital, which is also substantially less when compared to other private hospitals. The hospital building was found to be of 14 floors, out of which 4 floors are ready to use. Construction work was ongoing for the rest of the floors. Hiring of hospital staff and medical professionals also reported to be pending. The CanCare Trust team envisages the construction work to be completed by June 2023 and the hospital to be operationalised from July 2023.

No major challenges related to project execution were reported or observed. The only challenge reported was low availability of contractors during the pandemic which caused a delay in project completion.

Support to Jorhat Cancer Centre (JCC) for purchase of a CT Simulator machine (Tata Trusts)

DMart Foundation collaborated with Tata Trusts to provide support to Jorhat Cancer Centre (JCC) for purchase of a CT Simulator machine. JCC is one of the 17 cancer care facilities established in Assam under the Assam Cancer Care foundation, which is a partnership between Tata Trusts and the Government of Assam. The CT Simulator machine was envisaged to increase accessibility to radiation therapy for cancer patients residing in and around Jorhat. This project is in alignment with DMart Foundation's vision of supporting charitable hospitals to deliver better healthcare. An amount of ₹3.3 Cr was disbursed for purchase of the CT Simulator. The intervention addresses SDG 3 of the UN SDGs, Agenda 2030. Nationally, it targets activity (i) of Schedule VII of the Companies Act, 2013.

As part of the impact assessment, a qualitative approach was deployed to evaluate project progress and analyse areas of impact emerging out of the interactions with the key stakeholders. A sample size of 10 was covered that involved conducting key informant interviews (KIIs) with the JCC medical team, cancer patients and the DMart Foundation team as part of the assessment.

Radiotherapy or radiation therapy is an essential component of cancer treatment, and it involves using high-energy radiation to kill cancer cells and shrink tumours. It is often used alongside other treatments, such as surgery or chemotherapy, to provide a comprehensive approach to treating cancer. JCC operates in collaboration with Jorhat Medical college to provide its patients with supportive treatment.

The CT Simulator is a critical tool in facilitating radiotherapy treatment planning process. It allows medical professionals to obtain detailed images of the patient's anatomy, which is used to create a customised treatment plan tailored to the individual patient's needs. By using a CT Simulator, doctors can determine the precise location and size of the tumour, which helps them to accurately target the radiation treatment, minimising damage to healthy tissue. While PET CT Scan is an alternative device that can be used for performing the same activities, it has much higher operational costs and requires radioactive isotopes which are difficult to procure and maintain. This made CT simulator a more relevant choice for radiotherapy.

The study found that JCC primarily caters to patients from underprivileged backgrounds with 40% of them falling below the poverty line. They receive treatment at a highly subsidised price (~78%). The presence of CT simulator at JCC is the only hospital in 150 km radius to boast such facility. It has proved extremely beneficial for the people living in 150 km radius of the hospital.

The assessment also enlightens the fact that centre possesses all required permissions from the Atomic Energy Regulatory Board (AERB) for using the CT Simulator. The medical staff handling the CT simulator also adhered to all radiation safety protocol measures like using a TLD badge. No major challenges related to project execution were reported or observed.

Expansion of Dr. Hedgewar Hospital in Aurangabad (Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan)

DMart collaborated with Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan to provide support for the expansion of Dr. Hedgewar Hospital in Aurangabad. The project included support for building expansion and expansion of oxygen pipeline to beds not equipped with oxygen facility. This project is in alignment with DMart's CSR vision of supporting charitable hospitals to deliver better healthcare. DMart Foundation disbursed ₹5 Cr for hospital building expansion and Avenue Supermarts Ltd. disbursed ₹1.08 Cr for oxygen pipeline expansion. The intervention addresses

SDG 3 of the UN SDGs, Agenda 2030. Nationally, it targets activity (i) of Schedule VII of the Companies Act, 2013.

As part of the impact assessment, a qualitative approach was deployed to evaluate project progress and analyse areas of impact emerging out of the interactions with the key stakeholders. A sample size of 5 involving key informant interviews (KIIs) were conducted with the hospital team and the DMart CSR team as part of the assessment.

The assessment suggests that 95% of the hospital beds have been equipped with oxygen support and the expansion of the building is ongoing. The hospital team anticipates the work to be completed by June 2023. The Give team perceives that expanding the hospital has the potential to bring many benefits in form of accommodating more patients (500 extra beds), offering a wider range of medical services and treatments, and boosting the local economy through potential employment. However, expanding the hospital could also be disruptive to hospital operations during the expansion phase. The unintended impact of the expansion of the building will result in not only augmenting the patient carrying capacity but also promoting medical education. The added floors are intended to be served as seat of learning for medical students of different department. From that perspective, the intervention indirectly aligns with 'education' as a core thematic area of CSR for DMart.

No major challenges related to project execution were reported or observed. The only challenge reported was low availability of contractors during the pandemic which caused a delay in project completion.

Dakshana India Education Trust

DMart Foundation supported Dakshana India Education Trust (henceforth, Dakshana) in the year 2021-22. Dakshana is a philanthropic foundation with a mission centred around the idea that education is the most powerful and enduring weapon to win the battle against poverty. Dakshana helps bright and impoverished students, predominantly from rural India, to prepare for engineering and medical entrance exams. Dakshana has been offering free coaching scholarships to underprivileged students from government schools to prepare for competitive exams such as JEE/NEET/AIIMS for over 13 years with great success. This project is in alignment with DMart Foundation's vision of supporting the education of underprivileged children. An amount of ₹2.5 Cr was disbursed for contribution towards scholarship for students' coaching, access to educational resources and residential accommodation. The intervention addresses SDG 4 of the UN SDGs, Agenda 2030. Nationally, it targets activity (ii) of Schedule VII of the Companies Act, 2013.

As part of the impact assessment, a qualitative approach was deployed to evaluate project progress and analyse areas of impact emerging out of the interactions with the key stakeholders. A sample size of 238 was covered that involved conducting surveys with the students and their parents and key informant interviews (KIIs) with the Dakshana team and the DMart Foundation team as part of the assessment.

Under the project, scholarships are provided to the selected students appearing for JEE/NEET exams. The programme has been delivered through two models (a) residential coaching at the Dakshana Valley for 1 year and (b) coaching classes incorporated in the on-going JNV academic plan for 2 years. Through the programme, students were provided with free coaching for preparation of JEE and NEET entrance exams; along with gaining access to educational resources. 400 students were sponsored as part of this initiative in 2021-22. An average of 70% of the students qualify for either medical or engineering entrance exams every year with the support of Dakshana. However, a lower success rate was observed for the year 2021-22 owing to the disruption in coaching classes due to the COVID-19 pandemic.

No major challenges related to project execution were reported or observed. The only challenge reported was lack of practical-based learning in the course and low adoption of digital resources. Dakshana valley students also reported frequent change of subject teachers as a challenge. Recommendations for adopting teaching methods with a higher focus on practical learning, integrating digital resources in the course curriculum and ensuring teachers do not leave mid-session have been given.

Distributing oxygen concentrators (Donatekart)

DMart Foundation collaborated with DonateKart for project 'Oxygen SOS' which involved distributing oxygen concentrators to PHCs, government hospitals and offices of local authorities in Telangana and Karnataka to alleviate the medical oxygen crunch being faced by all healthcare institutions during the COVID-19 pandemic, in India. This disaster relief project is in alignment with DMart Foundation's vision of supporting charitable hospitals/ healthcare institutions to deliver better healthcare. An amount of ₹1.19 Cr was disbursed for purchase and distribution of oxygen concentrators. The intervention addresses SDG 3 of the UN SDGs, Agenda 2030. Nationally, it targets activity (i) of Schedule VII of the Companies Act, 2013.

As part of the impact assessment, a qualitative approach was deployed to evaluate project progress and analyse areas of impact emerging out of the interactions with the key stakeholders. A sample size of 7 was covered that involved conducting key informant interviews (KIIs) with the PHC Medical Officers (MOs), DonateKart team, and the DMart Foundation team as part of the assessment.

The project involved the distribution of 106 oxygen concentrators to 17 Primary Health Centres (PHCs) and government hospitals during the COVID-19 pandemic, particularly during the second wave in India. DonateKart also partnered with 6 local NGOs to expand the reach of their impact and delivered the oxygen concentrators in a timely manner. The programme was able to benefit 2160 COVID-19 patients during the pandemic, with PHCs reporting the ability to serve 1-2 extra patients per day and faster recovery with the use of oxygen concentrators.

None of the oxygen concentrators broke down during peak usage periods, and they are still being used to provide oxygen to pregnant women and asthma patients. The only challenge observed was related to long-term monitoring and evaluation. Recommendations for developing a comprehensive monitoring and evaluation plan have been given. Overall, the project was successful in addressing the critical need for oxygen concentrators during the COVID-19 pandemic and has the potential to continue providing life-saving support to patients in need.

5. a) Average net profit of the Company as per section 135(5): ₹1,861.37 Crore

b) Two percent of average net profit of the Company as per section 135(5): ₹37.23 crore

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

d) Amount required to be set off for the financial year, if any: Nil

e) Total CSR obligation for the financial year (7a+7b- 7c): ₹37.23 crore

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹30.26 Crore

(b) Amount spent in Administrative Overheads: ₹0.77 Crore

(c) Amount spent on Impact Assessment, if applicable: ₹0.08 Crore

(d) Total amount spent for the Financial Year (6a+8b+8c): : ₹31.11 Crore

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹In Cr)	Amount Unspent (₹ in crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
31.11	5.74	26th April, 2023	N.A.	N.A.	N.A.
	0.38	28th April, 2023	N.A.	N.A.	N.A.
	6.12				

(f) Excess amount for set-off, if any: Nil

Sr. No.	Particular	Amount (₹ in crore)
(i)	Two percent of average net profit of the Company as per section 135(5)	37.23
(ii)	Total amount spent for the Financial Year	31.11
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in crore)	Amount spent in the Reporting Financial Year (₹ in crore)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20*	N.A.	-	N.A.	NA	N.A.	N.A.
2	2020-21	N.A.	-	N.A.	NA	N.A.	N.A.
3	2021-22	2.16	0.90	N.A.	NA	N.A.	1.26
	TOTAL		**-**				

*Unspent amount of ₹4.94 crore for Financial year 2019-20 was spent in the Financial Year 2020-21.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Nil

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).**
During the year, DMart Foundation signed MOU with associate organisations of Tata Trusts viz. Coastal Salinity Prevention Cell and Assam Cancer Care foundation for multiyear projects in the water preservation and health care areas and spends were commenced. At the end of the year, the residual amounts for MOUs entered during the year were set aside for expenditure to be incurred in the subsequent years and deposited in a designated bank account.

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

Ignatius Navil Noronha
Managing Director & CEO
DIN: 01787989

Chandrashekhar Bhave
Chairman of CSR Committee
DIN: 00059856

Date: 13th May, 2023
Place: Thane

ANNEXURE IV

INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Ratio of Remuneration of each Director to the median remuneration of all the employees and details of percentage increase in the remuneration of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2022-23 are as follows:

Name of Director and KMP	Designation	Ratio of remuneration of each Director to the Median remuneration of employees	% increase in remuneration in the financial year
Mr. Ramesh Damani	Independent Director & Chairman	10.95	-
Mr. Chandrashekhar Bhave	Independent Director	10.81	
Ms. Kalpana Unadkat	Independent Director	10.22	-
Mrs. Manjri Chandak	Non-Executive Director	11.01	-
Mr. Ignatius Navil Noronha	Managing Director & CEO	134.45	-
Mr. Ramakant Baheti	Whole-time Director & Group CFO	30.79	-
Mr. Elvin Machado	Whole-time Director	28.56	7.71
Mr. Niladri Deb	Chief Financial Officer	-	69.75
Mrs. Ashu Gupta	Company Secretary	-	28.92

Notes:

1. Remuneration comprises salary, allowances, Company's contribution to provident fund, taxable value of perquisites and excludes perquisites on exercise of ESOPs.
2. The median remuneration of the Company for all its employees is ₹338,685/- for the financial year 2022-23. For calculation of median remuneration, the employee count taken is 9,625 which comprises employees who have served for the whole of the financial year 2022-23.
3. The percentage increase in the Median remuneration of employees other than managerial personnel in the financial year 2022-23 was 11.49%
4. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 14.8% Whereas the increase in the managerial remuneration was 1.09%. The Increase in remuneration are as per the policy of the Company.
5. The number of permanent employees on the rolls of Company as on 31st March, 2023 was 12,108.
6. The remuneration is as per the Nomination and Remuneration Policy of the Company.
7. Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection and any Member interested in obtaining a copy of the same may write to Company at investorrelations@dmartindia.com from their registered e-mail address.

ANNEXURE V

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the Financial Year Ended 31st March, 2023

To,
The Members
Avenue Supermarts Limited
Anjaneya CHS Limited, Orchard Avenue,
Opp. Hiranandani Foundation School,
Powai, Mumbai – 400 076

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Avenue Supermarts Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2023, according to the provisions of:

   (i) The Companies Act, 2013 ('the Act') and the rules made thereunder to the extent applicable;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; and

   (iv) Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;

   (v) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were applicable to the Company under the audit period under the report:

      a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

      b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      c) The Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021; and

      d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

   (vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the audit period under report:

      a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

      b) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

      c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

      d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

      e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

2. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings and Overseas Direct Investment were not attracted to the Company under the financial year under report.

   We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws specifically applicable to the Company:

ANNEXURE V

a) Shops & Establishment Act and Rules
b) Legal Metrology Act, 2009
c) Food Safety and Standards Act, 2006
d) Local/Municipality Laws

We have also examined compliance with the applicable clauses of the Secretarial Standards-1 and 2 issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 for the Board Meetings and General Meetings.

During the financial year under report, the Company has generally complied with the provisions of the Secretarial Standards and has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one Woman Director in compliance with the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors took place during the period under report were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the members had any dissenting views, in the matters/ agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

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

We further report that during the year under report, there were no event(s)/action(s) that had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to hereinabove.

For **Rathi & Associates**
Company Secretaries

Himanshu S. Kamdar
Partner
M. No. FCS 5171
C.P. No. 3030

Date: 13th May, 2023
Place: Mumbai
UDIN: F005171E000291127
Peer Review Certificate No.: 668/2020

Note: This report should be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

ANNEXURE

To,
The Members,
Avenue Supermarts Limited
Anjaneya CHS limited, Orchard Avenue
Opp. Hiranandani Foundation School
Powai, Mumbai – 400 076

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For **Rathi & Associates**
Company Secretaries

Himanshu S. Kamdar
Partner
M. No. FCS 5171
C.P. No. 3030

Date: 13th May, 2023
Place: Mumbai
UDIN: F005171E000291127
Peer Review Certificate No.: 668/2020

DMart

ANNEXURE VI

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of energy

Steps taken or impact on conservation of energy	The operations of the Company are not energy intensive. However, in its efforts to conserve energy, adequate measures have been taken in the new and the pre-existing stores. Some of these initiatives are: **Green Building Certification** We strive to obtain Green Building Certification for our stores under Indian Green Building Council (IGBC) or US Green Building Council (USGBC). A significant effort has been made throughout a building's life-cycle from the time of construction to demolition which ensures minimal environmental impact. We continued to increase Green Building Certifications for our stores. We have obtained 191 certifications thus far (1 Platinum, 189 Gold, 1 Silver) Under this certification we have initiated the following measures in our operations for conservation of energy: • Use of energy efficient LED lighting system for the existing and new stores. • We use BEE Star rated split air conditioners which consume less energy in comparison to conventional air Conditioners. We have also commenced using energy efficient inverter air conditioners at select locations. • Our stores are equipped with Energy Monitoring Systems IOT Ecosystem that helps in monitoring several of our energy consuming equipment and recommends basis alerts on early warnings of possible breakdowns and energy conservation possibilities. For details please refer to our section Environmental Focus at DMart on pg 12 of this Annual report
Steps taken by the Company for utilising alternate sources of energy	We have commissioned 190 solar plants with cumulative capacity of 27.8 MW from these installations. Of the total energy requirement at these premises, 21.79% is met through Solar Energy. Subject to on-ground feasibility, it is our endeavour to ensure that all our new premises have a solar plant installed. We have also commenced installing rooftop solar plants at some of our distribution and production centres. Further, we have installed car ports at 22 stores during the year. We have 40 stores as of March 2023 that use more than 50% of their total electricity requirement through Solar Energy. Further, during the year we have initiated a pilot of installing solar lights in open spaces within our premises at a few locations.
Capital investment on energy conservation equipment	₹18.34 crore

(B) Technology absorption

Efforts made towards technology absorption	N.A.
Benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	N.A.
• Year of import	N.A.
• Whether the technology has been fully absorbed	N.A.
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
Expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo

(₹ in crore)

Particulars	Financial year 2022-23	Financial year 2021-22
Actual Foreign Exchange earnings	2.79	0.97
Actual Foreign Exchange outgo	856.73	633.38

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is essentially the management of an organisation's activities in accordance with policies that are value-accretive for all stakeholders. At DMart (ASL), the Management strongly believes in fostering a governance philosophy that is committed to maintaining accountability, transparency and responsibility, which are integral to the Company's day-to-day operations.

In order to keep up the highest level of standards regarding Corporate Governance and Disclosures, the Management has instituted several committees that oversee various aspects of the organisation's administration. Formed in accordance with the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') the Committees inspect and resolve issues that may arise from time to time within the Company.

A well-informed Board is an important facet of responsible behaviour. On a regular basis, the Board members of the Company are apprised of all the vital issues that it comes across and the remedial actions taken in this regard. Through this robust Corporate Governance mechanism that interlinks values, ethics and positive culture, the Company aims to achieve long-term sustainability.

2. BOARD OF DIRECTORS

The Board of Directors of the Company comprises of seven Directors, of which three are Executive Directors, one Non-executive Non-Independent Woman Director and three Independent Directors (including a Woman Director). All members of the Board are eminent persons with considerable professional expertise and experience. The Board consists of a balanced combination of Executive Directors and Independent Directors in accordance with the requirements of the Companies Act, 2013; and the same is in compliance with the requirements of Regulation 17 of the Listing Regulations. The Chairman of the Company is an Independent Director.

The Company has in place a succession plan for the Board of Directors and Senior Management of the Company.

The detail of other Directorships/Chairmanship and Membership of Committees held by Directors of the Company as on 31st March, 2023 is given below:

Name of Directors	Category	No. of Other Directorships and Committee Chairmanship(s)/Membership(s)			Particulars of Directorships in other Listed Entities	
		*Directorships	#Chairmanship	#Membership	Name of the Company	Category of Directorship
Mr. Ramesh Damani (DIN: 00304347)	Chairman, Non- Executive, Independent Director	2	1	1	1. Aptech Limited	Non-Executive, Independent Director
					2. VIP Industries Limited	Non-Executive, Independent Director
Mr. Chandrashekhar Bhave (DIN: 00059856)	Non-Executive, Independent Director	3	2	1	1. Mahindra & Mahindra Financial Services Limited	Non-Executive, Independent Director
					2. Tejas Networks Limited	Non-Executive, Independent Director
Ms. Kalpana Unadkat (DIN: 02490816)	Non-Executive, Independent Director	2	-	3	1. Eris Lifesciences Limited	Non-Executive Independent Director
Mrs. Manjri Chandak (DIN: 03503615)	Non-Executive, Non-Independent Director	3	1	-	-	-

Name of Directors	Category	No. of Other Directorships and Committee Chairmanship(s)/Membership(s)			Particulars of Directorships in other Listed Entities	
		*Directorships	#Chairmanship	#Membership	Name of the Company	Category of Directorship
Mr. Ignatius Navil Noronha (DIN: 01787989)	Executive Director	1	-	-	-	-
Mr. Ramakant Baheti (DIN: 00246480)	Executive Director	1	-	1	-	-
Mr. Elvin Machado (DIN: 07206710)	Executive Director	-	-	-	-	-

Note:

* The above list of other directorships includes Public Companies (listed and unlisted) but does not include Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

It includes Chairmanship or Membership of the Audit Committee and Stakeholders' Relationship Committee of Public Companies (listed and unlisted) only.

None of the Directors of the Company are related to each other.

None of the Directors on the Board serve as Director or Independent Director in more than seven listed companies. Further, there are no Directors on the Board of the Company, who serve as Whole-time Director/Managing Director with any other listed company. No Director is a member of more than ten Committees or acts as the Chairman of more than five Committees across all companies in which he or she is a Director.

The Board of Directors is of the opinion that all Independent Directors of the Company fulfill the conditions of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) and 25(8) of the Listing Regulations and hereby confirm that they are independent of the management.

Shareholding of Directors as on 31st March, 2023

Name of Directors	Category	No. of Equity Shares	% Shareholding
Mr. Ramesh Damani	Chairman, Non-Executive, Independent Director	100,000	0.02
Mr. Chandrashekhar Bhave	Non-Executive, Independent Director	0	0.00
Ms. Kalpana Unadkat	Non-Executive, Independent Director	0	0.00
Mrs. Manjri Chandak	Non-Executive, Non-Independent Director	16,064,812	2.48
Mr. Ignatius Navil Noronha	Executive Director	12,773,010	1.97
Mr. Ramakant Baheti	Executive Director	2,568,450	0.40
Mr. Elvin Machado	Executive Director	289,900	0.04

Board Meetings

The Board Meeting is conducted at least once in every quarter to discuss performance of the Company and its Quarterly Financial Results, along with other matters of the Company. The Board also meets to consider other business(es), whenever required, from time to time. Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are drafted and circulated well in advance to the Board of Directors of the Company. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as *inter-alia* specified under Part A of Schedule II of Regulation 17(7) of the Listing Regulations. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto.

Six meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates of the meetings were as follows:

4th April, 2022, 14th May, 2022, 9th July, 2022, 15th October, 2022, 14th January, 2023 and 25th March, 2023. The Twenty Second Annual General Meeting of the Shareholders of the Company was held on Wednesday, 17th August, 2022.

The attendance of each Director at the Board Meeting and the last Annual General Meeting is given under:

Names of Directors	Particulars of attendance for the Board Meetings		Attendance for last AGM held on 17th August, 2022
	Meetings held during the Director's tenure	Board Meetings Attended	
Mr. Ramesh Damani	6	6	Yes
Mr. Chandrashekhar Bhave	6	6	Yes
Ms. Kalpana Unadkat	6	5	Yes
Mrs. Manjri Chandak	6	6	Yes
Mr. Ignatius Navil Noronha	6	6	Yes
Mr. Ramakant Baheti	6	6	Yes
Mr. Elvin Machado	6	6	Yes

Separate Independent Directors Meeting

Pursuant to Schedule IV of the Companies Act, 2013 and as per Regulation 25(3) of the Listing Regulations, separate meeting of Independent Directors of the Company was held on Saturday, 14th January, 2023. The agenda was to review the performance of Non-Independent Directors, the Chairperson, the entire Board and Committees thereof, quality, quantity and timeliness of the flow of information between the management and the Board.

Familiarisation Programmes

At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. At Board and Committee meetings, the Independent Directors are regularly being familiarised on the business model, strategies, operations, functions, policies and procedures of the Company and its subsidiaries. All Directors attend the Familiarisation programmes as these are scheduled to coincide with the Board meeting calendar.

The details of training programmes attended by the Independent Directors has been posted on the Company's website at the web link: https://www.dmartindia.com/investor-relationship

Matrix of skills/expertise/competencies of the Board of Directors

The Board of the Company comprises qualified members with the required skills, competence and expertise for effective contribution to the Board and its Committee. The Board members are committed to ensure that the Company is in compliance with the highest standards of Corporate Governance.

The table below summarises the list of core skills/expertise/competencies identified by the Board of Directors for effectively conducting the business of the Company and are available with the Board. The table also mentions the specific areas of expertise of individual Director against each skill/expertise/competence:

Core skills/expertise/competencies	Name of Director
Operations:	
• Store Operations	Mr. Ignatius Navil Noronha
	Mrs. Manjri Chandak
	Mr. Elvin Machado
• Human Resources	Mr. Ignatius Navil Noronha
	Mrs. Manjri Chandak
	Mr. Elvin Machado
• Supply Chain	Mr. Ignatius Navil Noronha
	Mrs. Manjri Chandak
	Mr. Elvin Machado
Finance	Mr. Chandrashekhar Bhave
	Mr. Ramesh Damani
	Mr. Ramakant Baheti
	Mrs. Manjri Chandak
Legal	Mr. Chandrashekhar Bhave
	Ms. Kalpana Unadkat
	Mr. Ramakant Baheti
Compliance/Corporate Governance	Mr. Chandrashekhar Bhave
	Ms. Kalpana Unadkat
	Mr. Ignatius Navil Noronha
	Mr. Ramakant Baheti
Business Development	Mr. Ignatius Navil Noronha
	Mr. Ramakant Baheti
	Mr. Elvin Machado
Information Technology	Mr. Chandrashekhar Bhave
	Mr. Ramesh Damani
	Mr. Ignatius Navil Noronha

Committees of the Board of Directors

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has constituted various Committees. These Committees are entrusted with such powers and functions as detailed in their respective terms of reference. Besides, the Committees help focus attention on specific matters of the organisation.

There are total 7 Committees as on 31st March, 2023; out of which 5 are statutory committees and 2 are other committees considering the need of best practice in Corporate Governance of the Company.

Committees as mandated under the Companies Act, 2013 and the Listing Regulations	
1.	Audit Committee
2.	Stakeholders' Relationship Committee
3.	Nomination and Remuneration Committee
4.	Corporate Social Responsibility Committee
5.	Risk Management Committee
Other Committees	
6.	Operations Committee
7.	ESOP Committee

3. AUDIT COMMITTEE

The Audit Committee of the Company is duly constituted as per Regulation 18 of the Listing Regulations, read with the provisions of Section 177 of the Companies Act, 2013. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

Mr. Chandrashekhar Bhave is the Chairman of the Audit Committee. The Statutory Auditors are invited to Audit Committee Meetings.

The Committee members invite the Internal Auditors or any other concerned officer of the Company in the meetings, whenever required on case to case basis.

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process. The Company Secretary acts as the Secretary of the Audit Committee.

Terms of Reference of the Audit Committee are as follows:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company;

c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgement by management;

   iv. Significant adjustments made in the financial statements arising out of audit findings;

   v. Compliance with listing and other legal requirements relating to financial statements;

   vi. Disclosure of any related party transactions; and

   vii. Modified opinion(s) in the draft audit report.

e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

h) Approval or any subsequent modification of transactions of the Company with related parties;

i) Scrutiny of inter-corporate loans and investments;

j) Valuation of undertakings or assets of the Company, wherever it is necessary;

k) Evaluation of internal financial controls and risk management systems;

l) Monitoring the end use of funds raised through public offers and related matters;

m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

o) Discussion with internal auditors of any significant findings and follow up thereon;

p) Reviewing the findings of any internal investigations by the internal auditors into matters of where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

s) To establish and review the functioning of the whistle-blower mechanism;

t) Approval of appointment of Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;

u) Carrying out any other terms of reference as may be decided by the Board or specified/provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority;

v) Review of (1) management discussion and analysis of financial condition and results of operations; (2) management letters/letters of internal control weaknesses issued by the statutory auditors; (3) internal audit reports relating to internal control weaknesses; (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; (5) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations;

w) Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision and

x) Review the compliance of the provision of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal controls are adequate and operating sufficiently and forward the said report with the comments/observations to the Board of Directors of the Company.

Audit Committee Meetings

During Financial Year 2022-23, Five Audit Committee meetings were held. The meetings were held on 14th May, 2022, 9th July, 2022, 15th October, 2022, 14th January, 2023 and 25th March, 2023.The details of composition of Audit Committee and attendance of each Committee Member are as follows:

Name of the Members	Designation in the Committee	Particulars of Attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Chandrashekhar Bhave	Chairman	5	5
Mr. Ramesh Damani	Member	5	5
Ms. Kalpana Unadkat	Member	5	4
Mrs. Manjri Chandak	Member	5	5

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Listing Regulations read with the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee recommends the nomination of Directors, and carries out evaluation of performance of individual Directors. Besides, it recommends remuneration policy for Directors, Key Managerial Personnel and the Senior Management of the Company.

Terms of reference of the Nomination and Remuneration Committee are as follows:

a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees;

b) Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;

c) Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;

d) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel;

e) Devise a policy on diversity of Board of Directors;

f) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and

g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Nomination and Remuneration Committee Meetings

During the financial year under review, four meetings of the Nomination and Remuneration Committee were held. The meetings were held on 4th April, 2022, 14th May, 2022, 9th July, 2022 and 14th January, 2023. The composition and attendance of each Committee Member is as under:

Name of the Members	Designation in the Committee	Particulars of Attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Chandrashekhar Bhave	Chairman	4	4
Mr. Ramesh Damani	Member	4	4
Mrs. Manjri Chandak	Member	4	4

Performance Evaluation Criteria for Independent Directors

The Board of Directors of the Company carried out an annual evaluation of its own performance, of committees, of the Board and individual directors pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The performance evaluation is conducted through structured questionnaires which cover various aspects such as the Board composition and structure, effectiveness and contribution to Board processes, adequacy, appropriateness and timeliness of information and the overall functioning of the Board etc. The Individual Director's response to the questionnaire on the performance of the Board, Committee(s), Directors and Chairman, were analysed. The Directors were satisfied with the evaluation process and have expressed their satisfaction with the evaluation process.

In compliance with Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Board of Directors has formulated criteria for evaluation of the Company's Independent Directors' performance. The performance evaluation of Independent Directors is carried out on the basis of their role and responsibilities, effective participation in the Board and Committee meetings, expertise, skills and exercise of independent judgement in major decisions of the Company.

5. REMUNERATION OF DIRECTORS

a) Criteria of making payments to Non-Executive Directors

Sitting Fees

The Non-executive Directors are entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof. Sitting fees paid to non-executive Directors is within the prescribed limits under the Companies Act, 2013 and as determined by the Board of Directors from time to time.

Commission

The shareholders of the Company at their Annual General Meeting held on 6th September, 2017 approved payment to Independent Directors of the Company on annual basis, by way of commission, the aggregate of which shall not exceed one percent of the net profits of the Company per annum computed in the manner prescribed under section 198 of the Companies Act, 2013, in such amount and proportion and in such manner as may be determined by the Board of Directors from time to time, in addition to the sitting fees for a period of five years commencing from 1st April, 2017.

Further shareholders of the Company at their annual general meeting held on 17th August, 2021 approved payment to Independent Directors of the Company on annual basis, by way of commission in addition to the sitting fees for a period of five years commencing from 1st April, 2022.

Reimbursement of expenses

The non-executive directors are also entitled to reimbursement of expenses for participation in the Board and other meetings in terms of the Companies Act, 2013.

The details of sitting fees and commission for the financial year 2022-23 are as under:

Names of Non-Executive Directors	Sitting Fees (in ₹)	Commission (in ₹)
Mr. Ramesh Damani	810,000	29,00,000
Mr. Chandrashekhar Bhave	760,000	29,00,000
Ms. Kalpana Unadkat	560,000	29,00,000
Mrs. Manjri Chandak	830,000	-

During the year, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors apart from sitting fees and commission. The Company has not granted any stock options to any of its Non-Executive Directors.

b) Managing Director & Whole-time Director

The Company has paid remuneration to its Managing Director and Whole-time Directors, by way of salary and perquisites, within the limits stipulated under the Companies Act, 2013 and as per the approval sought from the shareholders of the Company.

Details of the remuneration paid to the Executive Directors of the Company during the financial year 2022-23 are as follows:

(Amount in ₹)

Name	Designation	Basic Salary	Company's contribution to provident fund	Perquisites	Variable	Gross Remuneration
Mr. Ignatius Navil Noronha	Managing Director & CEO	44,768,186	749,340	18,000	-	45,535,526
Mr. Ramakant Baheti	Whole-time Director & Group CFO	10,038,350	390,960	-	-	10,429,310
Mr. Elvin Machado	Whole-time Director	8,065,802	406,500	-	1,200,000	9,672,302

The performance criteria of the above-mentioned Directors are laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

Service Contract, Severance Fees and Notice Period

Mr. Ignatius Navil Noronha was re-appointed as Managing Director of the Company for a period of five years from 1st February, 2021 up to 31st January, 2026.

Mr. Ramakant Baheti was re-appointed as a Whole-time Director of the Company for a period of five years from 1st May, 2019 up to 30th April, 2024.

Mr. Elvin Machado was re-appointed as a Whole-time Director of the Company, for a term of three years from 10th June, 2021 up to 9th June, 2024.

There is no separate provision for payment of any severance fees for the Managing Director or either of the Whole-time Directors. However, there is a provision of a notice period of six months from either side for all three of them.

Employee Stock Options

Details of Stock options granted to the Executive Directors under the Employee Stock Ownership Plan (ESOP) Scheme, 2016 of the Company are as under:

Name of Directors	Category	Date of grant	Options Granted	Options vested and exercised	Grant price per equity share (₹)	Vesting Period	Exercise Period
Mr. Ignatius Navil Noronha	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Ramakant Baheti	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Elvin Machado	Class A Options	14.03.2017	60,000	NA	₹299	9 Years	3 months from the date of vesting or such other period as may be determined by the ESOP Committee
	Class B Options		45,000	36,000*	₹299	6 years	
	Class C Options		15,000	12,000	₹299	2.5 years	

* Options under Class B were vested on 14.03.2023

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

Mrs. Manjri Chandak, Non-executive Director is the Chairperson of the Committee and Mrs. Ashu Gupta, Company Secretary is the Compliance Officer of the Company pursuant to Regulation 6 of the Listing Regulations.

Terms of reference of the Stakeholders' Relationship Committee are as follows:

a) Investor relations and redressal of grievances of security holders of the Company in general and relating to non-receipt of dividends, interest, non- receipt of balance sheet etc;

b) Approve requests for security transfers and transmission and those pertaining to rematerialisation of securities/subdivision/consolidation of shares, issue of renewed and duplicate share/debenture certificates etc;

c) Resolving the grievances of the shareholders of the Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, general meetings, etc;

d) Review of measures taken for effective exercise of voting rights by shareholders;

e) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

f) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company and

g) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

Stakeholders Relationship Committee Meetings

During the year ended 31st March, 2023, five meetings of Stakeholders Relationship Committee were held i.e. on 14th April, 2022, 06th July, 2022, 2nd September, 2022, 17th October, 2022 and 11th January, 2023. The Company Secretary of the Company acts as Secretary to the Committee. The composition and attendance of each Member is as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mrs. Manjri Chandak	Chairperson	5	5
Mr. Ramesh Damani	Member	5	5
Mr. Ramakant Baheti	Member	5	5

Investor Complaints

The details of investor complaints received/redressed during the financial year 2022-23 is as under:

Complaints as on 01.04.2022	Received during the year	Resolved during the year	Pending as on 31.03.2023
0	3	3	0

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board was constituted in compliance with the provisions of Section 135 of the Companies Act, 2013.

Terms of reference of the CSR Committee are as follows:

a) To formulate CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and recommend same to the Board;

b) To recommend the amount of expenditure to be incurred on CSR activities;

c) To recommend annual action plan to Board of Directors of the Company in pursuance to the CSR policy and any modification as may be required;

d) To implement and monitor the CSR activities of the Company, which shall be in compliance with CSR objectives and Policy of the Company;

e) To provide a report on CSR activities to the Board of the Company periodically;

f) To undertake impact assessment, if required through an independent agency as per the requirements of Companies Act, 2013 and CSR rules made thereunder;

g) To monitor and review the CSR Policy of the Company from time to time; and

h) To ensure the compliance of Section 135 read with Schedule VII of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and subsequent amendments thereto.

Corporate Social Responsibility Committee Meetings

The Corporate Social Responsibility Committee met Five times during the year ended 31st March, 2023 on 14th May, 2022, 9th July, 2022, 15th October, 2022, 14th January, 2023 and 25th March, 2023. The composition and attendance of each Committee Member is as under:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Chandrashekhar Bhave	Chairman	5	5
Mr. Ramesh Damani	Member	5	5
Mrs. Manjri Chandak	Member	5	5
Mr. Ramakant Baheti	Member	5	5

8. RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board was constituted in compliance with the provisions of Regulation 21 of the Listing Regulations.

Terms of reference of the Risk Management Committee are as follows:

a) To assist the Board in execution of its responsibility for the governance and to assist the Board in setting risk strategy policies, including annually agreeing risk tolerance and appetite levels, in liaison with the Management.

b) To formulate, review and recommend risk management policy and amendments, if any for Board Approval.

c) To formulate the Risk Management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the entity, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security, or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks
- Business continuity plan

d) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company

e) To monitor and oversee the implementation of risk management policy, including evaluating the adequacy of risk management systems.

f) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

g) To keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken.

h) The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC.

i) The Committee shall coordinate its activities with other committees where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors

Risk Management Committee shall meet at least twice in a year (with a gap of less than 180 days between two consecutive meetings) to review the risk management process and review the top risks, mitigation plan and status at the Company level.

DMart

Risk Management Committee Meetings

During the financial year under review, Two meetings of the Risk Management Committee were held on 1st September, 2022, 17th February, 2023. The composition and attendance of each Committee Member is as under:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Ignatius Navil Noronha	Chairman	2	2
Mr. Ramakant Baheti	Member	2	2
Ms. Kalpana Unadkat	Member	2	2
Mrs. Manjri Chandak	Member	2	2
Mr. Narayanan Bhaskaran*	Member	2	2
Mr. Niladri Deb*	Member	2	2
Mr. Vikram Bhatia	Member	2	2

*The Risk Management Committee was re-constituted by the Board of Directors of the Company at their meeting held on 9th July, 2022 by inducting Mr. Narayanan Bhaskaran, Chief Operating Officer - Retail and Mr. Niladri Deb, Chief Financial Officer of the Company as members of the Committee. Mr. Ashutosh Dhar, Sr. VP – Loss Prevention & Risk Management ceased to be a Member of the Committee with effect from 9th July, 2022.

9. OPERATIONS COMMITTEE

Terms of reference of the Operations Committee are as follows:

a) To borrow loans for operations of the Company up to the maximum limit of ₹1,800 Crore in a financial year;

b) To authorise such persons including Directors to approach Banks/Financial Institutions and others to avail loans/credit facilities from time to time for operation of the Company and to negotiate and finalise the terms and conditions thereof and to authorise any of the Officials of the Company to execute necessary documents to avail the facilities from time to time;

c) To authorise such Officials of the Company to open bank accounts on behalf of the Company with any nationalised/scheduled/foreign banks and authorise any Officers with respect to signing and honouring of cheques and executing such papers and documents as maybe required from time to time and further to authorise any Officer to change the authorised signatories and/or close such bank accounts as maybe deemed fit from time to time;

d) To authorise such Officials of the Company to operate the loan accounts and the bank account of the Company as maybe deemed fit from time to time;

e) To invest the idle funds of the Company in various securities of any corporate, government securities, mutual funds and such other instruments and/or to provide corporate guarantee or securities with respect to the loans granted by the Company;

f) To avail/authorise such persons including Directors to approach Banks for the facility or merchant establishment services from time to time for efficient working of the Company;

g) To allot securities of the Company as maybe approved by the Board from time to time;

h) To appoint Debenture Trustees with respect to issue of debentures by the Company and in accordance with the applicable SEBI Regulations;

i) To issue commercial Paper within the overall limits as approved by the Board of Directors from time to time for meeting the working capital requirements of the Company with maturity of not more than one year;

j) To authorise such Officials of the Company to attend/appear before courts and other forums, tribunals, judicial, quasi-judicial authority/to declare, sign Vakalatnama, affirm and file written statements, replies, affidavits, applications, to file and exhibit the documents to lead the evidences on behalf of the Company in matters related to the Company;

k) To authorise such Officials of the Company to acquire properties on behalf of the Company on lease or otherwise as required in the ordinary course of business of the Company and/or to give premises on lease as maybe deemed fit by the Board from time to time and to sign, execute, negotiate and deliver all such documents, papers, agreements, applications, affidavits with respect to the same;

l) To authorise such Officials of the Company including Directors to execute and sign various agreements for installation of Solar Power plants for various premises/stores of the Company;

m) To determine the amount of political contribution to be given in accordance with the framework adopted by the Board of Directors of the Company;

n) To authorise any Officer of the Company to make donations to charitable and bona fide institutions, funds and trusts as maybe deemed fit from time to time;

o) To grant authority to attend and vote at the general body meetings/postal ballots either in person or through e-voting in the body corporate where the Company had invested in its securities and to appoint any proxy for the same; and

p) To do or to authorise any Officers of the Company including the Directors to do any such acts, deeds, things and matters pertaining to day-to-day operations/ routine functioning of the Company or to do such acts, deeds, things and matters specifically authorised by the Board of Directors of the Company from time to time.

The Operations Committee comprises of:

Name of the Members	Designation in the Committee
Mr. Ramakant Baheti	Chairman
Mr. Ignatius Navil Noronha	Member
Mr. Elvin Machado	Member

10. EMPLOYEE STOCK OPTION (ESOP) COMMITTEE

Terms of reference of the ESOP Committee are as follows:

a) To evolve, decide upon and bring into effect the ESOP Scheme as may be approved by the Board and shareholders of the Company from time to time (the "Scheme");

b) Determine the detailed terms and conditions of the Scheme, including but not limited to the quantum of the options to be granted under the Scheme (the Options), quantum of the Options to be granted per employee, the exercise period, the vesting period, instances where such options shall lapse and to grant such number of options, to such employees of the Company and other entities as approved, pursuant to which equity shares shall be issued at the fair market value, at such time and on such terms and conditions as set out in the Scheme and as the ESOP Committee may in its absolute discretion think fit and make any modifications, changes, variations, alterations or revisions in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company;

c) Frame suitable policies and procedures to ensure that there is no violation of securities laws, including the SEBI ESOP Regulations or the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended from time to time, by the Company and its employees, as applicable;

d) To settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company; and

e) To take any other action as may be considered necessary by the ESOP Committee for the purposes of giving effect to the Scheme.

The ESOP Committee comprises of:

Name of the Members	Designation in the Committee
Mr. Ramesh Damani	Chairman
Mr. Chandrashekhar Bhave	Member
Mrs. Manjri Chandak	Member

11. GENERAL BODY MEETINGS

Annual General Meetings

The details of Annual General Meetings convened during the last three years are as follows:

For Financial Year	Date and Time	Venue	Special Resolutions
2021-22	Wednesday, 17th August, 2022, at 11:00 A.M.	Through Video Conferencing (VC or other audio visual means (OVAM))	Re-appointment of Ms. Kalpana Unadkat as Independent Director of the Company for a second consecutive term of five years w.e.f. 30th July, 2023.
2020-21	Tuesday, 17th August, 2021 at 11:00 A.M.	Through Video Conferencing (VC or other audio visual means (OVAM))	Nil
2019-20	Tuesday, 1st September, 2020, at 11:00 A.M.	Through Video Conferencing (VC or other audio visual means (OVAM))	Re-appointment of Mr. Chandrashekhar Bhave as Independent Director of the Company for a second consecutive term of five years w.e.f. 17th May, 2021.

Extraordinary General Meetings

No Extraordinary General Meetings of members were convened during the last three financial years.

Details of resolutions passed through Postal Ballot

As per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, during the year under review, no resolutions were passed by members of the Company through Postal Ballot.

12. MEANS OF COMMUNICATION

Quarterly Results	The Company communicates to the Stock Exchanges about the quarterly financial results within 30 minutes from the conclusion of the Board Meeting in which the same is approved. The results are usually published in (Economic Times) English newspaper having country-wide circulation and in (Maharashtra Times) Marathi newspaper where the registered office of the Company is situated. These results were also placed on the Company's website http://www.dmartindia.com
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and Companies Act, 2013 are being posted at Company's website: http://www.dmartindia.com
	The official news releases and presentations to the institutional investors or analysts, if made any are disseminated to the Stock Exchange at www.nseindia.com and www.bseindia.com and the same is also uploaded on the website of the Company www.dmartindia.com
Designated e-mail address for investor services	To serve the investors better and as required under Listing regulations, the designated e-mail address for investors complaints is investorrelations@dmartindia.com

13. GENERAL SHAREHOLDER INFORMATION

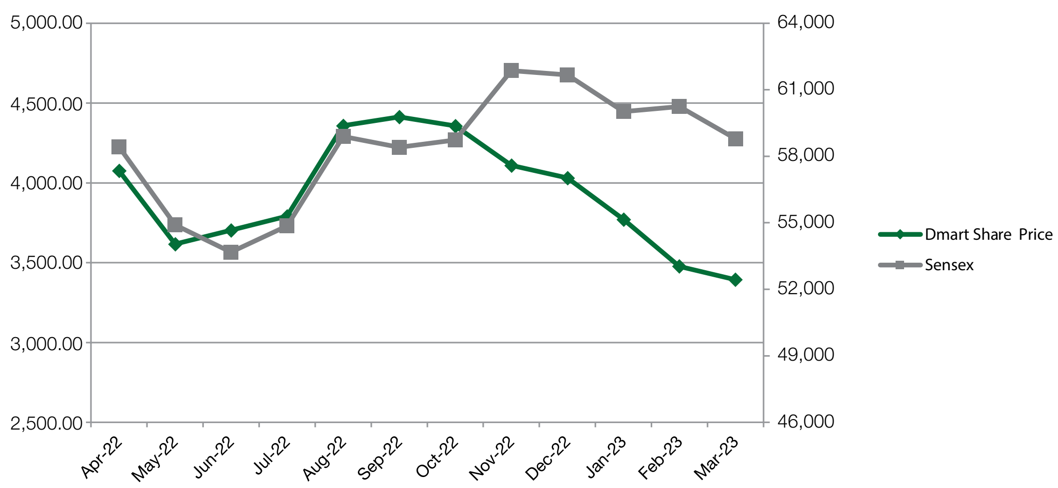
AGM date, time and venue	Thursday, 10th August, 2023, 11:00 a.m. by way of video conferencing/other audio visual means
Financial Year	April to March
Dividend Payment Date	NA
Registered Office	Anjaneya CHS Limited, Orchard Avenue, Opp. Hiranandani Foundation School, Powai, Mumbai - 400 076
Corporate Office	B–72/72A, Wagle Industrial Estate, Road No. 33, Kamgar Hospital Road, Thane - 400 604
Name and Address of Stock Exchanges where Company's securities are listed	ISIN: INE192R01011 **National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol – DMARTEQ **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 540376
Listing fees	The Annual Listing fees for the financial year 2022-23 have been paid to the respective Stock Exchanges.
Share Registrar and Transfer Agents	**Link Intime India Private Limited** C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India Tel No.: +91-22-4918 6270 Fax No.: +91-22-4918 6060 Investor query registration: rnt.helpdesk@linkintime.co.in
Company Secretary & Compliance officer	Mrs. Ashu Gupta

Market Price Data

The high and low prices and volumes of your Company's shares at BSE for the financial year 2022-23 are as under:

Month	DMART		SENSEX		No. of shares
(2022-23)	High	Low	High	Low	transacted
April 2022	4,243.00	3,909.45	60,845.10	56,009.07	3,79,227
May 2022	4,048.00	3,185.10	57,184.21	52,632.48	10,13,766
June 2022	4,037.90	3,370.00	56,432.65	50,921.22	4,14,560
July 2022	4,250.00	3,332.70	57,619.27	52,094.25	8,07,669
August 2022	4,550.00	4,168.05	60,411.20	57,367.47	5,61,604
September 2022	4,606.00	4,220.90	60,676.12	56,147.23	6,35,481
October 2022	4,601.90	4,111.10	60,786.70	56,683.40	9,92,205
November 2022	4,348.00	3,872.00	63,303.01	60,425.47	3,55,845
December 2022	4,225.00	3,836.30	63,583.07	59,754.10	3,14,113
January 2023	4,114.75	3,426.00	61,343.96	58,699.20	6,35,102
February 2023	3,578.05	3,375.00	61,682.25	58,795.97	3,07,934
March 2023	3,493.95	3,292.65	60,498.48	57,084.91	3,50,482

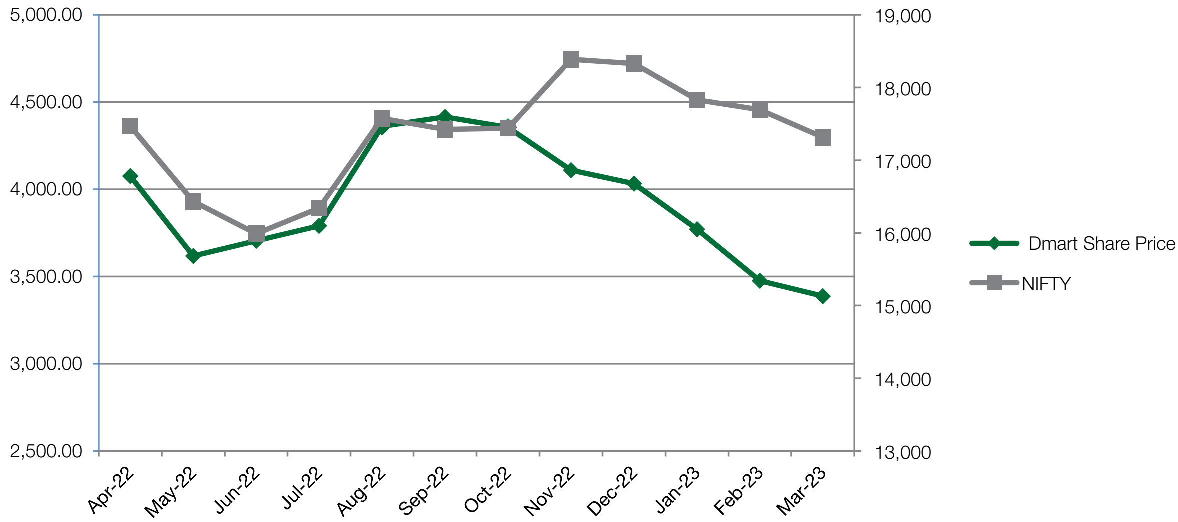
Avenue Supermarts Price Movement Chart—BSE



The high and low prices and volumes of your Company's shares at NSE for the financial year 2022-23 are as under:

Month	DMART		NIFTY		No. of shares
(2022-23)	High	Low	High	Low	transacted
April 2022	4,244.00	3,906.00	18,114.65	16,824.70	53,95,332
May 2022	4,049.00	3,186.00	17,132.85	15,735.75	1,26,46,241
June 2022	4,039.00	3,370.00	16,793.85	15,183.40	83,44,375
July 2022	4,250.00	3,331.10	17,172.80	15,511.05	1,17,27,940
August 2022	4,550.00	4,170.55	17,992.20	17,154.80	68,84,175
September 2022	4,609.00	4,220.10	18,096.15	16,747.70	67,77,694
October 2022	4,600.00	4,110.00	18,022.80	16,855.55	53,40,326
November 2022	4,347.10	3,871.05	18,816.05	17,959.20	67,87,719
December 2022	4,228.95	3,835.00	18,887.60	17,774.25	60,52,065
January 2023	4,117.95	3,425.00	18,251.95	17,405.55	1,01,34,403
February 2023	3,580.00	3,373.00	18,134.75	17,255.20	54,75,711
March 2023	3,482.90	3,292.00	17,799.95	16,828.35	54,03,802

Avenue Supermarts Price Movement Chart – NSE



Share Transfer System

In terms of Listing Regulations, equity shares of the Company can only be transferred in dematerialised form including transmission or transposition of shares held in physical. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL), within the statutory time limit.

Shareholding pattern of the Company as on 31st March, 2023

Category of Shareholders	No. of shares	% of Total Shares
A. PROMOTERS	485,747,156	74.93
B. PUBLIC SHAREHOLDING		
Central Government	1,490	0.00
Mutual Funds	43,770,552	6.75
Banks	386,572	0.06
Insurance Companies	2,751,870	0.42
Foreign Portfolio Investor	52,998,594	8.18
Alternate Investment Funds	339,904	0.05
Provident Funds/Pension Funds	1,359,031	0.21
Sovereign Wealth Funds	175,348	0.03
Individuals	57,358,999	8.85
NBFCs	1,305	0.00
Trust	14,423	0.00
Hindu Undivided Family	690,737	0.11
Non Resident Indians	881,354	0.14
Clearing Member	10,830	0.00
Bodies Corporate	1,579,587	0.24
Body Corporate - Ltd Liability Partnership	196,148	0.03
Overseas Corporate Bodies	78	0.00
Total(A+B)	**648,263,978**	**100.00**

Distribution of Shareholding

Distribution of shareholding of shares of your Company as on 31st March, 2023 is as follows:

No. of Equity Shares Held	No. of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
1-500	856,996	99.27	18,313,689	2.83
501-1000	2,774	0.32	1,997,069	0.31
1001-2000	1345	0.16	1,870,079	0.29
2001-3000	481	0.06	1,186,986	0.18
3001-4000	221	0.03	771,741	0.12
4001-5000	200	0.02	920,065	0.14
5001-10000	391	0.05	2,918,213	0.45
10001 and above	887	0.10	620,286,136	95.68
Total	**863,295**	**100.00**	**648,263,978**	**100.00**

Dematerialisation of Shares and Liquidity

The Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialisation of shares and the same are available in electronic segment under ISIN: INE192R01011. Equity Shares representing 98.08% of the Company's Share Capital are dematerialised as on 31st March, 2023.

The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensure the necessary liquidity to shareholders.

Physical and Dematerialised Shares as on 31st March, 2023	Shares	% of Total Issued Capital
No. of Shares held in dematerialised form in CDSL	502,198,269	77.47
No. of Shares held in dematerialised form in NSDL	133,644,814	20.62
No. of Physical Shares	12,420,895	1.92
Total	**648,263,978**	**100.00**

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

There are no GDR/ADR/Warrants or any Convertible Instruments pending conversion or any other instruments likely to impact the equity share capital of the Company.

Commodity price risk or foreign exchange risk and hedging activities

The Company has taken suitable steps from time to time for protecting it against foreign exchange risk(s). The Company does not enter into hedging activities.

As such, the Company is not exposed to any commodity price risk, and hence the disclosure under Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide SEBI Circular, dated 15th November, 2018, is not required.

Plant Location

The Company has multiple stores in 10 states, 1 Union Territory of India and NCR, including Maharashtra, Gujarat, Telangana, Andhra Pradesh, Karnataka, Madhya Pradesh, Chhattisgarh, Tamil Nadu, Rajasthan, Punjab and Daman.

Address for Correspondence

A. **Company's Registrar and Share Transfer Agent Address:**
Link Intime India Private Limited
C 101, 247 Park,
L. B. S. Marg, Vikhroli (West),
Mumbai – 400 083,
Maharashtra, India
Tel No.: +91-22-4918 6270
Fax No.: +91-22-4918 6060
Investor query registration: rnt.helpdesk@linkintime.co.in

B. **Registered Office Address**
Anjaneya CHS Limited, Orchard Avenue,
Opp. Hiranandani Foundation School, Powai,
Mumbai - 400 076
Tel No.: 022 40496500

C. **Corporate Office Address**
B–72/72A, Wagle Industrial Estate,
Road No. 33, Kamgar Hospital Road,
Thane - 400 604
Tel No.: 022 33400500/022 71230500
Website: www.dmartindia.com,
E-mail ID: investorrelations@dmartindia.com

14. DISCLOSURES

A. Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of the Company

The Company did not enter into any materially significant related party transactions that have potential conflict with the interests of the Company during the year under review.

During the financial year 2022-23, the Company had entered into material related party transactions with Avenue E-Commerce Limited, Subsidiary Company which were approved by the shareholders of the Company at the Annual General meeting held on 17th August, 2022.

B. Details of Non-Compliance by the Company, Penalties, Strictures imposed on the Company by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years

SEBI vide adjudication order no. Order/AA/MG/2020-21/8529-8531 dated 31st July, 2020 imposed a penalty of ₹3,00,000/- on the Company under the provisions of Section 15A(b) of the SEBI Act, 1992 for violation of Regulation 7(2)(b) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 on account of delay in filing a disclosure by an employee to the Company.

The Company filed an appeal with the Securities Appellate Tribunal (SAT) on 12th September, 2020 against the said adjudication order. An interim order dated 29th September, 2020 passed by SAT stayed the effect and operation of the SEBI Order upon deposit of penalty amounts with SEBI subject to result of the appeal. The penalty amounts were accordingly submitted with SEBI on 19th October, 2020. The appeal was disallowed and SAT Order dated 11th January, 2022 upheld the monetary penalty imposed on the Parties under the SEBI Order.

C Disclosure of Vigil Mechanism/Whistle-blower Policy and access to the Chairman of the Audit Committee

The Company has formulated Whistle-blower/Vigil Mechanism Policy, pursuant to which the Director(s) and employee(s) of the Company have open access to the Authorised Person/Committee member, as the case may be, and also to the Chairman of Audit Committee, whenever exceptionally required, in connection with any grievance, which is concerned with unethical behaviour, frauds and other illegitimate activities in Company. The Whistle-blower Policy/Vigil Mechanism Policy adopted by the Company is available on the website of the Company i.e. www.dmartindia.com.

During the financial year 2022-23, the Company had received 4 (four) complaints pursuant to Whistle-blower/Vigil Mechanism Policy and the same were disposed off.

D. Policy for determining 'material' subsidiaries

The Company does not have any material subsidiary as defined under the SEBI Listing Regulations. The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations, which was revised and approved by the Board of Directors of the Company at their meeting held on 30th July, 2018.This Policy has been posted on the website of the Company at the web link: https://www.dmartindia.com/investor-relationship.

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The minutes of the Board meetings of the subsidiaries are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary, if any.

E Policy on materiality and dealing with Related Party Transactions

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions in line with the requirements of Section 177 (4)(iv) and 188 of the Act, read with Rules framed thereunder and the Listing Regulations, amended from time to time. This Policy has been posted on the website of the Company at the Web link: https://www.dmartindia.com/investor-relationship.

F. Code of Fair Disclosure of Unpublished Price Sensitive Information

In order to restrict communication of Unpublished Price Sensitive Information (UPSI), the Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The said Code is available on the website of the Company at the Web link: https://www.dmartindia.com/investor-relationship.

G. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints received and disposed of during the year ending 31st March, 2023 is given in the Directors' report.

H. List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year

The list of credit ratings obtained by the Company during the year ending 31st March, 2023 is given in the Directors' Report.

I. Details of utilisation of funds raised through Qualified Institutions Placement

The details of utilisation of funds raised through Qualified Institutional Placement as on 31st March, 2023 is given in the Directors' report.

J. A certificate from a Company Secretary in practice

A certificate from the Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached with this Annual Report.

K. Total fees paid by the Company and its subsidiaries, on a consolidated basis to S R B C & Co. LLP, Statutory Auditors and all entities in its network firm/network entity, during the Financial Year 2022-23.

(₹ in crore)

Particulars	Amount (including GST)
Audit Fees	1.00
Other Services/certifications*	0.16
Reimbursement of expenses	0.02
Total**	**1.18**

* Includes amount paid to network firm/entity of S R B C & Co LLP

** Includes amounts accrued and payable at the year end.

15. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the Listing Regulations.

16. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS

The Company has voluntarily complied with the following discretionary requirements as provided under Regulation 27 (1) read with Part E of the Schedule II of the Listing Regulations:

- Modified opinion(s) in audit report: The Statutory Auditors have issued an unmodified audit opinion on the financial statements of the Company for the year ended 31st March, 2023.
- Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Company have separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer.
- Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee for functional matters and presents the internal audit report to the Audit Committee every quarter

17. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

Your Company has complied with all the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable to your Company.

Code of Conduct Declaration

In terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended 31st March, 2023.

For **Avenue Supermarts Limited**

Ignatius Navil Noronha
Managing Director & CEO
DIN: 01787989

Date: 13th May, 2023
Place: Thane

Certificate on Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Avenue Supermarts Limited
Anjaneya CHS Limited, Orchard Avenue,
Opp. Hiranandani Foundation School,
Powai, Mumbai – 400 076.

We have examined the relevant register, records, forms, returns and disclosures received from the Directors of Avenue Supermarts Limited having CIN: L51900MH2000PLC126473 and having Registered Office at Anjaneya CHS Limited, Orchard Avenue, Opp. Hiranandani Foundation School, Powai, Mumbai – 400 076 (hereinafter referred to as "the Company"), for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status on the portal www.mca.gov.in) as considered necessary and explanation furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 31st March, 2023, have been debarred or disqualified from being appointed or continuing as Director of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of the Director	DIN	Original date of appointment in the Company
1.	Mr. Ramesh Damani	00304347	09/09/2009
2.	Mr. Chandrashekhar Bhave	00059856	17/05/2016
3.	Ms. Kalpana Unadkat	02490816	30/07/2018
4.	Ms. Manjri Chandak	03503615	31/03/2011
5.	Mr. Ignatius Noronha	01787989	02/01/2006
6.	Mr. Ramakant Baheti	00246480	02/01/2006
7.	Mr. Elvin Machado	07206710	10/06/2015

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of all efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Rathi & Associates**
Company Secretaries

Himanshu S. Kamdar
Partner
M. No. FCS 5171
C.P. No. 3030

Date: 13th May, 2023
Place: Mumbai
UDIN: F005171E000291237
Peer Review No.: 668/2020

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2023 and to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

i. significant changes in internal control during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is being given to the Board pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thank you.

Yours truly,

For **Avenue Supermarts Limited**

Ignatius Navil Noronha
Managing Director & CEO

For **Avenue Supermarts Limited**

Niladri Deb
Chief Financial Officer

Date: 13th May, 2023
Place: Thane

Certificate on Corporate Governance

To,
The Members of
Avenue Supermarts Limited

We have examined the compliance of conditions of Corporate Governance by **Avenue Supermarts Limited** ('the Company') for the financial year ended 31st March, 2023, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Rathi & Associates**
Company Secretaries

Himanshu S. Kamdar
Partner
M. No. FCS 5171
COP No.: 3030

Date: 13th May, 2023
Place: Mumbai
UDIN: F005171E000291292
Peer Review No.: 668/2020

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

1. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L51900MH2000PLC126473
2.	Name of the Listed Entity	Avenue Supermarts Limited ("ASL", "The Company")
3.	Year of incorporation	2000
4.	Registered office address	Anjaneya CHS Ltd, Orchard Avenue, Opp. Hiranandani Foundation School, Powai, Mumbai – 400076
5.	Corporate address	B–72/72A, Wagle Industrial Estate, Road No. 33, Kamgar Hospital Road, Thane – 400604
6.	E-mail	suggestion@dmartindia.com
7.	Telephone	+91 22 3340 0500
8.	Website	www.dmartindia.com
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange (NSE) & Bombay Stock Exchange (BSE)
11.	Paid-up Capital	₹ 648.3 crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Rushabh Ghiya (022-3340 0500 / 022-71230500) suggestion@dmartindia.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report pertain to AVENUE SUPERMARTS LIMITED.

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Retail Sales	Foods	56.03
		Non-Foods (Fast Moving Consumer Goods)	20.93
		General Merchandise and Apparel	23.04

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product / Service	NIC Code	% of total Turnover contributed
1	Retail Sales	479 (Retail Trade except of Motor Vehicles & Motorcycles	100%

SECTION A: GENERAL DISCLOSURES

2. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants*	Number of Stores	Number of Offices**	Total
National	Not applicable	324	49	373
International	Not applicable	NIL	NIL	NIL

*The Company has retail outlets and does not undertake any manufacturing activity

**Includes Offices and Distribution Centres

17. Markets served by the entity:

a. Number of locations

Locations	Number of Locations
National (No. of States)	10 States, 1 Union Territory and National Capital Region
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The company does not export any goods / services.

c. A brief on types of customers

Our offerings cater to a wide section of consumers. We believe that getting value for money is the most compelling factor in daily shopping decision-making across all income groups. The majority of the products stocked by us are essential products forming part of basic rather than discretionary spending. Customers recognise us as a one-stop retail store chain for daily needs at value for money prices.

3. Employees

18. Details as at the end of Financial Year:

d. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No (B)	% (B/A)	No (C)	% (C/A)
			Employees			
1	Permanent (D)	12,108	9,032	75%	3,076	25%
2	Other than Permanent (E)	48,791	28,950	59%	19,841	41%
3	Total Employees (D+E)	60,899	37,982	62%	22,917	38%
			Workers			
4	Permanent (F)	Not Applicable				
5	Other than Permanent (G)					
6	Total Employees (F+G)					

e. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No (B)	% (B/A)	No (C)	% (C/A)
			Employees			
1	Permanent (D)	19	18	95%	1	5%
2	Other than Permanent (E)	246	193	78%	53	22%
3	Total Employees (D+E)	265	211	80%	54	20%
			Workers			
4	Permanent (F)	Not Applicable				
5	Other than Permanent (G)					
6	Total Employees (F+G)					

19. Participation/Inclusion/Representation of women

	Total (A)	No and percentage of Females	
		No (B)	% (B/A)
Board of Directors	7	2	28.6 %
Key Management Personnel	5	1	20.0%

20. Turnover rate for permanent employees and worker
(Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16.6%	19.5%	17.3%	13.1%	16.8%	14.0%	9.3%	15.3%	10.6%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

4. Holding, Subsidiary and Associate Companies (including joint ventures)

S No.	Name of the holding / subsidiary (A)	/ associate companies / joint ventures Indicate whether holding / Subsidiary / Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column 'A', participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Align Retail Trades Private Limited	Subsidiary Company	100%	Yes (in relevant initiatives of the ASL)
2	Avenue E-Commerce Limited	Subsidiary Company	99.88%	No
3	Avenue Food Plaza Private Limited	Subsidiary Company	100%	No
4	Nahar Seth & Jogani Developers Private Limited	Subsidiary Company	90%	No
5	Reflect Healthcare & Retail Private Limited	Subsidiary Company	100%	No

5. CSR Details

21. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: YES

(ii) Turnover (in ₹): INR 41,833 crores

(iii) Net worth (in ₹): INR 16,503 crores

6. Transparency and Disclosures Compliances

22. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholders	Web Link of Policy*	FY 2022-23			FY 2021-22		
		# of Complaints	Pending Resolution	Remarks	No. of Complaints	Pending Resolution	Remarks
Communities	Yes	0	NA	-	0	NA	-
Investors (Other than shareholders)	NA	NA	NA	-	NA	NA	-
Shareholders	Yes	3	0	-	2	0	-
Employees	Yes	534	49(1)	-	390	35(1)	-
Customers	Yes	0	NA	-	0	NA	-
Value Chain Partners	Yes	0	NA	-	0	NA	-

1. Resolved in April / May of the following financial year.

*ASL as an organisation is conscious about all grievances / complaints received from its stakeholders. Our Business Responsibility Manual and Vigil Mechanism / Whistle-Blower Policy provide a robust framework for dealing with concerns and grievances raised by any stakeholder. We have also engaged a reputed third party which runs an independent Ethics Helpline (Complaints can be logged by all employees using a dedicated website, toll-free telephone number, email or post).

Each of our stakeholders has an option to register any grievance / complaint through the feedback section of our website. In addition, they can also register their grievance / complaint through a central helpline number, email and post. Customers have an additional option of raising grievances / complaints through a Digital Kiosk and a Register at our stores.Through a formal mechanism we address each grievance / complaint. Due care is taken to maintain complete confidentiality of all grievances / complaints received. Our Senior Management Team is directly involved in all critical issues. They also periodically review feedback and suggest corrective actions in our internal processes, where required.

Business Responsibility Policy Manual: https://api.dmartindia.com/corporate/content/file/v1/5/MUt4ppnMxDyzi0ecTxwMLzNQ/Business%20Responsibility%20Policy%20Manual.pdf

Feedback Section of our website: https://www.dmartindia.com/feedback

Vigil Mechanism / Whistle-Blower Policy - https://api.dmartindia.com/corporate/content/file/v1/5/VGu3Ilk0hLwoiqUBorfMJ6jF1638266290/Whistle%20Blower%20Policy.pdf

23. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Talent Management	Opportunity and Risk	**Talent attraction**: Retail being a service industry attracts talent naturally due to comfortable working environment, local recruitment opportunities and competitive wages. At the same time, the industry also requires a significant amount of hard work and rigour. **Diversity and Inclusion**: We attract a high share of women employees vis a vis other industries through our geographical spread of stores. Safe and comfortable working environment along with less commute to work are the key factors. **Local Community Development**: Retail offers local communities good entry-level jobs at competitive wages which allows community members to acquire skills and an opportunity to advance to higher wages and better careers, especially in smaller towns. **Learning and Development (L&D)**: Our strong emphasis on L&D leads to enhanced career opportunities and helps us build employee loyalty. **Employee Voice and Engagement**: Our corporate culture emphasizes all employees to raise any concerns / feedback directly with the Management. An independent Ethics Helpline is also available.		The inherent advantages of the industry ensure continuous availability of talent at junior to mid-level positions. However, at times there are challenges in hiring industry appropriate senior leadership positions. Diversity and inclusion enables equitable development, improved performance and retention of our culture & values. Local community development augurs well for the reputation and brand image of our organisation. A strong L&D programme enables us to internally fill a significant portion of mid-level positions through promotions and internal job postings. Employee voice allows for actionable insights and better decision-making based on employee feedback.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Customer Experience	Opportunity and Risk	**Value Retailing**: Our business model is based on the concept of offering value retailing to our customers using the Every Day Low Cost / Every Day Low Price (EDLC/EDLP) strategy. The EDLC/EDLP strategy is based on offering low prices on an everyday basis by achieving low procurement and operations cost rather than as special promotion limited to certain products or to a particular day, week or any other specific period in the year. However, competitive intensity in the country can adversely affect our strategy as more players adopt similar business models through their operations. **Optimal Product Assortment**: We sell a wide range of goods and merchandise across our product categories. We have an extensive network of suppliers and we endeavour to source our products from regions where they are widely available or manufactured. We also consciously focus on local assortment in each area. **Customer Feedback**: Our store personnel interact with customers frequently to understand their experience and take feedback on our services. We also encourage our customers to share their valuable feedback with us and have made available several channels which they can use to reach us.		Our EDLC / EDLP model ensures that customers always get good quality products at great prices throughout the year. This ensures customer loyalty and repeat purchases. Competitive intensity from existing retailers (including E-retailers) and prospective entrants and consequent pricing pressures may impact our business, financial condition and results of operations. Our extensive assortment ensures that customers are provided quality products. Procurement of products from closer to our distribution centres / stores allows us to reduce costs. Further, our focus on local assortment enables development of local vendors in each area. Continuous feedback from customers enables us to improve our service quality and enhances customer satisfaction.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Climate Change	Opportunity and Risk	**Extreme Weather Events**: Rising temperatures and changes in weather patterns could impact and disrupt our business operations. **Value Chain Impact**: Climate change could also potentially impact the business operations of our supply chain and sourcing partners leading to product availability and increase of products and services cost. **Resource Availability**: There could be challenges in availability of resources including water which could impact our business and those of our value chain partners. **Climate Regulations**: Increasing shift towards a low-carbon economy could trigger several changes in Climate Regulations potentially leading to higher cost of compliance and new ways of conducting business.	Value Retail as an industry is significantly less resource intensive. Our efficient cost and agile operations allows us to adapt / change multiple levers of cost, risk and business opportunities in the context of adverse effects of climate change. Considering the overall development of the country, the emission per person and the nature of our business model, we have developed a matrix for our go to market strategy to address risks from climate change. This has helped us to integrate and deploy several best practices that help in areas of energy conservation, water conservation, use of sustainable building materials, recycling / reuse of materials and transportation efficiency.	Climate Change may result in lower sales, lesser profits and / or increased investments in the short to medium-term. However, the operating efficiencies of our business allow for limited impact compared to other formats of retail / similar industries. Further, any potential change in Climate related regulations may lead to higher cost of compliance.

7. Transparency and Disclosures Compliances

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	The policies are uploaded on our websites for communicating it to the internal and external Stakeholders. Web-link: http://www.dmartindia.com/investor-relationship								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes /certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	None								
5. Specific Commitments, Goals and targets set by the entity with defined timelines, if any. The company is in the process of setting up internal targets.									
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. Not applicable									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) We are deeply committed to achieving our ESG related objectives. Our focus is best reflected through our core values of Action, Care and Truth which are a guiding light for all our activities. We continue to strengthen our approach to sustainability through various means that would have a meaningful long-term positive impact to our company, its employees, the environment and all other stakeholders. Considering the overall development of the country, the emission per person and the nature of our business model, we have developed a matrix for our go to market strategy on sustainability. It is an approach that is practical and appropriate. It is not aggressive or path breaking; however it is contextual to deliver incremental results over a long period of time. Retail needs a lot of hard work from our employees and partners, precision systems and a competent workforce. Hence our focus on recruiting locals in every location and then upskilling them and grooming them to become leaders of tomorrow is very intrinsic to our model of efficient operation and long-term competitive advantage. Our endeavour is also to nurture local products and local businesses so that they too can compete with minimal costs to launch their products. We believe that as a company we have a unique opportunity and responsibility to make meaningful contributions to the lives of beneficiaries through our structured interventions. The key objective of our Corporate Social Responsibility (CSR) programme is to foster better quality of life and create equal opportunities for supporting the economically and socially disadvantaged in our country.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Ignatius Navil Noronha, Managing Director & CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company has appointed a Business Responsibility Head to oversee the implementation of the policies.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Review of Principles undertaken by the Company and frequency
Performance against above policies and follow up action	The Business Responsibility performance is reviewed annually. As a practice, BR policies of the Company are reviewed periodically or on a need basis by Senior Management. During this assessment, the efficacy of the policies are reviewed and necessary changes are implemented.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the existing regulations as Applicable.
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The working of the BR policy is evaluated internally.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	All the Principles are covered by a Policy								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 - BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / Principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes*
Board of Directors and Key Management Personnel (KMP)	10 trainings	On an ongoing basis, the Company carries out familiarisation programs for its directors, as required under the SEBI Listing Regulations. Further, the Directors and KMPs are also updated on matters relating to the industry, business model, risk metrices, mitigation and management, governing regulations, ESG, information technology including cyber security, their roles, rights and responsibilities and major developments and updates on the Company, etc.	99%
Employees other than BoD and KMPs	180 modules of trainings are developed for employees at different grades. Employees undergo multiple training programmes depending on functional and other needs	We have a comprehensive Learning & Development and Talent Management Team that manages Training Programmes for all employees. Apart from functional trainings we also focus on topics such as Health & Safety, Company Policies & Procedures, Prevention of Sexual Harassment, Soft Skills Development etc. We have conducted 1.29 million hours of trainings cumulatively for all employees during the year.	142%* (Health and Safety Trainings) 124%* (Skill upgradation Trainings)
Workers	NA	NA	NA

*The percentage exceeds 100% due to high attrition of our store-front employees.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary				
	NGRBC Principle	Name of the Regulatory / Enforcement agencies / judicial institutions	Amount (INR)	Brief of the Case	Has an appeal been preferred (Yes / No)
Penalty / Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-
Non-Monetary					
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the Regulatory / Enforcement agencies / judicial institutions
NA	NA

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**
The Company's Code of Conduct covers aspects relating to anti-corruption and anti-bribery. In terms of the said Code, the Company believes in conducting its business in a fair and transparent manner and has zero-tolerance towards any form of bribery and corruption. Further, we respect and strive to comply with all applicable laws relating to prevention of bribery and corruption.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
Key Management Personnel	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	-	NIL	-

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**
Not Applicable

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**
We regularly interact with our vendors to facilitate discussions on conducting business in an ethical, transparent and fair manner. Further, we also encourage our large vendors to focus on products that are economically viable and environmentally sustainable. We have introduced several articles for our customers that are made from recycled plastic / fabric / yarn. Some of the product categories where such articles are introduced: planters & plates, shopping bags, pillows, bath towels. We constantly share with them industry best practices that enable them to suitably adopt policies and procedures, which lead to better overall governance, reduced environmental impact and social equity.

The Company's principle nature of business is to procure everyday use products from reputed brands / manufacturers and provide the same to end consumers. A significant number of these companies have their own programmes to improve on all sustainability initiatives through their products, processes and policies.

2. **Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes / No). If yes, provide details of the same.**
Our Code of Conduct for the Board Members clarifies that Directors and Senior Management personnel shall not engage in any business, relationship or activity, which may be in conflict with the interests of the Company. Any incident of conflict, about a Board Member's or senior management personnel's actual or potential conflict of interest with the Company should be brought promptly to the attention of the Chairman of the Board, who will review the case and determine a proper course of action. Further, our policy mandates that Directors or senior management personnel who may be involved in any conflict or potential conflict situation shall exclude themselves from any discussion or decision in relation thereto. If any related party transaction is unavoidable, it must be fully disclosed to the board of the Company.

DMart

PRINCIPLE 2 – BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	-	-	The Company's principle nature of business is to procure everyday use products from reputed brands / manufacturers and provide the same to end consumers.
Capex	0.84%	0.72%	Please refer to Annexure VI of the Directors report on pg 53 of this Annual report

2. A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   B. If yes, what percentage of inputs was sourced sustainably?

   The Company has a structured procedure which is followed before collaborating with any business partners/ associates. Our team visits their facilities to assess and evaluate them on health and safety parameters.

   Further, the Company is aiming to reduce its fuel consumption in transportation by operating through common distribution centres in vicinity of our store locations, wherever feasible. This minimises the distance to transport goods to our stores and helps us consolidate multiple trips by individual suppliers to our various stores, thus reducing fuel consumption. For details please refer to our section 'Environmental Focus at Dmart' on pg 12 of this Annual report.

   With a view to empower our customers, we continued our interactions with our large suppliers to introduce products that reuse materials thereby reducing the overall carbon footprint. To this end we have taken small steps and introduced some articles which use recycled materials in a few large categories. Our endeavor is to further partner with our vendors and make available products which are economically viable and environmentally sustainable.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   The Company's principle nature of business is to provide everyday use products to end consumers. However, one of our subsidiary Company procures, processes and repacks certain products which are provided to end consumers through our stores. Owing to the nature of our business we generate very limited amount of waste. The plastic packaging and paper waste generated at our stores / packaging units is segregated at source and stored in a secure place. This waste is then handed over to authorised recyclers. We have installed hydraulic baling machines at 71 locations. These baling machines present multiple benefits like no loose plastic littering, good hygiene and reduced transportation frequency. This initiative helps in reducing the number of truck trips for the recycler and thus reduces Scope 3 emissions to that extent.

Type of Waste	MT of Waste handed over to authorised recyclers
Paper Waste	47,304 MT
Plastic Waste	2,877 MT
Post-Consumer Plastic Waste	3,991 MT
E-Waste	17 MT

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
   Yes. The Company has registered itself with the EPR portal of Central Pollution Control Board (CPCB). Waste collection process at our Company is in line with the plan submitted to CPCB.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of Total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent External agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link

   The Company's principle nature of business is to procure everyday use products from reputed brands / manufacturers and provide the same to end consumers. Given this nature of business, the Company has not undertaken any LCA.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the Risk / Concern	Action Taken
NA		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Planters and Plates	75%	79%
Speed Breakers [1] (from recycled material)	47%	-
Shopping Bags	44%	36%
Pillows	33%	25%
Bath Towels	15%	13%

The above table indicates products containing recycled material sold at our stores as a % of the overall number of units of that product sold.

1. The programme to install speed breakers made from recycled material was undertaken last year and hence no data is available for the same.

   With a view to empower our customers, we continued our interactions with our large suppliers to introduce products that reuse materials thereby reducing the overall carbon footprint. To this end we have taken small steps and introduced some articles which use recycled materials in a few large categories. Our endeavor is to further partner with our vendors and make available products which are economically viable and environmentally sustainable.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-used	**Recycled**	**Safely Disposed**	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	5,913	936		3,300	-
E-Waste	-	17			26	-
Hazardous Waste	-	-			-	-
Other Waste (Paper)	-	41,706			20,000	-

1. Plastic Waste and Post Consumer Plastic Waste

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not applicable

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PRINCIPLE 3 – BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. A. Details of measures for the well-being of employees

	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% B / A	Number (C)	% C / A	Number (D)	% D / A	Number (E)	% E / A	Number (F)	% F / A
Permanent Employees											
Male	9,032	9,032	100%	9,032	100%	NA	NA	9,032	100%	-	-
Female	3,076	3,076	100%	3,076	100%	3,076	100%	NA	NA	-	-
Total	12,108	12,108	100%	12,108	100%	3,076	100%	9,032	100%	-	-
Other than Permanent Employees											
Male	28,950	28,950	100%	28,950	100%	NA	NA	NIL	NIL	-	-
Female	19,841	19,841	100%	19,841	100%	19,841	100%	NA	NA	-	-
Total	48,791	48,791	100%	48,791	100%	19,841	100%	NIL	NIL	-	-

1. B. Details of measures for the well-being of workers:

	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% B / A	Number (C)	% C / A	Number (D)	% D / A	Number (E)	% E / A	Number (F)	% F / A
Permanent Employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent Employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

2. Details of retirement benefits, for Current FY and Previous Financial Year.

All Eligible Employees are given benefits as per various employment acts.

Benefits	FY 2022-23			FY 2021-22		
	No of Employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited to authority (Y/N/N.A)	No of Employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100% of all Employees	NA	Yes	100% of all Employees	NA	Yes
Gratuity	100% of all Employees	NA	NA	100% of all Employees	NA	NA
ESI	100% of Eligible Employees	NA	Yes	100% of Eligible Employees	NA	Yes
Others	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company's locations, including stores / offices have been equipped with ramps, lifts, and handrails for stairwells to facilitate movement of differently abled individuals. Stores located in Malls have elevators and infrastructure for differently abled individuals. Wheelchairs are also available at all Stores and Corporate Office. During the design of our new stores we consider guidelines as prescribed under the National Harmonised Guidelines and Space Standards for Barrier Free built Environment. In addition, we are also reviewing our older locations to comply with these guidelines.

Some of our practices include:

i. Appropriate dimensions of Entrances and Exits

ii. Ramp for movement of Customers, Wheelchairs with appropriate sloping

iii. Appropriate dimension of staircase including step heights and hand rails

iv. Reserved parking closer to the store entrance for Customers

v. Specifically designed toilets for Differently Abled Persons with signages

vi. All Lifts have clear opening with Braille markings on the control panel

vii. All Cash Counters are spaced suitably to allow wheel chair movement

viii. Signage across the store to guide all Customers

ix. Tactile floor marking to aid visually challenged.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company believes in equal opportunity for all its employees. We are committed to providing an inclusive work culture and an environment free from any discrimination.

In this regard we are governed by our Policy on Human Rights (part of our Business Responsibility Manual), which does not treat anybody differently based on their caste, creed, gender, race, religion or ability.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate[1]	Retention Rate[1]	Return to work rate	Retention Rate
Male	99.6%	90.5%	NA	NA
Female	92.9%	85.9%	NA	NA
Total	97.4%	89.2%	NA	NA

1. All Employees who took parental leave rejoined after the completion of the same. However, 9 women employees left the Company within 6 months of rejoining and hence have been considered as such in the Return to work rate calculation. Similarly, 1 male employee left the organisation within 15 days of rejoining and hence has been considered as such in the Return to work rate calculation.

2. Employees took respective parental leaves at different points in time during the year. This % indicates the number of employees still in active employment with the Company as on March 31, 2023. Data for FY 2021-22 and FY 2022-23 has been considered for the calculation.

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes. We have engaged a reputed third party which runs an independent Ethics Helpline (Web based complaints, toll-free telephone number, email, fax and post complaints can be logged by all employees). All our employees are free to connect with the helpline. It is ensured that all engagement is completely confidential and is only shared with Senior Management of the Company. This helps employees report any grievance / complaint / issue that they may face at any time during employment. Adequate communication boards are placed at all premises which provide the contact details of this helpline We have further provided a platform through our website where employees can directly share feedback. This feedback can be shared anonymously and is accessed directly by a small team at the Central Corporate Office. Key points / issues / suggestions are then directly shared with the Management Team to further direct appropriate changes in line with our culture and values.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**
The Company does not have any employee associations.

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8. Details of training given to employees and workers

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures*		On Skill Upgradation	
		No. (B)	% B/A	No. (C)	% C/A		No. (E)	% E/D	No. (F)	% F/D
Employees										
Male	37,982	55,242	145	46,681	123	33,544	19,994	60	30,329	90
Female	22,917	31,029	135	28,617	125	18,545	13,043	70	19,800	107
Total	60,899	86,271	142	75,298	124	52,089	33,036	63	50,129	96
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

The percentage exceeds 100% due to high attrition of our store-front employees.

*There was some disruption for safety trainings during Q3 of FY 2021-22 due to Covid-19

9. Details of performance and career development reviews of employees and worker:

	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% B / A	Total (C)	No. (D)	% C / D
Employees(1)						
Male	9,032	8,075	89%	8,624	7,309	85%
Female	3,076	2,604	85%	2,688	2,069	77%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

1. Annual Performance Review is conducted for Permanent Employees who have completed at least 6 months in service as of March 31.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. Our Company is committed to provide safe and healthy working conditions for all employees. We have implemented a strong process for safe and healthy working environment supported by written Standard Operating Procedures (SOP). These SOP provide guardrails within which all employees operate to ensure the complete safety of all customers, employees and assets at all our premises. The working of the SOP is tracked through scheduled internal safety audit. The key findings are discussed with the management regularly and suitable steps are taken to review and further improve the working of the SOP.

Further, we have several mandatory safety trainings for all employees across all locations. These include basic and advanced fire safety training, construction safety training, asset operations and management, evacuation of premises, electrical safety training etc. Trainings are conducted by a dedicated safety team who have relevant know-how to guide and advice employees on best safety practices.

We also have dedicated and trained Employees at each location who are a part of the Emergency Response Team (ERT). This team consists of diverse employees who are trained to take the lead in case of any adverse situation at their locations. Further, wherever feasible we conduct evacuation mock drills along with customers to demonstrate our preparedness for any emergency under advice to the local authorities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Our internal team conducts structured internal audits with regards to safety at all our premises. Each unit is examined in detail and any unsafe observation is immediately flagged for appropriate correction. Regular debriefing is also conducted at each unit to further inculcate a culture of Safety within the organisation. Unit heads also conduct regular safety briefings with respective teams to share organisation wide learning. Each location also undergoes rigorous process audits to identify any lapses and further improve compliance with appropriate safety norms.

In certain states regulation requires us to appoint an independent agency to evaluate the adequacy and functioning of the Fire Safety Equipment. We have adopted this best practice on a voluntary basis across all our premises. The independent agency shares their findings with us to enable us to carry out any corrective measures (where required) and industry best practices.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. Each unit head is responsible to report any unsafe / near miss incident. These are routinely shared with senior management team. The Central safety team reviews each incident and where required suggests appropriate organisation wide changes with regards to safety practices.

Further, we have several mandatory safety trainings for all employees across all locations. These include basic and advanced fire safety training, construction safety training, asset operations and management, evacuation of premises, electrical safety training etc. Trainings are conducted by a dedicated safety team who have relevant know-how to guide and advice employees on best safety practices. Employees are routinely involved in mock drills within their premises that enable them to protect them and our customers should a safety situation occur in the premises.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.39	0.41
	Workers	NA	NA
Total recordable work-related injuries	Employees	63*	53*
	Workers	NA	NA
No. of Fatalities	Employees	NIL	NIL
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NA	NA

*This includes any employee who has not been able to report to work for at least one day due to a work related injury.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Our Company is committed to provide safe and healthy working conditions for all employees. We have implemented a strong process for safe and healthy working environment supported by written Standard Operating Procedures (SOP). These SOP provide guardrails within which all employees operate to ensure the complete safety of all customers, employees and assets at all our premises. The working of the SOP is tracked through scheduled internal safety audit. The key findings are discussed with the management regularly and suitable steps are taken to review and further improve the working of the SOP.

Further, we have several mandatory safety trainings for all employees across all locations. These include basic and advanced fire safety training, construction safety training, asset operations and management, evacuation of premises, electrical safety training etc. Trainings are conducted by a dedicated safety team who have relevant know-how to guide and advice employees on best safety practices.

We also have dedicated and trained Employees at each location who are a part of the Emergency Response Team (ERT). This team consists of diverse employees who are trained to take the lead in case of any adverse situation at their locations. Further, wherever feasible we conduct evacuation mock drills along with customers to demonstrate our preparedness for any emergency under advice to the local authorities.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending Resolution at the end of the year	Remarks	Filed during the year	Pending Resolution at the end of the year	Remarks
Working Conditions	NIL	-	-	NIL	-	-
Health & Safety	NIL	-	-	NIL	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety Practices	Internal Safety Audit – 100%
Working Conditions	Internal Safety Audit – 100%

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Internal Safety audits of all our premises are being conducted on a periodic basis. Corrective and preventive measures are taken based on the findings. Detailed investigations are carried out for all safety related / near-miss incidents to identify the root cause and to understand the measures required to prevent recurrence. Critical incidents are shared with the Senior Management Team. The learning from all accidents is disseminated across the organisation at periodic intervals to prevent such issues at other locations.

No significant risk / concern were found from assessments of health & safety practices and working conditions.

LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

The Company extends support to families in the unfortunate event of an employee's death. This includes Group Personal Accident cover (if applicable) and Statutory Retiral benefits (PF, gratuity and Employees Deposit Linked Insurance Scheme). In addition, the Company voluntarily offers monthly financial support linked to his / her last drawn salary to the surviving members of the family of the deceased permanent employee for a period of 10 years. An opportunity of employment is also extended to the spouse of the deceased employee with the Company. Additionally, in case of death, all unvested stock options, if any, immediately vest in the hands of the employee's successors, in line with the Company's Employee Stock Option Scheme. The above benefits are extended to all permanent employees.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability. Business agreements with critical service providers also mandate all partners to comply with all the statutory laws, Regulations and rules made thereunder. Partners who provide us Manpower Services (which form a significant portion of our total employees) are regularly assessed to ensure payment of contractual wages and deposit of all statutory dues with respective government authorities.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2022-21	FY 2022-23	FY 2022-21
Employees	NIL	NIL	NIL	NIL
Workers	NA	NA	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

   The Company has a policy where eligible employees can be offered suitable work with the Company post their retirement. This helps retiring employees and the Company to further leverage the long-term experience and skill sets of employees. Retiring / terminated employees are eligible for all statutory benefits.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety Practices	For select critical vendors across merchandise and services, we undertake formal assessment through internal reviews as well as reputed third parties to carry out requisite assessments to provide us assurance on continued compliance on these parameters.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   Critical observations from our internal / external reviews are followed up for closure / corrections in a time bound manner.

PRINCIPLE 4 – BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.
   The Company identifies stakeholder groups through defined internal processes which include discussions with key functions and the Top Management to understand individuals, entities and groups that impact the Company or get impacted by our business operations. Using this approach the Company has identified and mapped all its key internal and external stakeholders and same are mentioned below:

   a) Customers

   b) Employees

   c) Business Partners/ Associates

   d) Shareholders

   e) Regulatory Authorities/ Bodies

   f) Local Communities in the areas that we operate in

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Advertisements, Pamphlets, Website, In-Store Communication, Dedicated Customer Helpdesk at Stores, Central Customer Helpdesk	Regular	• Information about offers and promotions • Timely and efficient redressal of concerns • Receipt of feedback on the services offered by the Company
Employees	No	Email, Community Meetings, Website, Conference Calls, In-Store Communication	Regular	• Training & Development initiatives • Safety and Well-being programmes • Performance review and career development • Employee recognition and engagement activities • Policy changes

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Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Business Partners/ Associates	No	Email, Website, Conference Calls, One-on-one meetings	Regular	• Supply of materials and services • Assessing supplier performance and addressing any queries • Understanding evolving industry trends and relevant best practices • Undertaking discussion on Sustainability Parameters
Shareholders	No	Email, Annual General Meeting, Press Releases, Analyst / Investor Meetings, Statutory Electronic and Physical Correspondence	Need based / as per statutory requirements	• To appraise periodically on Company Performance • To answer queries of investors on operations of the Company and other secretarial matters
Regulatory Authorities/ Bodies	No	Electronic and Physical Correspondence, One-on-one meetings	As per statutory requirements	• Adherence to applicable laws and regulations • Timely response to any information sought
Local Communities in the areas that we operate in	Yes	Large Group Meetings, One-on-one meetings, Electronic and Physical Correspondence	Need based	• Requisite support and guidance for our CSR Projects • Discussion on Key Challenges faced and chart out path to bring improvement / resolve challenges

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   The Company firmly believes in consistent engagement with its key stakeholders to ensure better communication of its performance and strategy. The Board of Directors are periodically updated on diverse topics which inter alia cover specific industry overview, customer service related updates, digital initiatives, Corporate Social Responsibility related projects/initiatives, financial performance, strategy etc. The Directors are also given an overview of the regulatory regime including material regulatory developments, circulars and amendments by Securities & Exchange Board of India, Ministry of Corporate Affairs etc. and feedback is sought from them. Further, the Board of Directors interacts annually with shareholders through the Company's Annual General Meeting.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   The Company's vision envisages it to continuously investigate, identify and make available new products / categories for the customer's everyday use and at the 'best' value than anybody else. This is supported by its mission to be the lowest priced retailer in the area of operation / city / region.

   We regularly interact with several Service and Technology Companies in the areas of Sustainability (Energy Conservation, Water Conversation, Sustainable Products & Building Materials and Transporters). Over the years, this has resulted in various initiatives being put in place towards better environmental, social and governance practices.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

We are committed to being transparent with all our stakeholders. We engage with them periodically and responsibly on diverse issues. We communicate with vulnerable/ marginalised stakeholders through our CSR Policy and programme disclosures on our website, through our Annual Report, deploying on-ground programme managers to assess the impact of our actions within the CSR Programme and by carrying out an independent third-party impact assessment study for some of our key programmes.

Each of our stakeholders has an option to register any grievance / complaint through the feedback section of our website. In addition, they can also register their grievance / complaint through a central helpline number, email and post. Customers have an additional option of raising grievances / complaints through a Digital Kiosk and a Register at our stores. Through a formal mechanism we address each grievance / complaint. Due care is taken to maintain complete confidentiality of all grievances / complaints received. Our Senior Management Team is directly involved in all critical issues. They also periodically review feedback and suggest corrective actions in our internal processes, where required.

PRINCIPLE 5 – BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

	FY 2022-23			FY 2021-22		
	Total (A)	No of Employees / Workers covered (B)	% (B/A)	Total (A)	No of Employees / Workers covered (B)	% (B/A)
Employees						
Permanent	12,108	9,466	78%	11,312	5,653	50%
Other than Permanent	48,791	32,879	67%	40,777	13,958	34%
Total Employees	60,899	42,345	70%	52,089	19,611	38%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA
Total Employees	NA	NA	NA	NA	NA	NA

1. There was some disruption for trainings during FY 2021-22 due to Covid-19.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Permanent										
Male	9,032	0	0%	9,032	100%	8,624	0	0%	8,624	100%
Female	3,076	0	0%	3,076	100%	2,688	0	0%	2,688	100%
Other than Permanent										
Male	28,942	17,868	62%	11,074	38%	24,920	17,843	72%	7,003	28%
Female	19,849	13,431	68%	6,418	32%	15,857	12,111	76%	3,820	24%
Workers										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median Remuneration / Salary / Wages of Respective Category (₹ Lakhs)	Number	Median Remuneration / Salary / Wages of Respective Category (₹ Lakhs)
Board of Directors (BoD)	5[2]	96.72	2[3]	21.45
Key Management Personnel (excludes Executive Directors on the Board of the Company)	1	388.33	1	64.93
Employees other than BoD and KMP[1]	7,373	3.60	2,247	2.92
Workers	NA		NA	

1 Median calculated for permanent employees in continuous employment for 12 months.

2 Includes 2 Independent Directors and 3 Executive Directors

3 Includes 1 Independent Director and 1 Non-Executive Director

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

The Company has formulated a Human Rights Policy which is applicable to all the employees, business partners/ associates and other relevant stakeholders. The said policy mandates to abide by all applicable labour laws and regulations in our business operations. It also provides a robust grievance mechanism which addresses complaints and issues pertaining to human rights and is accessible to all relevant internal and external stakeholders. The policy also encourages all our value chain partners to support us and avoid any situation of human rights violations.

We have a three-tiered approach to address any concerns within the Company:

1. Vigil Mechanism / Whistle-Blower Policy and POSH Policy
2. Independent Ethics Helpline
3. Feedback Section of the Corporate Website of the Company

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Our Vigil Mechanism / Whistle-Blower Policy provide a robust framework for dealing with concerns and grievances raised by any stakeholder confidentially and anonymously, without fear of any retaliation. Further, we have engaged a reputed third party which runs an independent Ethics Helpline (Web based complaints, toll-free telephone number, email, fax and post complaints can be logged by all employees). All our employees are free to connect with the helpline. It is ensured that all engagement is completely confidential and is only shared with Senior Management of the Company. This helps employees report any grievance / complaint / issue that they may face at any time during employment.

Adequate communication boards are placed at all premises which provide the contact details of this helpline. We have further provided a platform through our website where all stakeholders can directly share feedback. This feedback can be shared anonymously and is accessed directly by a small team at the Central Corporate Office. Key points / issues / suggestions are then directly shared with the Management Team to further direct appropriate changes in line with our culture and values.

Additionally, all Women are comprehensively protected against any form of sexual harassment through a comprehensive policy under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013". The purpose of this policy is to provide protection against acts of sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment in addition to the matters connected therewith or incidental thereto.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending Resolution at the end of the year	Remarks	Filed during the year	Pending Resolution at the end of the year	Remarks
Sexual Harassment	1	0		1	0	-
Discrimination at Workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
As per our Prevention of Sexual Harassment Policy, we are committed to ensuring that no woman employee who brings forward a sexual harassment concern is subject to any form of reprisal. Any act of reprisal is subject to disciplinary action. The Company exercises its best effort to ensure that the aggrieved woman or witnesses are not victimised or discriminated against while dealing with complaints of sexual harassment against women. Further, our policy mandates that the identity and address of the aggrieved woman, respondent, and witnesses, any information relating to conciliation and inquiry proceedings, recommendations and the action taken by the management will not be published, communicated or made known to the public, press, media in any manner and any person contravening the confidentiality clauses will be subject to disciplinary action.

Similarly, no unfair treatment is meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under our Vigil Mechanism policy. The company does not tolerate any kind of discrimination, harassment, victimisation or any other unfair employment practice against Whistle-Blowers. Complete protection is given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. Our policy also considers anonymous complaints. Further, the policy also mandates each person involved in this process to maintain complete confidentiality of all information.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)
All our business agreements and contracts require the counter-party to comply with all applicable regulatory requirements, which include human rights.

9. Assessments for the year:

	% of your plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child labour	The Company has implemented mechanisms through relevant policies, internal checks & audits and reviews to avoid instances of human rights violations.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.
No significant risks / concerns were found during the year.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/ complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted.
This aspect is being covered as part of the internal reviews and audits. Partners who provide us Manpower Services (which form a significant portion of our total employees) are regularly assessed to ensure payment of contractual wages and deposit of all statutory due with respective government authorities.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   The Company's various locations, including the stores / offices have been equipped with ramps, lifts, and handrails for stairwells to facilitate the movement of differently abled individuals. Stores located in Malls have elevators and infrastructure for differently abled individuals. Wheelchairs are also available at all Stores and Corporate Office. During the design of our new stores we consider guidelines as prescribed under the National Harmonised Guidelines and Space Standards for Barrier Free built Environment. In addition, we are also reviewing our older locations to comply with these guidelines.

   Some of our practices include:

   i. Appropriate dimensions of Entrances and Exits
   ii. Ramp for movement of Customers, Wheelchairs with appropriate sloping
   iii. Appropriate dimension of staircase including step heights and hand rails
   iv. Reserved parking closer to the store entrance for Customers
   v. Specifically designed toilets for Differently Abled Persons with signages
   vi. All Lifts have clear opening with Braille markings on the control panel
   vii. All Cash Counters are spaced suitably to allow wheel chair movement
   viii. Signage across the store to guide all Customers
   ix. Tactile floor marking to aid visually challenged.

4. **Details on assessment of value chain partners:**

	% of your value chain partners that were assessed (by entity or statutory authorities or third parties)
Child labour	We have carried out assessment of select critical vendors across merchandise and services (10% of our total value chain spend) through internal reviews as well as reputed third parties to provide us assurance on continued compliance on these parameters. Partners who provide us Manpower Services are regularly assessed to ensure payment of contractual wages and deposit of all statutory dues with respective government authorities.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   All critical observations from our internal / external reviews are followed up for closure / corrections in a time bound manner.

PRINCIPLE 6 – BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Units	FY 2022-23	FY 2021-22
Total electricity consumption (A)	Gigajoules (GJ)	7,42,270	5,35,024
Total fuel consumption (B)	(GJ)	74,174	47,348
Energy consumption through other sources (C) (Solar Energy)	(GJ)	1,10,518	54,692
Total energy consumption (A+B+C)	(GJ)	9,26,962	6,37,064
Energy intensity per rupee of turnover (Total energy consumption / turnover in crore rupees)	GJ / Turnover in rupees crores	22.2	20.6

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**
Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface Water	0	0
(ii) Groundwater	2,72,289	1,83,870
(iii) Third Party Vendor	4,60,914	3,53,834
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	7,33,204	5,37,704
Water intensity per rupee of turnover (Water consumed in kilolitres / turnover in rupees crores)	17.5	17.7

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**
The Company's principle nature of business is to procure everyday use products from reputed brands / manufacturers and provide the same to end consumers. Given this nature of business, our water consumption is primarily for drinking, personal hygiene and general cleaning purposes. However, we understand the importance of water conversation and therefore We have installed Sewage Treatment Plants (STPs) at 144 locations. The wastewater generated is treated and reused for flushing toilets in our washrooms. This helps us to reduce our fresh-water requirement and intake. 37.2% of our total water usage at these premises is through recycled water. We estimate to have reduced usage of 111,690 kiloliters of fresh water.

We have also started using Pressure Washers at our premises. Water is released with pressure from the nozzles of this equipment which helps in efficient cleaning at significantly lower water consumption. The equipment also has an integrated auto-stop system which enhances energy efficiency. Further, we have installed low-flow water efficient fixtures at our stores. These have aerators fixed by default to maintain and regulate water flow. We have developed Rainwater Harvesting system comprising of 322 pits / tanks with a designed cumulative capacity of 8,115 cubic meters per day.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Kg	12,829	9,002
SOx	Kg	61	39
Particulate matter (PM)	Kg	64	45
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others – please specify		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2022-21
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	5,095	3,298
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	146,392	105,519
Total Scope 1 and Scope 2 emissions per crore rupee of turnover	MT CO2 / Turnover in Crore Rupees	3.6	3.5

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

7. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**
Solar Energy: We have commissioned 190 solar plants with cumulative capacity of 27.8 MW from these installations. Of the total energy requirement at these premises, 22% is met through Solar Energy. Subject to on-ground feasibility, it is our endeavour to ensure that all our new premises have a solar plant installed. We have also commenced installing rooftop solar plants at some of our distribution and production centres. Further, we have installed car ports at 22 stores during the year. We have 40 stores as of March 2023 that use more than 50% of their total electricity requirement through Solar Energy. Further, during the year we have initiated a pilot of installing solar lights in open spaces within our premises at a few locations.

Energy efficient air-conditioning: We use BEE Star rated split air conditioners, which consume less energy in comparison to conventional air conditioners. We have also commenced using energy efficient inverter air conditioners at select locations.

We have installed hydraulic baling machines at 71 locations. These baling machines present multiple benefits like no loose plastic littering, good hygiene and reduced transportation frequency. This initiative helps in reducing the number of truck trips for the recycler and thus reduces Scope 3 emissions to that extent.

Energy Monitoring Systems (IOT): Our stores are equipped with IOT Ecosystem that helps in monitoring several of our energy consuming equipment and recommends basis alerts on early warnings of possible breakdowns and energy conservation possibilities.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2,877 MT	1,778 MT
E-waste (B)	17 MT	26 MT
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive Waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). (Paper waste)	47,304 MT	20,000 MT
Total (A+B + C + D + E + F + G + H)	50,198 MT	21,804 MT
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations (Recycling)	44,600 MT	21,804 MT
Total	50,198 MT	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**
Waste Management is one of the most critical processes that we have established in the organisation. We have a space to keep the cartons and plastic scrap. This is segregated at the store level. This segregated scrap is then compressed using baling machines as available. This scrap is then stored at a dedicated location and then sustainably disposed through authorised channels. We have installed hydraulic baling machines at 71 locations. These baling machines present multiple benefits like no loose plastic littering, good hygiene and reduced transportation frequency. This initiative helps in reducing the number of truck trips for the recycler and thus reduces Scope 3 emissions to that extent.

Products with Recycled Materials: We have introduced several articles for our customers that are made from recycled plastic / fabric / yarn. Some of the product categories where such articles are introduced: planters & plates, shopping bags, pillows, bath towels.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:
The Company is complying with applicable environmental law/ regulations/ guidelines in India.

S. No	Location of operations/ offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:
The Company is complting with environmental law / regulations / guidelines in India as applicable from time to time.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2022-21
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C) – Solar Power (Giga Joules)	1,10,518	54,692
Total energy consumed from renewable sources (A+B+C)	1,10,518	54,692
From non-renewable sources		
Total electricity consumption (D)	7,42,270	5,35,024
Total fuel consumption (E)	74,174	47,348
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	816,444	582,372

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

2. Provide the following details related to water discharged:
Water consumption at our premises is primarily for drinking, personal hygiene and general cleaning purposes. Excess waste water is discharged through local sewage systems or captive soak pits.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

DMart

3. **Provide the following details related to water discharged:**
For each facility / plant located in areas of water stress, provide the following information:
   (i) Name of the area
   (ii) Nature of operations
   (iii) Water withdrawal, consumption and discharge in the following format:

Water consumption at our premises is primarily for drinking, personal hygiene and general cleaning purposes. Excess waste water is discharged through local sewage systems or captive soak pits.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2022-21
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	27,326	21,216
Total Scope 3 emissions per crore rupee of turnover	MT CO2 / Turnover in crore rupees	0.65	0.69
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

We have covered only 3rd party transportation as of now.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**
Not applicable.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Please refer to our section Environmental Focus at DMart on pg 12 of this Annual report			

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**
Yes. The Company has a formal Business Continuity Policy and Process framework. The framework envisages the organisation to be resilient and minimize the impact of disasters, crisis and disruptive events. It further defines steps to develop, implement, exercise, and maintain business continuity for all critical business operations to ensure they can continue to operate with acceptable levels during times of disruption. The policy has mandated the Business Continuity Plan Committee to undertake the ownership of implementation and maintenance Business Continuity Management System (BCMS). The committee is further tasked to review, approve or reject the updates and changes to BCMS plan, scope, processes, procedures and documents related to BCMS, including BCMS Strategy manual and review the gaps identified during exercises conducted and track the closure of appropriate corrective actions.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**
We regularly interact with our vendors to facilitate discussions on integrating environmentally friendly measures in their business processes. Further, we also encourage our large vendors to focus on products that are economically viable and environmentally sustainable. We have introduced several articles for our customers that are made from recycled plastic / fabric / yarn. We constantly share with them industry best practices that enable them to suitably adopt policies and procedures, which lead to better overall reduced environmental impact.

The Company's principle nature of business is to procure everyday use products from reputed brands / manufacturers and provide the same to end consumers. A significant number of these companies have their own programmes to improve on all sustainability initiatives through their products, processes and policies.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   For select critical vendors we undertake internal reviews.

PRINCIPLE 7 – BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
1	RETAILERS ASSOCIATION OF INDIA (RAI)	NATIONAL

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Brief of the Case	Corrective action taken
No issues reported	No issues reported	No issues reported

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly / Quarterly / Others – please specify)	Web Link, if available
	NIL	NA	NA	NA	NA

PRINCIPLE 8 – BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   During the financial year, the Company has not undertaken any project which would require Social Impact Assessment as per Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

   Impact assessment under our Corporate Social Responsibility programme is available at our website www.dmartindia.com

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

   Not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

   We have provided a platform through our website where all stakeholders can directly share any feedback. This feedback can be shared anonymously and is accessed directly by a small team at the Central Corporate Office. Key points / issues / suggestions are directly shared with the Management Team to further direct appropriate changes in line with our culture and values.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23	FY 2022-21
Directly sourced from MSMEs / small producers	10%	7%
Sourced directly from within the district and neighbouring districts	56%	55%

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**
   Not applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount Spent (₹ Lakhs)
1	Assam	Barpeta[1]	19.91

   1. This spend is under our support to Tata Cancer Care in Assam. This spend relates to districts of Barpeta and Dibrugarh in Assam.

3. A. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**
   B. From which marginalised /vulnerable groups do you procure?

   C. What percentage of total procurement (by value) does it constitute?

   Our endeavour is to nurture local products and local businesses so that they too can compete with minimal costs to launch their products. Local suppliers/ vendors are evaluated based on the quality parameters set by the Company. We conduct business with a large number of Micro, Small & Medium Enterprises across India. We have sourced 10% of our purchases directly from MSMEs / small producers during FY 2022-23. All merchandise vendors can walk-in on a designated day at our Corporate Office to meet our merchandise team. This allows an equal opportunity to all vendors to showcase their product and where feasible sell their products through our stores. Our procurement principles for introducing new vendors / products equally apply to marginalised and vulnerable groups.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**
   Not applicable.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**
   Not applicable

6. **Details of beneficiaries of CSR Projects:**
   Details about the same are available on pg 17 of this Annual report.

PRINCIPLE 9 – BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
   Customer satisfaction is one of the key objectives of our business operations. Our store personnel interact with customers frequently to understand their experience and take feedback on our services. This helps us to improve our service quality and enhance customer satisfaction. We also encourage our customers to share their valuable feedback with us and have made available several channels which they can use to reach us. Some of those are:

   a. Customer Care Kiosk at each store

   b. Feedback section of our corporate website

   c. Central customer care helpline number

   d. Electronic mail

2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	ASL is in the business retailing products to customers through a network of stores across 10 states, 1 union territory and NCR. Majority of the products are procured from reputed third party vendor/ manufacturers/ distributors which are directly sold to the customer. We constantly engage with our entire vendor ecosys-tem and we seek to ensure that all our vendors adhere to appropriate labeling indicating content, safety and handling and any other statutory information with respect to the products which we sell.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data Privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber Security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential Services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices(1)	25	116 (91 pertain to previous years)	NIL	31	127 (96 pertain to previous years)	NIL
Others(2)	38,292	382(3)	NIL	26,900	188(3)	NIL

1. These refer to on-going consumer cases. Of the 116 cases pending, 79 pertain to charging for carry bags.
2. Other consumer complaints relate to any product, payment or other issues at our stores.
3. Resolved in April of the following financial year. More than 80% of the Complaints are resolved within 7 days.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	Not applicable
Forced recalls	NIL	Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Our Board has approved an Information Security policy which reiterates our commitment to safeguard and protect all the information and assets that we own or are responsible for; thus, ensuring an efficient, safe and secure working environment for us and our partners. This Information Security Policy serves as guiding principle for establishing information security strategies and to achieve confidentiality, integrity and availability of the information assets. The policy provides management's direction and support for the development of Information Security Management System (ISMS) in accordance with the business requirements and relevant laws and regulations.

Our Information Security function, led by our Group Chief Information Security and Privacy Officer ensures that we follow stringent security measures to maintain the privacy of any information shared with us submitted by any means. Relevant cyber security policies and procedures have been established as a part of the Information Security Policy to ensure that there are no instances of non-compliance resulting in a breach of data privacy. Our privacy policy covers all aspects of data privacy with respect to sensitive information. Periodic assessments are carried out to identify vulnerabilities and threats to assets and determine the controls that need to be put in place.

Further, we are a consumer facing business and hence the privacy of data of all our stakeholders is extremely important to us. We collect information from Stakeholders who choose to provide feedback or express their grievances with respect to their experiences during any interaction with us. All stakeholders have the option to choose to not share their name, contact number, email address and any such personal information. We use this information to improve our services and resolve their queries. We do not share any information collected by us with any third parties or affiliates.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**
   No penalties/regulatory action has been levied or taken on the above-mentioned parameters.

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
   Details of all our services is available on our website: https://www.dmartindia.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
   ASL is in the business retailing products to customers through a network of stores across 10 states, 1 union territory and NCR. Majority of the products are procured from reputed third party vendor/ manufacturers/ distributors which are directly sold to the customer. We constantly engage with our entire vendor ecosystem and we seek to ensure that all our vendors adhere to appropriate labeling indicating content, safety, usage and handling and any other statutory information with respect to the products which we sell.

   We have a formal mechanism to inform customers on usage of services offered. Continuous and contextual communication across the customer lifecycle through - company website, communication boards at all our stores and social media page have helped us to educate and create awareness amongst our customers and society at large.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   We have the ability to inform our customers of any risk of disruption / discontinuation of services through our website, social media page and notice / communication boards at all our stores.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**
   ASL is in the business retailing products to customers through a network of stores across 10 states, 1 union territory and NCR. Majority of the products are procured from reputed third party vendor/ manufacturers/ distributors which are directly sold to the customer. We constantly engage with our entire vendor ecosystem and we seek to ensure that all our vendors adhere to appropriate labeling indicating content, safety, usage and handling and any other statutory information with respect to the products which we sell.

   Customer satisfaction is one of the key objectives of our business operations. Our store personnel interact with customers frequently to understand their experience and take feedback on our services. This helps us to improve our service quality and enhance customer satisfaction. We also encourage our customers to share their valuable feedback with us and have made available several channels which they can use to reach us. Some of those are:

   a. Customer Care Kiosk at each store
   b. Feedback section of our corporate website
   c. Central customer care helpline number
   d. Electronic mail

5. **Provide the following information relating to data breaches:**
   a. Number of instances of data breaches along-with impact
   b. Percentage of data breaches involving personally identifiable information of customers

   NIL

Independent Auditor's Report

To the Members of
Avenue Supermarts Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Avenue Supermarts Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Assessment of impairment of investment in subsidiary: Avenue E-Commerce Limited ("AEL") ***(as described in note 1.f of the standalone financial statements)***	
The Company has an investment amounting to ₹ 712.89 crore as at March 31, 2023 in its subsidiary Avenue E-Commerce Limited. This subsidiary commenced business seven years back and has had continued losses, which provides an indicator for impairment in the investment. Management has used external specialist to support the recoverable amounts of its investment based on fair market value of equity shares of AEL as at March 31, 2023. We determined this area as a key audit matter because of the judgemental factors involved in testing for impairment and the significant carrying value of the investment.	Our audit procedures in respect of assessment impairment of Investment in Avenue E-Commerce Limited included the following: We assessed the Company's valuation methodology applied in determining the fair market value of equity shares. In making this assessment, we evaluated the objectivity and independence of Company's specialists involved in the process; We involved valuation expert to assist in evaluating the key inputs along with comparable transaction multiples of peers of the Company available in the public domain and discount rate on multiples considered for valuation purpose; We obtained and read the audited financial statements of the subsidiary to determine the net worth, cash flows and other financial indicators; We also assessed the Company's disclosures concerning this in Note 1.f on significant accounting estimates and judgements and Note 6 of Investments to the standalone financial statements.
Inventory existence and allowance for inventory ***(as described in note 1.j and 1.r of the standalone financial statements)***	
As at March 31, 2023, the carrying amount of inventories amounted to ₹ 3,055.56 crore after considering allowances for Inventory towards shrinkages and slow moving inventory of ₹ 23.85 crore. These inventories are held at the stores and distribution centres of the Company. The management undertakes the physical verification of inventory at periodic intervals during the year and shrinkages if any are recorded in the books. Basis the actual shrinkages recorded, the management estimates the expected allowance for Inventory shrinkage from the date of the last physical verification till the balance sheet date. Further, there are a number of judgements required in assessing the appropriate level of allowance for slow moving inventory. Such judgements include management's expectations of forecast inventory demand, product expiry dates and plans to dispose of inventories that are close to expiry. Considering the widespread inventory of the Company and the judgements applied for determining the allowance, we consider the existence and allowance for inventories to be a key audit matter.	Our procedures over existence and allowance for inventory included the following: We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls that the Company has in relation to the inventory count process and allowance for inventory; We performed testing on the Company's controls over the inventory count process. In testing these controls, we observed the inventory count process at selected store and distribution centres on a sample basis, inspected the results of the inventory count and confirmed variances were accounted for and approved by management. Assessed the stock shrinkage provision by assessing the level of inventory write downs during the period and applying the shrinkage rate as determined location wise to the year end stock. We tested on a sample basis the shrinkage rate used to calculate the provision for each store and distribution centre. We evaluated the assumptions made by management, and particularly the key assumption that in assessing stock obsolescence provisions through an analysis of inventory items by category and age and the level of inventory write downs in these categories during the period We assessed the Company's disclosures concerning this in Note 1.j and 1.r on significant accounting estimates and judgements and Note 9 Inventories to the standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Capital expenditure in respect of land and buildings *(as described in note 1.c and 2 of the standalone financial statements)*	
The Company has incurred significant expenditure on purchase/ construction of land and building as reflected by the total value of additions in property, plant and equipment and capital work in progress in notes 2 in the standalone financial statements. The Company is in the process of constructing new stores across locations for which land has been purchased and buildings are being constructed. These stores take substantial period of time to get ready for its intended use. We considered capital expenditure in respect of land and building as a key audit matter due to significance of amount incurred on such items during the year.	Our audit procedures included the following: We obtained understanding, evaluated the design and tested the operating effectiveness of financial controls related to capital expenditure of land and buildings. We obtained the list of land parcels purchased during the year and traced the amounts of capitalisation with the title deeds and traced the expenses capitalised along with the land cost to the underlying invoices. For samples selected, we obtained the approvals of the authorised signatory for the purchase of land parcel. We performed control testing on a sample basis for each element of capitalised costs of building and reconciliation of material performed by management including verification of underlying supporting evidence and understanding nature of the costs capitalised. We compared the total cost of addition of sample stores with management budgets. We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial /statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 23105938BGXGGO7370

Thane, May 13, 2023

Annexure 1

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Avenue Supermarts Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

(i) (a) (B) The Company has maintained proper records showing full particulars of Intangible assets

(i) (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noted on such verification.

(i) (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease arrangement are duly executed in favour of the lessee) are in held in the name of the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies on such physical verification were less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account.

(ii) (b) As disclosed in note 49 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans or provided security to companies, firms, Limited Liability Partnerships or any other parties. During the year the Company has provided guarantee to companies as below:

	Guarantees
Aggregate amount granted/ provided during the year (Subsidiaries)	₹ 27.80 crore
Balance outstanding as at balance sheet date in respect of above cases (Subsidiaries)	₹ 27.80 crore

(iii) (b) During the year the investments made in and guarantees given to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest. The Company has not provided security and granted loans and advances to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(iii) (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) The Company has not given any loans, security to director / to a Company in which director is interested to which section 185 of the Companies Act, 2013 apply and hence not commented upon. Further, according to the information and explanation given to us, provision of section 186 of the Companies Act, 2013 in respect of investments made and guarantees given have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year-end, for a period of more than six months from the date they become payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Unpaid amount involved (₹ in crore) *	Period to which the amount relates	Forum where dispute is pending
Gujarat Value Added Tax Act, 2003	Value added tax	1.21	2016-2017 2017-2018	Deputy Commissioner of Commercial Tax
Maharashtra Municipal Corporation Act	Local body tax	0.67	2014-2015 to 2017-18	Commissioner
Madhya Pradesh Value Added Tax Act, 2002	Entry tax	0.37	2015-2016 2016-2017	Deputy Commissioner of Commercial Tax
Madhya Pradesh Value Added Tax Act, 2002	Value added tax	0.14	2016-2017	Deputy Commissioner of Commercial Tax
Andhra Pradesh Goods and Service Tax Act	Goods and Service Tax	4.40	2017-2018 to 2020-2021	Deputy Commissioner
Income Tax Act, 1961	Late Deduction of TDS	2.50	2019-2020	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Short Deduction/Late Deduction of TDS	0.63	2007-2008 to 2022-2023	Assessing Officer
Income Tax Act, 1961	Income tax	0.69	2017-2018	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income tax	1.69	2019-2020	Assessing Officer

* The unpaid amount mentioned above is net of ₹ 31.50 crore paid under protest

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix) (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company,

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the /Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 48 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 37 to the standalone financial statements.

(xx) (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub-section (6) of section 135 of the said Act. This matter has been disclosed in note 37 to the standalone financial statements.

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

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 23105938BGXGGO7370

Thane, May 13, 2023

Annexure 2

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Avenue Supermarts Limited ("the Holding Company")

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Avenue Supermarts Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 23105938BGXGGO7370

Thane, May 13, 2023

Standalone Balance Sheet

as at 31st March, 2023

(₹ in crores)

	Notes	As at 31st March, 2023	As at 31st March, 2022
Assets			
Non-current assets			
(a) Property, plant and equipment	2	9,464.40	7,576.62
(b) Capital work-in-progress	2	828.90	1,073.14
(c) Right-of-use assets	3	1,283.58	1,146.48
(d) Investment properties	4	78.50	96.11
(e) Intangible assets	5	10.03	9.52
(f) Financial assets			
(i) Investments	6	774.72	532.31
(ii) Other non-current financial assets	7	100.76	1,258.59
(g) Income tax assets (net)		15.11	0.70
(h) Other non-current assets	8	350.19	359.35
Total non-current assets		**12,906.19**	**12,052.82**
Current assets			
(a) Inventories	9	3,055.56	2,586.89
(b) Financial assets			
(i) Investments	10	202.19	-
(ii) Trade receivables	11	246.59	230.86
(iii) Cash and cash equivalents	12	186.83	83.45
(iv) Bank balances other than cash and cash equivalents	13	1,185.98	200.86
(v) Other current financial assets	14	318.47	107.13
(c) Other current assets	15	141.79	141.95
Total current assets		**5,337.41**	**3,351.14**
Total assets		**18,243.60**	**15,403.96**
Equity and liabilities			
Equity			
a) Equity share capital	16	648.26	647.77
b) Other equity	17	15,854.27	13,276.34
Total equity		**16,502.53**	**13,924.11**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(ia) Lease liability	3	329.23	320.31
(ii) Other non-current financial liabilities	18	0.47	0.41
(b) Deferred tax liabilities (net)	19	78.50	64.84
Total non-current liabilities		**408.20**	**385.56**
Current liabilities			
(a) Financial liabilities			
(ia) Lease liability	3	110.25	95.63
(ii) Trade payables due to -	20		
Micro and small enterprises		66.87	29.13
Other than micro and small enterprises		634.41	502.08
(iii) Other current financial liabilities	21	273.34	270.42
(b) Other current liabilities	22	116.58	52.29
(c) Provisions	23	46.05	33.39
(d) Current tax liabilities (Net)		85.37	111.35
Total current liabilities		**1,332.87**	**1,094.29**
Total equity and liabilities		**18,243.60**	**15,403.96**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May, 2023

Thane, 13th May, 2023

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Statement of Standalone Profit and Loss

for the year ended 31st March, 2023

(₹ in crores)

	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income			
Revenue from operations	24	41,833.25	30,352.50
Other income	25	163.09	140.87
Total income		**41,996.34**	**30,493.37**
Expenses			
Purchase of stock-in-trade		36,243.89	26,472.23
Changes in inventories of stock-in-trade	26	(468.67)	(419.56)
Employee benefits expense	27	648.18	548.23
Finance costs	28	48.07	39.60
Depreciation and amortisation expenses	29	543.25	421.06
Other expenses	30	1,750.46	1,250.08
Total expenses		**38,765.18**	**28,311.64**
Profit before tax		3,231.16	2,181.73
Tax expense			
Current tax	31	799.88	539.55
Deferred tax charge		13.66	12.94
Adjustment of tax related to earlier years		(138.78)	13.07
Total tax expenses		**674.76**	**565.56**
Net profit after tax		2,556.40	1,616.17
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements loss on defined benefit plans	44	(5.64)	(4.28)
Less : Income tax effect		1.42	1.08
Net other comprehensive income not to be reclassified to profit or loss in subsequent year		**(4.22)**	**(3.20)**
Total comprehensive income for the year		2,552.18	1,612.97
Earnings per equity share of ₹10 each: (in ₹)	40		
Basic		39.46	24.95
Diluted		39.22	24.75
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
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per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May, 2023

Thane, 13th May, 2023

Statement of Standalone Cash Flows

for the year ended 31st March, 2023

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cash flow from operating activities:		
Profit before tax	3,231.16	2,181.73
Adjustments for:		
Depreciation and amortisation expenses	543.25	421.06
Finance costs	48.07	39.60
Interest income	(106.54)	(103.77)
Profit on sale of investments	(7.93)	(3.02)
Expense on employee stock option scheme	11.18	6.09
Rent income	(41.35)	(27.51)
Loss on disposal of property, plant and equipment (net)	1.65	2.08
Operating profit before working capital changes	**3,679.49**	**2,516.26**
Adjustments for:		
Increase/(decrease) in trade payables	170.07	(34.33)
Increase in provisions	7.10	6.91
Decrease in other current financial liabilities	(9.07)	(5.78)
Increase in other current liabilities	64.29	14.71
Increase/(decrease) in other non-current financial liabilities	0.06	(0.03)
Increase in trade receivables	(15.73)	(158.76)
Increase in inventories	(468.67)	(419.56)
Increase in other non-current assets	(30.60)	(0.15)
Increase in other non-current financial assets	(11.35)	(14.66)
Increase in bank balances other than cash and cash equivalents	(0.12)	(0.06)
(Increase)/Decrease in other current assets	0.16	(20.34)
Increase in other current financial assets	(7.59)	(16.21)
	(301.45)	**(648.26)**
Cash flow from operating activities	3,378.04	1,868.00
Direct taxes paid (net of refunds)	(700.07)	(552.84)
Net cash flow from operating activities	**2,677.97**	**1,315.16**
Cash flow from investing activities:		
Proceeds from disposal of property, plant and equipment	2.26	1.49
Realisation from Bank Deposits	50.00	1,050.00
Interest received	33.19	39.04
Gain on sale of investments	4.76	3.02
Rent income received	40.32	27.51
Purchase of property, plant and equipment / intangible assets / investment properties	(2,131.29)	(2,283.20)
Investments in Subsidiaries	(242.41)	(130.00)
Purchase of Other Investments	(199.01)	(0.01)
Net cash flow used in investing activities	**(2,442.18)**	**(1,292.15)**
Cash flow from financing activities:		
Proceeds from exercise of share options	14.63	-
Proceeds from share application money pending allotment	0.91	-
Proceeds from short term borrowings	-	248.00
Repayment of short term borrowings	-	(248.00)
Payment of principal portion of lease liabilities	(100.37)	(81.49)
Interest paid on lease liability	(47.16)	(38.05)
Interest paid	(0.42)	(1.21)
Cash flow used in financing activities	**(132.41)**	**(120.75)**

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Statement of Standalone Cash Flows

for the year ended 31st March, 2023

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Net increase/(decrease) in cash and cash equivalent	103.38	(97.74)
Cash and cash equivalents at beginning of the year (including bank overdraft balances)	83.45	181.19
Cash and cash equivalents at end of the year	186.83	83.45
Cash and cash equivalents as per above comprises of the following		
Cash and cash equivalents (Refer Note : 12)	186.83	83.45
Balance as per statement of cash flows	186.83	83.45

The accompanying notes are an integral part of these standalone financial statements

Notes:

(i) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May, 2023

Thane, 13th May, 2023

Statement of Changes in Equity

for the year ended 31st March, 2023

A. Equity share capital

	Notes	At 31st March, 2023		At 31st March, 2022	
		No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
Equity share of ₹10 each issued, subscribed and fully paid	16				
Balance as at the beginning of the year		647,774,691	647.77	647,774,691	647.77
Changes in equity share capital due to prior period errors		-	-	-	-
Restated balance at the beginning of the year		647,774,691	647.77	647,774,691	647.77
Issue of share capital		489,287	0.49	-	-
Balance as the end of the year		**648,263,978**	**648.26**	**647,774,691**	**647.77**

B. Other equity

(₹ in crores)

	Notes	Share application money pending allotment	Reserves and Surplus: Securities premium	Reserves and Surplus: Share options outstanding	Reserves and Surplus: Retained earnings	Total
Balance as at 1st April, 2021		**-**	**5,994.57**	**31.71**	**5,631.23**	**11,657.51**
Profit for the year		-	-	-	1,616.17	1,616.17
Other comprehensive income for the year		-	-	-	(3.20)	(3.20)
Share option expense	43	-	-	5.86	-	5.86
Balance as at 31st March, 2022		**-**	**5,994.57**	**37.57**	**7,244.20**	**13,276.34**
Profit for the year		-	-	-	2,556.40	2,556.40
Other comprehensive income for the year		-	-	-	(4.22)	(4.22)
Exercise of share options		-	5.52	(5.52)	-	-
Issue of share capital	16	-	14.14	-	-	14.14
Share option expense	43	-	-	10.70	-	10.70
Application money received		0.91	-	-	-	0.91
Balance as at 31st March, 2023		**0.91**	**6,014.23**	**42.75**	**9,796.38**	**15,854.27**

Nature and purpose of reserve

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Share options outstanding account

The share options outstanding is used to recognise the grant date fair value of options issued to employees under Avenue Supermarts Limited Employee Stock Option Scheme, 2016.

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May, 2023

Thane, 13th May, 2023

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

Corporate information

Avenue Supermarts Limited ('the Company') is a Company limited by shares and is domiciled in India. The Company's registered office is at Anjaneya, Opp. Hiranandani Foundation School, Powai, Mumbai, Maharashtra India 400076. The Company is primarily engaged in the business of organised retail and operates supermarkets under the brand name of "D-Mart". Its equity shares are listed in India on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The standalone financial statements have been recommended for approval by the audit committee and is approved and adopted by the Board in their meeting held on Thane, 13th May, 2023

1. Summary of significant accounting policies

(a) Basis of preparation

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules as amended from time to time and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

(i) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;

2) defined benefit plans - plan assets measured at fair value;

3) share-based payments.

(ii) Current non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification. As asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose or trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(iii) Rounding off amounts

The standalone financial statements are presented in ₹and all values are rounded to the nearest ₹0.00 crores, except when otherwise indicated.

(b) Investment in subsidiaries

Investments in subsidiaries are accounted at cost in accordance with Ind AS 27.

(c) Property, plant and equipment (PPE)

Freehold land is carried at historical cost. All other item of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

Capital work-in-progress, property, plant and equipment is stated at cost, net of accumulated depreciation. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing cost for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in profit or loss as incurred.

Capital work-in-progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on property, plant and equipment

Depreciation is provided to the extent of depreciable amount on written down value method (except for leasehold land which is amortised over the period of lease) over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013. Depreciation is charged on pro-rata basis for asset purchased / sold during the year.

The assets residual values, useful life and method of depreciation of PPE are reviewed and adjusted if appropriate, at the end of each reporting period.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.Intangible assets are amortised on a written down value basis over the economic useful life estimated by the management.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation of intangible assets

Amortisation is provided on straight-line method over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013. Amortisation is charged on pro-rata basis for asset purchased / sold during the year.

Estimated useful life of assets are as follows:

Computer Software - 5 years

Trademarks - 5 - 10 years”

(e) Investment properties

Investments in property that are not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. Investment properties are measured initially at its cost including transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent cost are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance

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Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

are charged to profit or loss during the reporting period in which they are incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

The Company depreciates its investment properties over the useful life which is similar to that of Property, Plant and Equipment.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(f) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(g) Leases

As per Ind AS 116 "Leases", the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right-of-use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that

Notes
to the Standalone Financial Statements for the year ended 31st March, 2023

the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Amortisation on right-of-use assets
Amortisation is provided on straight line method over the useful life of asset as assessed by the management. Amortisation is charged on pro-rata basis for asset purchased / sold during the year.

As a lessor
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Ind AS 17 also contains similar requirements for recognition of lease rental income under operating leases. The Company has determined that it does not meet criteria for recognition of lease rental expense/ income on a basis other than straight-line basis.

(h) Cash and cash equivalents
Cash and cash equivalent in the balance sheet comprises cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. For the purpose of standalone financial statement of cash flow, cash and cash equivalent consists of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(i) Trade receivables
Trade receivables are initially measured at transaction price excluding any financing arrangements in sale transactions of the Company.

(j) Inventories
Inventories are valued at lower of cost and net realisable value. Cost of inventories, comprise costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is determined by the weighted average cost method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

(k) Financial instruments
A Financial instrument is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

Financial asset
(i) Classification
The Company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

* those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* Amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

this category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the statement of profit and loss account. This category generally applies to trade and other receivables.

*Fair value through other comprehensive income (FVTOCI): A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss account. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss account. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

*Fair value through profit and loss: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through the Statement of Profit and Loss are recognised in other income / other expenses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

*the Company has transferred the rights to receive cash flows from the financial asset or

*retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default insolvency or bankruptcy of the Company or the counterparty.

(ii) Trade and other payables

These amount represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(iii) Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initiation is recognised as an asset / liability based on the underlying reason for the difference. Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

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to the Standalone Financial Statements for the year ended 31st March, 2023

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash transferred or liabilities assumed, is recognised in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(iv) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing cost consist of interest and other cost that an entity incurs in connection with borrowing of funds.

(v) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

(l) Revenue Recognition

Revenue from operations is recognised to the extent that it is probable that economic benefit will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made as per IND AS 115.

Revenue from contracts with customers is recognised when the control/title of the goods or services are transferred to the customer at an amount of transaction price allocated to that performance obligation that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services excluding government duties collected on behalf of the Government.In determining the transaction price of goods sold and services rendered, the Company excludes the effect of any variable consideration on account of various discounts and schemes offered by the Company as a part of the Contract.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

It is the Company's policy to sell its products to the end customers with the right of return of 7 days. Historical experience is used to estimate and provide for such returns at the time of sale.

The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Principal versus agent consideration
The inventory of third party does not pass to the Company till the product is sold. At the time of sale of such inventory, the sales value along with the cost of inventory is disclosed seprately as sale of goods on approval basis and cost of goods sold on approval basis and forms part of Revenue in the Statement of Profit and Loss. Only the net revenue earned i.e. margin is recorded as a part of revenue.

Rental income
Rental income arising from operating lease on investment properties is accounted for on a straight line basis over lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and is included in the Statement of profit or loss due to its operating nature.

Interest income
Interest income is recongnised based on time proportion basis considering the amount outstanding and rate applicable (EIR). Interest income in included in the Other Income in the statement of Profit and Loss.

(m) Retirement and other employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Retirement benefit in the form of provident fund is a defined contribution plan. The Company has no obligation , other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the Contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date,then excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payment or a cash refund.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

Defined benefit plans

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit or loss as past service cost.

Share-based payment

Equity settled share-based payments to employees and other providing similar services are measured at fair value of the equity instruments at grant date.

The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period , the Company revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any is , recongised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate,with a corresponding adjustment to the shared option outstanding account.

No expense is recognised for options that do not ultimately vest because non market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Expense relating to options granted to employees of the subsidiaries under the Company's share-based payment plan, is recovered from the subsidiaries. Such recovery is reduced from employee benefit expense.

(n) Foreign currency transactions

(a) Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The standalone financial statements are presented in INR, which is functional and presentational currency.

(b) Transaction and balances :

Transaction in currencies other than than entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transaction.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Non monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(o) Income tax

a) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that enacted or substantively enacted, at the reporting date in the countries where The Company operates and generates taxable income.

b) Deferred tax

Deferred income tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount for financial reporting purpose at the reporting date. Deferred tax assets and liabilities are determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the asset is realised or the liability is settled.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where The Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

(p) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity shareholder of the Company

- by the weighted average number of equity shares outstanding during the financial year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Fair value measurement

The Company measures financial instrument at fair value at each Balance sheet date.

Fair value is the price that would be received to sell assets or paid to transfer a liability in an orderly transaction between market participant at the measurement date.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and deposits, trade and other receivables, trade payables and other current liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.

2. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(r) Significant accounting judgement, estimates and assumption

The preparation of standalone financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies.

Notes

to the Standalone Financial Statements as at 31st March, 2023

Share-based payment

The Company initially measures the cost of equity settled transaction with employees using Black Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transaction requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimates also requires determination of the most appropriate inputs to the valuation model including expected life of the share option, volatility and dividend yield and making assumptions about them.For equity settled share-based payment transaction, the liability needs to be re-measured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the Statement of Profit and Loss. This requires a re-assessment of the estimates used at end of each reporting period. The assumption and models used for estimating the fair value for share-based-payment transaction are disclosed in note no. 43.

Provision for inventory

The Company has calculated the provision for inventory basis the percentage as per historical experience for inventory lying from the last inventory count date to the reporting date.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note no. 44.

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker being Managing Director of the Company . The Managing Director assesses the financial performance and position of the Company as a whole, and makes strategic decisions.

(t) Cash flow

The investing and financing activities in cash flow statement do not have a direct impact on current cash flows although they do affect the capital and asset structure of an entity. The Company has disclosed these transactions, to the extent material, in notes to cash flow statement.

Notes

to the Standalone Financial Statements as at 31st March, 2023

2 Property, plant and equipment

(₹ in crores)

	Freehold land (Refer note : 2,6)	Buildings (Refer note : 1,5)	Leasehold improvement	Plant and equipment	Computers	Furniture and fixtures	Vehicles	Office equipment	Electrical installations	Total
Cost										
Balance as at 1st April, 2021	2,812.18	2,939.12	66.99	307.24	95.66	317.11	3.58	39.43	245.18	6,826.49
Additions	800.67	910.44	18.93	130.28	28.48	96.21	-	10.43	76.29	2,071.73
Reclassification	43.81	-	-	-	-	-	-	-	-	43.81
Disposals	-	0.20	0.02	3.30	1.56	3.25	0.14	0.92	0.67	10.06
Balance as at 31st March, 2022	**3,656.66**	**3,849.36**	**85.90**	**434.22**	**122.58**	**410.07**	**3.44**	**48.94**	**320.80**	**8,931.97**
Additions	876.14	1,039.13	11.88	141.70	27.88	89.59	0.68	11.72	86.68	2,285.40
Reclassification	8.34	10.21	-	-	-	-	-	-	-	18.55
Disposals	-	0.54	0.06	9.86	2.57	4.86	1.41	1.25	1.48	22.03
Balance as at 31st March, 2023	**4,541.14**	**4,898.16**	**97.72**	**566.06**	**147.89**	**494.80**	**2.71**	**59.41**	**406.00**	**11,213.89**
Depreciation										
Balance as at 1st April, 2021	-	492.95	42.46	127.97	73.60	158.52	2.27	27.40	128.67	1,053.84
Charge for the year	-	141.44	11.09	46.34	17.76	48.63	0.39	6.69	36.83	309.17
Reclassification	-	-	-	-	-	-	-	-	-	-
Disposals	-	0.08	0.02	2.60	1.39	2.13	0.12	0.81	0.51	7.66
Balance as at 31st March, 2022	**-**	**634.31**	**53.53**	**171.71**	**89.97**	**205.02**	**2.54**	**33.28**	**164.99**	**1,355.35**
Charge for the year	-	179.30	15.26	67.84	23.75	63.41	0.33	8.84	50.12	408.85
Reclassification	-	2.85	-	-	-	-	-	-	-	2.85
Disposals	-	0.17	0.04	8.03	2.36	3.57	1.18	1.10	1.11	17.56
Balance as at 31st March, 2023	**-**	**816.29**	**68.75**	**231.52**	**111.36**	**264.86**	**1.69**	**41.02**	**214.00**	**1,749.49**
Net book value										
Balance as at 31st March, 2022	**3,656.66**	**3,215.05**	**32.37**	**262.51**	**32.61**	**205.05**	**0.90**	**15.66**	**155.81**	**7,576.62**
Balance as at 31st March, 2023	**4,541.14**	**4,081.87**	**28.97**	**334.54**	**36.53**	**229.94**	**1.02**	**18.39**	**192.00**	**9,464.40**

Notes
to the Standalone Financial Statements as at 31st March, 2023

Note:

1 Building includes following amounts for construction under built operate and transfer (BOT) arrangement.

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	40.98	40.98
Addition during the year	4.26	-
Gross block	45.24	40.98
Net block	31.89	29.35

2 Freehold land includes ₹595.76 Crores (31st March, 2022 : ₹474.56 Crores) being property purchased, for which mutation is pending.

3 Details of Capital work in progress -

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	1,073.14	1,006.21
Addition during the year	1,088.80	1,242.42
Transfer/Adjustment during the year	(1,333.04)	(1,175.49)
Closing Balance	828.90	1,073.14

a) Capital work in progress ageing schedule

(₹ in crores)

Particulars	Less than 1 year	1- 2 years	2- 3 years	more than 3 years	Total
Project in progress	450.01	290.84	36.37	51.68	828.90
Project temporarily suspended	-	-	-	-	-
Balance as at 31st March, 2023	**450.01**	**290.84**	**36.37**	**51.68**	**828.90**
Project in progress	743.87	296.98	24.45	7.84	1,073.14
Project temporarily suspended	-	-	-	-	-
Balance as at 31st March, 2022	**743.87**	**296.98**	**24.45**	**7.84**	**1,073.14**

b) All the upcoming projects of the Company are within the timelines as estimated during the original plan and the actual cost of projects are within the total cost as estimated by the management of the Company as on 31st March, 2023 and 31st March,2022.

4 No assets are pledged as security for borrowings.

5 Building includes Net book value of plant and equipment fitting of ₹17.56 Crores (31st March, 2022 : ₹22.06 Crores).

6 Freehold Land includes one property at Bhamti Nagar, Nagpur of ₹10.65 crores as at 31st March, 2023 (31st March, 2022: ₹10.65 crores) purchased by the Company. The Company has filed an Appeal before Deputy Director of Land Records (DDLR) at Nagpur thereby challenging the Order (by Virtue of which Ownership of the seller is affected) passed by Superintendent of Land Records. Title deed in respect of the said property is held in the name of the Avenue Supermarts Limited.

Notes

to the Standalone Financial Statements as at 31st March, 2023

3 Right-of-use assets

(₹ in crores)

	Land (Refer Note 1)	Buildings	Plant & equipment	Total
Cost				
Balance as at 1st April,2021	**614.02**	**419.85**	**7.98**	**1,041.85**
Additions	244.71	207.61	1.30	453.62
Reclassification	(45.80)	-	-	(45.80)
Disposals	-	7.77	-	7.77
Balance as at 31st March, 2022	**812.93**	**619.69**	**9.28**	**1,441.90**
Additions	113.92	149.26	5.97	269.15
Disposals	-	1.27	-	1.27
Balance as at 31st March, 2023	**926.85**	**767.68**	**15.25**	**1,709.78**
Depreciation				
Balance as at 1st April,2021	**29.84**	**164.20**	**0.56**	**194.60**
Charge for the year	9.81	97.37	0.91	108.09
Reclassification	(1.99)	-	-	(1.99)
Disposals	-	5.28	-	5.28
Balance as at 31st March, 2022	**37.66**	**256.29**	**1.47**	**295.42**
Charge for the year	11.64	118.90	1.24	131.78
Disposals	-	1.00	-	1.00
Balance as at 31st March, 2023	**49.30**	**374.19**	**2.71**	**426.20**
Net book value				
Balance as at 31st March, 2022	**775.27**	**363.40**	**7.81**	**1,146.48**
Balance as at 31st March, 2023	**877.55**	**393.49**	**12.54**	**1,283.58**

Note:

1 Right-of-use land includes following amounts paid as premium under built operate and transfer (BOT) arrangement

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gross block	13.83	13.83
Net block	12.61	12.77

2 Lease liabilities

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening	415.94	295.53
Recognised during the year	123.91	201.90
Accretion of interest	47.16	38.05
Repaid during the year	(147.53)	(119.54)
Closing	**439.48**	**415.94**
Non current	329.23	320.31
Current	110.25	95.63

*Refer note 45 for maturity patterns of lease liability

Notes

to the Standalone Financial Statements as at 31st March, 2023

The following are the amounts recognised in statement of profit and loss:

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Depreciation expense of right-of-use assets (Refer note : 29)	131.78	108.09
Interest expense on lease liabilities (Refer note : 28)	47.16	38.05
Expense relating to short-term leases (included in other expenses Refer note : 30)	0.91	0.78
Total	**179.85**	**146.92**

The Company had total cash outflows for leases of ₹147.53 crores (31st March, 2022 : ₹119.54 crores) & also had non-cash additions to right-of-use assets and lease liabilities of ₹155.23 crores (March 31, 2022 : ₹208.91 crores).

4 Investment properties

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Cost		
Opening balance	111.18	102.91
Additions	1.37	8.27
Reclassification	(18.55)	-
Closing balance	**94.00**	**111.18**
Depreciation		
Opening balance	(15.07)	(11.42)
Charge for the year	(3.28)	(3.65)
Reclassification	2.85	-
Closing balance	(15.50)	(15.07)
Net book value	**78.50**	**96.11**
Information regarding income and expenditure of investment properties:		
(i) Amounts recognised in profit or loss for investment properties		
Rental income including contingent rent of ₹NIL (Previous year ₹NIL Crores)	19.33	16.48
Direct operating expenses from property that generated rental income	1.32	0.90
Direct operating expenses from property that did not generate rental income	-	-
Income from investment properties before depreciation	**18.01**	**15.58**
Depreciation	3.28	3.65
Income from investment properties	**14.73**	**11.93**
(ii) Leasing arrangements		
Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:		
Within one year	0.17	0.73
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-
	0.17	**0.73**
(iii) Fair value		
Investment properties	417.86	432.35

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Notes

to the Standalone Financial Statements as at 31st March, 2023

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent.

This valuation is based on valuations performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Fair valuation is based on replacement cost method. The fair value measurement is categorized in level 2 fair value hierarchy.

5 Intangible assets

(₹ in crores)

	Computer software	Trademarks	Total
Cost			
Balance as at 1st April, 2021	25.16	0.02	25.18
Additions	3.88	-	3.88
Disposals	-	-	-
Balance as at 31st March, 2022	**29.04**	**0.02**	**29.06**
Additions	4.80	-	4.80
Disposals	1.16	-	1.16
Balance as at 31st March, 2023	**32.68**	**0.02**	**32.70**
Amortisation			
Balance as at 1st April, 2021	15.72	0.01	15.73
Charge for the year *	3.81	-	3.81
Disposals	-	-	-
Balance as at 31st March, 2022	**19.53**	**0.01**	**19.54**
Charge for the year *	4.24	-	4.24
Disposals	1.11	-	1.11
Balance as at 31st March, 2023	**22.66**	**0.01**	**22.67**
Net book value			
Balance as at 31st March, 2022	**9.51**	**0.01**	**9.52**
Balance as at 31st March, 2023	**10.02**	**0.01**	**10.03**

* Trademarks Amortisation - includes amount less than a lakh

6 Investments

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
A. Investment in subsidiaries		
Unquoted equity shares		
i. Equity instruments at cost		
4,342,856 (31st March, 2022 : 3,799,999) shares of Align Retail Trades Private Limited (equity shares of ₹10 each)	54.62	34.34
16,666 (31st March, 2022 : 16,666) shares of Avenue Food Plaza Private Limited (equity shares of ₹10 each)	5.01	5.01
90,000 (31st March, 2022 : 90,000) shares of Nahar Seth Jogani Developers Private Limited (equity shares of ₹10 each)	0.09	0.09
2,099,980 (31st March, 2022 : 100,000) shares of Reflect Healthcare And Retail Private Limited (Formerly known as Reflect Wholesale and Retail Private Limited) (equity shares of ₹10 each)	2.10	0.10
436,398,997 (31st March, 2022 : 354,247,191) shares of Avenue E-commerce Limited (equity shares of ₹10 each)	712.89	492.76
Total (A)	774.71	532.30

Notes
to the Standalone Financial Statements as at 31st March, 2023

B. Other investment		
Unquoted equity shares		
Equity instruments at cost		
10,000 (31st March, 2022: 10,000) shares of Retailer Association of India (equity shares of ₹10 each)	0.01	0.01
Total (B)	**0.01**	**0.01**
Total (A+B)	**774.72**	**532.31**
Aggregate amount of unquoted investments	774.72	532.31
Aggregate amount of impairment in the value of investment	-	-
Non-current	774.72	532.31

7 Other non-current financial assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Rent deposits given		
- Related parties (Refer note: 32)	8.12	7.41
- Others	46.13	46.53
Other deposits	45.65	35.02
Margin money deposits with banks (held as lien by bank against bank guarantees)	0.46	0.97
Long-term deposits with banks with maturity period more than 12 months (Provided as security for various regulatory registrations)	0.40	0.52
Long-term deposits with banks with maturity period more than 12 months	-	1,035.00
Interest receivable on long-term deposits with banks with maturity period more than 12 months	-	133.14
Total	**100.76**	**1,258.59**

The above non-current financial assets are carried at amortised cost.

8 Other non-current assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Capital advances	317.46	357.22
Prepaid Expenses	2.40	2.13
Balance with government authorities	30.33	-
Total	**350.19**	**359.35**

9 Inventories

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Stock-in-trade (at lower of cost and net relisable value)	3,018.13	2,557.45
Goods in Transit	37.43	29.44
Total	**3,055.56**	**2,586.89**

Notes

to the Standalone Financial Statements as at 31st March, 2023

10 Current investments

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Investment in mutual funds		
Unquoted		
1,167,264.243 [31st March,2022 NIL] ICICI Prudential Overnight Fund Direct Plan Growth	141.06	-
1,529,980.554 [31st March,2022 NIL] ICICI Prudential Liquid Fund - Direct Plan - Growth	50.98	-
22,322.138 [31st March,2022 NIL] Kotak Liquid Direct Growth	10.15	-
Total	**202.19**	**-**
Aggregate amount of unquoted investments	202.19	-
Aggregate amount of impairment in the value of investment	-	-

11 Trade receivables

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Unsecured		
Related parties (Refer note: 32)	184.55	163.99
Other than related parties	62.04	66.87
Total	**246.59**	**230.86**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally received within the credit period.

a) Undisputed Trade receivables – considered good*		
i) Less than 6 months	246.59	230.86
ii) 6 months -1 year	-	-
iii) 1-2 years	-	-
iv) 2-3 years	-	-
v) More than 3 years	-	-
vi) Not Due	-	-
Total	**246.59**	**230.86**

*Outstanding for following periods from date of transaction

b) There are no unbilled receivables, hence the same is not disclosed in ageing schedule.

c) There are no disputed trade receivables, hence the same is not disclosed in ageing schedule.

12 Cash and cash equivalents

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks - In current accounts	145.36	38.73
Cash on hand	41.47	44.72
Total	**186.83**	**83.45**

Notes

to the Standalone Financial Statements as at 31st March, 2023

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Total cash and cash equivalents	186.83	83.45
Cash and cash Equivalents for cash flow purpose	**186.83**	**83.45**

13 Bank balances other than cash and cash equivalents

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Margin money deposits with bank (held as lien by bank against guarantees)	0.90	0.86
Deposits with bank	1,185.08	200.00
Total	**1,185.98**	**200.86**

14 Other current financial assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Rent deposits given		
- Others	5.08	4.53
Advances recoverable in cash or in kind or in value to be received		
- Related parties (Refer Note : 32)*	3.02	1.94
- others	106.21	97.99
Interest receivable		
- other deposits	202.59	0.42
Advances to employees	1.57	2.25
Total	**318.47**	**107.13**
The above current financial assets are carried at amortised cost.		
* Maximum amount outstanding during the year	3.79	2.03

15 Other current assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Prepaid expenses	10.92	9.87
Advances to suppliers	77.03	86.40
Balance with government authorities	44.20	38.51
Others	9.64	7.17
Total	**141.79**	**141.95**

16 Equity share capital

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
A. Authorised		
750,000,000 [31st March, 2022 : 750,000,000] equity Shares of ₹10 each	750.00	750.00
Issued, subscribed and fully paid up		
648,263,978 [31st March, 2022 : 647,774,691] equity Shares of ₹10 each	648.26	647.77
	648.26	**647.77**

Notes

to the Standalone Financial Statements as at 31st March, 2023

Notes:

a)	**Reconciliation of number of shares**		
	Balance at the beginning of the year		
	No. of shares	647,774,691	647,774,691
	Amount in ₹ Crores	647.77	647.77
	Issued, subscribed and paid up during the year		
	No. of shares	489,287	-
	Amount in ₹ Crores	0.49	-
	Balance at the end of the year		
	No. of shares	648,263,978	647,774,691
	Amount in ₹ Crores	648.26	647.77

The Company through Qualified Institutional Placement (QIP) allotted 20,000,000 equity shares to the eligible Qualified Institutional Buyers (QIB) at a issue price of ₹2,049 per equity share (including a premium of ₹2,039 per equity share) aggregating to ₹4,098 crore on 11th February, 2020. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "SEBI ICDR Regulations"), and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder (the "Issue"). Funds received pursuant to QIP are being utilised towards the object stated in the placement document and the balance unutilised as on 31st March,2023 remain invested in deposits with scheduled commercial banks.

Expenses incurred by the Company aggregating to ₹21.49 Crores, in connection with QIP have been adjusted towards securities premium in March 2020.

b) **Terms and rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company if declares dividend would pay dividend in Indian rupees. The dividend if proposed by the Board of Directors would be subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) **Shares reserved for issue under option**

Information relating to Avenue Supermarts limited Employee Stock Option Scheme, 2016, including details of option granted, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 43.

d) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	As at 31st March, 2023	As at 31st March, 2022
Mr. Radhakishan S. Damani	149,848,238	222,159,156
- % holding of shares	23.12%	34.30%
Mr. Gopikishan S. Damani	36,469,012	49,480,000
- % holding of shares	5.63%	7.64%
Bright Star Investments Private Limited	88,750,000	88,750,000
- % holding of shares	13.69%	13.70%

Notes

to the Standalone Financial Statements as at 31st March, 2023

e) Refer note 47 for details of Shareholding of Promoters along with changes during the Financial Year

17 Other equity

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
(a) Share application money pending allotment		
Opening balance	-	-
Application money received	0.91	-
Closing balance	**0.91**	**-**
(b) Securities premium		
Opening balance	5,994.57	5,994.57
Exercise of share options	5.52	-
Issue of share capital	14.14	-
Closing balance	**6,014.23**	**5,994.57**
(c) Share Options Outstanding Account		
Opening balance	37.57	31.71
Share option expense	10.70	5.86
Exercise of share options	(5.52)	-
Closing balance	**42.75**	**37.57**
(d) Retained earnings		
Opening balance	7,244.20	5,631.23
Net Profit for the year	2,556.40	1,616.17
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(4.22)	(3.20)
Closing balance	**9,796.38**	**7,244.20**
Total other equity	**15,854.27**	**13,276.34**

18 Other non-current financial liabilities

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Other non-current financial liabilities at amortised cost		
Rent Deposits Taken - Related Parties (Refer Note : 32)	0.06	-
Rent deposits taken	0.41	0.41
Total	**0.47**	**0.41**

The above non-current financial liabilities are carried at amortised cost.

19 Deferred tax liabilities (net)

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax liability on account of:		
- Depreciation	103.69	82.66
- Others	0.80	-
Deferred Tax Assets on account of:		
- Employee benefits	7.70	6.57
- Right-of-use asset	14.88	11.25
- Others	3.41	-
Deferred tax liabilities (net)	**78.50**	**64.84**

Notes

to the Standalone Financial Statements as at 31st March, 2023

Movements in deferred tax liabilities and deferred tax assets

(₹ in crores)

	Property plant and equipment	Right-of-use asset	Employee benefits	Others	Total
At 1 April 2021	**65.65**	**(8.17)**	**(5.58)**	**-**	**51.90**
Charged / (credited) to					
Profit and loss	17.01	(3.08)	(0.99)	-	12.94
At 31 March 2022	**82.66**	**(11.25)**	**(6.57)**	**-**	**64.84**
Charged / (credited) to					
Profit and loss	21.03	(3.63)	(1.13)	(2.61)	13.66
At 31 March 2023	**103.69**	**(14.88)**	**(7.70)**	**(2.61)**	**78.50**

20 Trade payables

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
Amounts payable to related parties (Refer Note : 32)	19.15	0.66
Others	682.13	530.55
Total	**701.28**	**531.21**
(a) Payable to micro and small enterprises (Refer note 34)		
The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.		
Principal amount payable to suppliers registered under the MSMED Act and remaining unpaid as at year end	66.87	29.13
b) Trade payables - ageing*		
(1) MSME		
i) Less than 1 year	65.46	29.04
ii) 1-2 years	-	0.07
iii) 2-3 years	0.03	-
iv) more than 3 years	-	0.02
v) Not due	1.38	-
Total	**66.87**	**29.13**
(2) Others**		
i) Less than 1 year	465.70	351.99
ii) 1-2 years	0.94	6.78
iii) 2-3 years	1.75	9.76
iv) more than 3 years	0.50	5.01
v) Not due	165.52	128.54
Total	**634.41**	**502.08**

*Outstanding for following periods from date of transaction

**The ageing includes retention money payable on completion of contractual obligation

c) There are no disputed trade payables, hence the same is not disclosed in ageing schedule

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Notes
to the Standalone Financial Statements as at 31st March, 2023

21 Other current financial liabilities

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Other financial liabilities measured at amortised cost:		
Escrow deposits received*	47.20	54.66
Salary and wages payable	48.71	50.32
Capital creditors**	177.43	165.44
Total	**273.34**	**270.42**

* Escrow deposit represents amount received to protect our liability from seller for any possible claims that may arise in future in respect of certain properties.

****Payable to micro and small enterprises (Refer note 34)**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

Principal amount payable to suppliers registered under the MSMED Act and remaining unpaid as at year end	19.16	13.74

22 Other current liabilities

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Statutory dues	88.85	40.86
Other payables	14.63	6.42
Other payables - Related Party (Refer Note : 32)	5.72	2.85
Liability towards corporate social responsibility	7.38	2.16
Total	**116.58**	**52.29**

23 Provisions

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity (Refer note:44)	15.44	7.27
Leave entitlement	30.61	26.12
Total	**46.05**	**33.39**

24 Revenue from Operations

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of goods (Refer Note 46)	45,896.93	33,113.71
Sale of goods on approval basis	35.88	32.09
Less : Cost of goods sold on approval basis	(29.96)	(26.81)
	45,902.85	**33,118.99**
Less : Tax	(4,176.66)	(2,860.78)
Other operating income	107.06	94.29
Total	**41,833.25**	**30,352.50**

Notes
to the Standalone Financial Statements for the year ended 31st March, 2023

25 Other income

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on deposits and advances	106.54	103.77
Rent and amenities service income	41.35	27.51
Gain on sale of current investment	7.93	3.02
Exchange gain (net)	6.16	2.70
Miscellaneous income	1.11	3.87
Total	**163.09**	**140.87**

26 Changes in inventories of stock-in-trade

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Closing stock	3,055.56	2,586.89
Opening stock	2,586.89	2,167.33
Total	**(468.67)**	**(419.56)**

27 Employee benefits expenses

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, allowances and others	547.12	470.14
Expense on employee stock option scheme (Refer note : 43)	11.18	6.09
Contribution to provident fund and other funds	44.65	36.26
Employee welfare expenses	45.23	35.74
Total	**648.18**	**548.23**

28 Finance costs

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on lease liability (Refer note : 3)	47.16	38.05
Interest others	0.61	1.37
Finance charges	0.30	0.18
Total	**48.07**	**39.60**

29 Depreciation and amortisation expense

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation/ amortisation on:		
- Tangible assets (Refer note : 2)	408.85	309.17
- Right-of-use assets (Refer note : 3)	131.78	108.09
- Investment property (Refer note : 4)	3.28	3.65
- Intangible assets (Refer note : 5)	4.24	3.81
	548.15	**424.72**
Less : Capitalised	(4.90)	(3.66)
Total	**543.25**	**421.06**

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Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

30 Other expenses

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Contract labour charges	810.69	603.04
Rent (Refer note : 3 & 35)	0.91	0.78
Electricity and fuel charges	292.46	196.43
Insurance	12.57	10.53
Rates and taxes	35.89	29.81
Repairs and maintenance:		
- Building	26.72	17.10
- Plant and machinery	72.04	52.72
- Others	35.00	25.51
Packing expenses	75.68	41.68
Printing & Stationery	23.14	16.18
Communication charges	6.58	5.59
Legal and professional fees	7.72	7.87
Travelling and conveyance	32.44	20.61
Directors fees	1.17	1.13
Payment to auditors		
- Audit fees	0.66	0.63
- Reimbursement of expenses	0.01	-
Miscellaneous expenses	277.90	187.10
Expenditure towards corporate social responsibility (CSR) activities (Refer Note:37)	37.23	31.29
Loss on sale/discardment of PPE (net)	1.65	2.08
Total	**1,750.46**	**1,250.08**

31 Tax expenses

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Tax expense recognised in the statement of Profit and Loss		
(a) Tax expense		
Current tax		
Current tax on profits for the year recognised in statement of profit and loss	799.88	539.55
Current tax on Re-measurements gains/(loss) on defined benefit plans recognised in OCI	(1.42)	(1.08)
Adjustments for tax related to earlier years	(138.78)	13.07
Total current tax expense	**659.68**	**551.54**
Deferred tax		
Increase in deferred tax		
Total deferred tax expense	13.66	12.94
Total tax expense	**673.34**	**564.48**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:		
Accounting profit before tax	3,231.16	2,181.73
Tax calculated at tax rates applicable to profit @ 25.168%	813.22	549.10
Permanent differences due to:		
Donation	0.05	0.08
Deduction taken for 80JJA and others	(5.61)	(4.88)
Corporate social responsibility	9.37	7.88
Interest on income tax	0.13	0.09

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Fines and penalty	0.02	0.09
Deduction from income from house property	(2.24)	(1.51)
Adjustments for tax related to earlier years	(138.78)	13.07
Interest on income tax refund	(1.57)	-
Capital provision write off	1.64	-
Others	(2.89)	0.56
Tax recognised in the statement of profit and loss and OCI	**673.34**	**564.48**

32 Related party transactions

		Ownership interest	
		31st March, 2023	31st March, 2022
(i)	**Subsidiary companies :**		
	Avenue Food Plaza Private Limited	100.00	100.00
	Align Retail Trades Private Limited	100.00	100.00
	Nahar Seth & Jogani Developers Private Limited	90.00	90.00
	Avenue E-Commerce Limited	99.88	99.85
	Reflect Healthcare And Retail Private Limited (Formerly known as Reflect Wholesale and Retail Private Limited)	100.00	100.00
(ii)	**Shareholders who exercise control:**		
	Mr. Radhakishan Damani		
	Mr. Gopikishan Damani		
	Mrs. Shrikantadevi Damani		
	Mrs. Kirandevi Damani		
	Mrs. Madhu Abhay Chandak		
	Mrs. Jyoti Varun Kabra		
	Mrs. Manjri Chandak		
	Bright Star Investments Private Limited		
(iii)	**Directors and Key managerial personnel(KMP):**		
	Mr. Ignatius Navil Noronha (Managing Director and Chief Executive Officer)		
	Mr. Ramakant Baheti (Whole-time Director and Group Chief Financial Officer)		
	Mr. Elvin Machado (Executive Director)		
	Mrs. Manjri Chandak (Non Executive Director)		
	Mr. Ramesh Damani (Chairman and Independent Director)		
	Mr. Chandrashekhar B. Bhave (Independent Director)		
	Ms. Kalpana Unadkat (Independent Director)		
	Mr. Niladri Deb (Chief Financial Officer)		
	Mrs. Ashu Gupta (Company Secretary)		
(iv)	**Entities over which parties listed in (ii) and (iii) above exercise control / significant influence and transactions have taken place with them during the year**		
	7 Apple Hotels Private Limited		
	Bombay Swadeshi Stores Limited		
	Derive Trading and Resorts Private Limited		
	Damani Estates and Finance Private Limited		
	Boutique Hotels India Private Limited		
	Khaitan & Co		
	Palya Footwear Private Limited		
(v)	**Trust :**		
	Avenue Supermarts Limited Employees Group Gratuity Trust		
	D Mart Foundation		

DMart

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to the Standalone Financial Statements for the year ended 31st March, 2023

(b) Transaction with related parties

(₹ in crores)

	31st March, 2023	31st March, 2022
Remuneration to Directors/KMP	11.05	9.28
Sitting fees to Directors	0.30	0.26
Commission to Independent Directors	0.87	0.87
Mentorship fees	₹1 only	₹1 only
Align Retail Trades Private Limited		
Purchase of goods	2,205.72	1,582.67
Sales of Property, plant and equipment	0.02	0.02
Purchase of Property, plant and equipment	0.15	-
Business support service income	0.31	0.05
Reimbursement of expenses	0.02	0.64
ESOP expenses reimbursement	0.04	0.04
Investment in share capital	20.28	-
Balances as at :		
Trade payables	18.74	0.65
Other receivables	0.01	0.01
Other payables	0.36	-
Investment in share capital	54.62	34.34
Avenue Food Plaza Private Limited		
Rent and amenities service income	8.25	2.88
Reimbursement of expenses	1.02	0.61
ESOP expenses reimbursement (₹72,881/- (Previous year : ₹37,179/-)	0.01	0.00
Sale of goods	0.05	-
Commission on corporate guarantee	0.13	
Investment in shares	-	5.00
Balances as at :		
Trade receivables (₹40,029/- (Previous year : NIL)	0.00	-
Other receivables	1.91	0.93
Other payables	0.11	-
Investment in share capital	5.01	5.01
Nahar Seth & Jogani Developers Private Limited		
Rent expenses	0.75	0.75
Balances as at :		
Rent deposits given	8.12	7.41
Prepaid rent	0.25	0.96
Investment in share capital	0.09	0.09
Avenue E-Commerce Ltd.		
Sale of goods	1,318.98	1,090.42
Purchase of goods	6.67	0.77
Sale of Property, plant and equipment	0.36	0.72
Purchase of Property, plant and equipment	0.09	-
Rent Income	23.91	17.96
Business support service income (including share of turnover)	4.07	3.56
ESOP expenses provided	0.52	0.27
Reimbursement of Income	35.76	26.22
Reimbursement of Expenses	10.84	5.57
Investment in shares	220.13	125.00
Balances as at :		
Trade payables	0.05	0.01
Other payables	4.63	2.77

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to the Standalone Financial Statements for the year ended 31st March, 2023

(₹ in crores)

	31st March, 2023	31st March, 2022
Trade receivables	184.55	163.99
Other receivables	0.99	0.90
Investment in share capital	712.89	492.76
Reflect Healthcare And Retail Private Limited (Formerly known as Reflect Wholesale and Retail Private Limited)		
Investment in shares	2.00	-
Rent Income (₹2,194/- (Previous year : NIL)	-	
Balances as at :		
Other receivables (₹2,194/- (Previous year : NIL)	-	
Investment in share capital	2.10	0.10
7 Apple Hotels Private Limited		
Rent and amenities service income	1.66	1.37
Employee Welfare Expenses	0.42	0.08
Other Reimbursements	0.09	0.13
Capital Advance/Purchase for Property, Plant and Equipment	10.30	15.00
Other receivables	0.11	0.10
Other payables	0.01	0.01
Rent deposits taken	0.06	-
Capital Advance for Property, Plant and Equipment	-	15.00
Bombay Swadeshi Stores Limited		
Employee welfare expenses (Previous year : ₹12,000/-)	0.01	0.00
Derive Trading and Resorts Private Limited		
Employee welfare expenses	0.66	0.01
Balances as at :		
Other payables	0.61	-
Damani Estates and Finance Private Limited		
Reimbursement of expenses	-	0.03
Purchase of Property, Plant and Equipment	-	146.59
Avenue Supermarts Limited Employees Group Gratuity Trust		
Contribution to trust	7.27	5.00
DMart Foundation		
Contribution to trust	7.79	11.17
Sale of goods	0.05	0.06
Khaitan & Co.		
Professional services	-	0.02
Boutique Hotels India Private Limited		
Employee Welfare Expenses	0.08	0.14
Balances as at :		
Other payable	-	0.07
Palya Footwear Private Limited		
Purchase of goods	11.85	-
Balances as at :		
Trade payable	0.36	-

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Compensation to Directors/KMP of the Company:

(₹ in crores)

Nature of Benefits	31st March, 2023	31st March, 2022
Short term employment benefits	10.76	9.02
Post employment benefits	0.30	0.26
Sitting fees	0.30	0.26
Commission to Independent Directors	0.87	0.87

Note:

1. The aforesaid amount does not include amount in respect of gratuity and leave as the same in not determinable.
2. 4,000 equity shares of ₹10/- each were allotted to Mrs. Ashu Gupta under the ESOP Scheme 2016

(₹ in crores)

Guarantees given by the Company on related parties :	31st March, 2023	31st March, 2022
Corporate Guarantee	27.80	-
(Guarantee given for Avenue Food Plaza Private Limited)		

33 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Current assets		
Trade receivables	246.59	230.86
Inventories	1,262.86	1,064.90
Total current assets pledged as security	**1,509.45**	**1,295.76**

At 31 March 2023, the Company had available ₹634.61 Crores (31st March, 2022: ₹635.69 Crores) of undrawn committed borrowing facilities.

34 MSME disclosure

The details of amounts outstanding to Micro and Small enterprises under the Micro and Small Enterprises Development Act, 2006 (MSED Act), based on the available information with the Company are as under:

(₹ in crores)

		As at 31st March, 2023	As at 31st March, 2022
1	Principal amount not due and remaining unpaid	79.70	39.22
2	Principal amount due and remaining unpaid	6.33	3.65
3	Interest due on (1) above and the unpaid interest	-	-
4	Interest due and payable for the period of delay other than (3) above	-	-

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35 Lease disclosure

The Company has entered into agreements for taking on lease certain office/store premises, warehouses. The lease term is for period ranging from 1 year to 30 years.

Premises taken on operating lease :

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Lease rent expenses recognised in the statement of Profit and Loss account	0.91	0.78
The total future minimum lease rent payable for the non cancellable period of lease at the Balance Sheet date :		
- For a period not later than one year	-	-
- For a period later than one year and not later than 5 years	-	-
-For a period later than five years	-	-

Note : w.e.f 1st April,2019, IND AS 116 "Lease" supersedes IND AS 17 "Leases". Refer Note 3 for disclosures.

36 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the Company not acknowledged as debts

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Income tax matters	6.12	3.25
Indirect tax matters	37.66	25.19
Corporate Guarantee	27.80	-

It is not practicable for the Company to estimate the timings of cash outflows , if any in respect of above pending resolutions of the respective proceedings.

The Company has reviewed all its pending litigation and proceedings and has adequately provided for where provisions are required and disclosed in contingent liabilities where applicable in it's financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on it's financial statements.

The Company has process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, Company has reviewed and ensured that adequate provision as required under any law/accounting standard for material foreseeable losses on such long-term contracts has been made in the books of account.

(b) Capital commitments

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) relating to stores under construction	2,078.64	2,668.17

The Company from time to time provides need based support to Avenue E-Commerce Limited (Subsidiary) towards capital and other requirement

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

37 Corporate social responsibility (CSR) activities

(₹ in crores)

		For the year ended 31st March, 2023	For the year ended 31st March, 2022
a)	**Expenditure towards CSR activities**		
	Amount required to be spent as per Section 135 of the Act *	37.23	32.23
	Amount yet to be spent / (spent in excess) during the previous year	2.16	(0.94)
	Total amount to be spent during the year	**39.39**	**31.29**
	Amount spent during the year on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	31.11	29.13
	Amount yet to be spent / (spent in excess) during the year on :		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	6.12	2.16
	Amount spent during the year for corporate social responsibility (CSR) activities are in cash.		
	*Includes excess amount of previous year.		
b)	**Details related to spent/unspent obligations**		
	i) Details of amounts spent against ongoing projects	25.53	14.92
	ii) Details of amounts spent against other than ongoing projects	5.63	13.42
	iii) Details of administrative overhead	0.77	0.54
	iv) Amount spent on Impact Assessment	0.08	0.25
	v) Unspent amount in relation to :		
	- Ongoing projects	7.38	2.16
	- Other than ongoing projects	-	-
	Total	**39.39**	**31.29**
c)	**Details of ongoing project and other than ongoing projects**		
	Opening Balance		
	- With Company	-	(0.94)
	- In separate CSR unspent A/C	2.16	-
	Amount required to be spent	37.23	32.23
	Total amount to be spent during the year	**39.39**	**31.29**
	Amount spent during the year		
	- From Company bank A/C	31.11	29.13
	- From separate CSR unspent A/C	0.90	-
	Closing Balance		
	- With Company	-	-
	- In separate CSR unspent A/C	7.38	2.16
d)	**Transaction with related parties**		
	D Mart Foundation:		
	Contribution to trust	7.79	11.17
	Sale of goods	0.05	0.06

38 Segment reporting

The Company's business activity falls within a single primary business segment of retail and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

38 The Company has not entered into any derivative transaction during the year. Unhedged foreign currency exposure at the end of the year is NIL.

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to the Standalone Financial Statements for the year ended 31st March, 2023

40 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computation:

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Earnings per share has been computed as under:		
Profit for the year as per statement of Profit and Loss (₹ in Crores) :	2,556.40	1,616.17
Weighted average number of equity shares outstanding for basic EPS	647,780,053	647,774,691
Add : Weighted average number of potential equity shares on account of employee stock option schemes	3,978,214	5,118,596
Weighted average number of equity shares outstanding for dilutive EPS	651,758,267	652,893,287
Earnings Per Share (₹) - Basic (Face value of ₹10 per share)	39.46	24.95
Earnings Per Share (₹) - Diluted (Face value of ₹10 per share)	39.22	24.75

41 (a) Capital risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The Company has raised capital by issue of equity shares through an Initial Public Offer (IPO) in the year ended 31st March, 2017 and Qualified Institutional Placement (QIP) in the year ended 31st March, 2020. Certain proceeds from the IPO and QIP have been used for repayment of borrowings which have significantly reduced the Company's borrowings and is NIL in the current year.

The capital structure is governed by policies approved by the Board of Directors and is monitored by various matrices funding requirements are reviewed periodically.

(b) Dividends

The Company has not paid any dividend since its incorporation.

42 Fair values and fair value hierarchy

The carrying amounts of trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, other financial assets, trade payables, capital creditors are considered to be same as their fair values, due to their short term nature.

The carrying value of lease liabilities, deposits given and taken and other financial assets and liabilities are considered to be reasonably same as their fair values. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

43 Share-based payments

Employee stock option plan

During the year ended 31st March, 2017, the Company had instituted an Avenue Supermarts Limited Employee Stock Option Scheme, 2016 ("the Scheme") as approved by the Board of Directors dated 23rd July, 2016 for issuance of stock option to eligible employee of the Company and of its subsidiaries.

Pursuant to Avenue Supermarts Limited Employee Stock Option Scheme, 2016 Stock options convertible into 1,39,73,325 equity shares of ₹10/- each were granted to eligible employees at exercise price of ₹299/-. Out of the options granted, 53,28,483 options

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lapsed (31st March, 2022: 45,41,945) and 66,50,367 options were vested (31st March, 2022: 36,95,605) as at 31st March, 2023. Against the vested options, 41,79,492 (31st March, 2022 : 36,90,205) equity shares of ₹10/- each were allotted pursuant to exercise of options, and balance 900 (31st March, 2022 : 900) options lapsed as at 31st March, 2023.

Subject to terms and condition of the scheme, options are classified into three categories.

	Option A	Option B	Option C
No. of options	2,772,525	5,001,075	6,199,725
Method of accounting	Fair value	Fair value	Fair value
Vesting plan	9 years	6 years	2.5 years
Grant date	14th March, 2017	14th March, 2017	14th March, 2017
Exercise/Expiry date	13th March, 2026	13th March, 2023	13th September, 2019
Grant/Exercise price	₹299.00	₹299.00	₹299.00
Method of settlement	Equity - settled	Equity - settled	Equity - settled

Exercise period, would commence from the date of options are vested and will expire at the end of three months from the date of vesting .

Movement of options granted

(₹ in crores)

	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	299.00	5,735,775	299.00	5,823,525
Granted during the year	299.00	-	299.00	-
Forfeited during the year	299.00	786,538	299.00	83,250
Vested during the year*		2,954,762		4,500
Closing balance		**1,994,475**		**5,735,775**

*Vested options of 66,50,367 equity shares includes 29,54,762 share options vested in FY 22-23, 4,500 share options vested in FY 21-22, 36,73,105 share options vested in FY 19-20, 14,400 share options vested in FY 18-19, 1,200 share options vested in FY 17-18 & 2,400 share options vested in FY 16-17.

The model inputs for fair value of option granted as on the grant date :

Inputs	Option A	Option B	Option C
Exercise price	₹299.00	₹299.00	₹299.00
Dividend yield	0%	0%	0%
Risk free interest rate	6.98%	7.24%	6.77%
Expected volatility	14.22%	14.22%	14.22%
Fair value per option	₹144.94	₹112.93	₹58.63
Model used	Black Scholes	Black Scholes	Black Scholes

Expense arising from equity settled share-based payments transactions :

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2023
Total ESOP expenditure	10.70	5.86
Less : Recovered from subsidiaries	0.04	0.04
Add : Payable to subsidiary	0.52	0.27
Recognised in the statement of profit or loss	**11.18**	**6.09**

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to the Standalone Financial Statements for the year ended 31st March, 2023

44 Post retirement benefit plan

As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below :

Defined Benefit Plan

The Company operates a gratuity plan wherein every employees entitled to the benefit equivalent to fifteen days salary last drawn for each year of service. The same is payable on termination of sevice or retirement whichever is earlier. The benefit vest after five years of continuous service. The gratuity paid is governed by The Payment of Gratuity Act,1972. The Company contributes to the fund based on actuarial report details of which is available in the table of investment pattern of plan asset, based on which the Company is not exposed to market risk. The following table summarises the component of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for respective period.

1 Change in the present value of defined benefit obligation are as follows

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Present value of benefit obligation at the beginning of the year	54.01	42.64
Interest cost	3.63	2.67
Current service cost	9.32	7.95
Benefit paid from the fund	(3.15)	(2.54)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions ((Previous year : ₹40,232/-))	-	0.00
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(2.31)	(1.44)
Actuarial (gains)/losses on obligations - due to experience	6.96	4.73
Present value of benefit obligation at the end of the year	**68.46**	**54.01**

2 Change in fair value of plan assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Fair value of plan assets at the beginning of the year	46.74	42.60
Interest income	3.15	2.67
Contributions by the employer	7.27	5.00
Benefit paid from the fund	(3.15)	(2.54)
Return on plan assets, excluding interest income	(0.99)	(0.99)
Fair value of plan assets at the end of the year	**53.02**	**46.74**

3 Change in fair value of assets and obligations

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Present value of benefit obligation at the end of the year	(68.46)	(54.01)
Fair value of plan assets at the end of the year	53.02	46.74
Funded status (surplus/ (deficit))	**(15.44)**	**(7.27)**
Current (liability)/asset	(15.44)	(7.27)
Net (Liability)/Asset Recognised in the Balance Sheet	**(15.44)**	**(7.27)**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

4 **Net benefit expenses recognised during the year**

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
In the statement of Profit and Loss		
Current service cost	9.32	7.95
Net interest cost	0.48	0.00
Past service cost	-	-
Net cost	**9.80**	**7.95**
In other comprehensive income		
Actuarial (gains)/losses on obligation for the year	4.65	3.29
Return on plan assets, excluding interest income	0.99	0.99
Net (income)/expense for the year recognised in OCI	**5.64**	**4.28**

5 All investment of plan asset are done in M/s Avenue Supermarts Limited Employees Group Gratuity Trust which is governed by Board of Trustees.

6 **The principal assumptions in determining gratuity defined benefit obligation for the Company are as follows**

	As at 31st March, 2023	As at 31st March, 2022
Expected return on plan assets	7.35%	6.73%
Rate of discounting	7.35%	6.73%
Rate of salary increase	8.00%	8.00%
Rate of employee turnover	15.00%	15.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Mortality rate after employment	N.A.	N.A.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

7 **The expected contributions for defined benefit plan for the future years is as follows :**

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Projected benefits payable in future years from the date of reporting		
1st following year	8.76	6.41
2nd following year	8.74	6.45
3rd following year	8.50	6.62
4th following year	8.08	6.27
5th following year	7.91	5.89
Sum of years 6 To 10	29.49	22.96
Sum of years 11 and above	40.86	31.64

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to the Standalone Financial Statements for the year ended 31st March, 2023

8 **Sensitivity analysis**

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Projected benefit obligation on current assumptions	68.46	54.00
Delta effect of +1% change in rate of discounting	(3.41)	(2.82)
Delta effect of -1% change in rate of discounting	3.82	3.17
Delta effect of +1% change in rate of salary increase	3.60	2.99
Delta effect of -1% change in rate of salary increase	(3.30)	(2.72)
Delta effect of +1% change in rate of employee turnover	(0.35)	(0.43)
Delta effect of -1% change in rate of employee turnover	0.37	0.46

There has been no change from the previous year in the method and assumptions used in perparing the sensitivity analysis.

These plans typically exposed the Company to actuarial risks such as Interest risk, salary risk, investment risk, asset liability matching risk and mortality risk.

Gratuity is a defined benefit plan and Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset liability matching risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance Companies.

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45 Financial risk management

Financial risk management objectives and policies

The Company's financial principal liabilities comprises lease liabilities, trade payables and other payables. The main purpose of these financial liabilities to finance the Company operation. The Company's main financial assets includes trade and other receivable, cash and cash equivalent, other bank balances derived from its operations.

In addition to risks inherent to our operations, we are exposed to certain market risks including change in interest rates and fluctuation in currency exchange rates.

A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivable) and from its financial activities including deposits with banks and financial institution.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with Company's policy.

The Company operates on business model of primarily cash and carry along with sales to subsidiaries and credit risk from receivable perspective is not significant.

B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. Processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(₹ in crores)

	As at 31st March, 2023			
	0-1 years	1-5 years	beyond 5 years	Total
Lease liability	110.25	309.56	19.67	439.48
Expected interest payable on lease liability	40.45	62.12	21.73	124.30
Total	**150.70**	**371.68**	**41.40**	**563.78**

(₹ in crores)

	As at 31st March, 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Lease liability	95.63	299.64	20.67	415.94
Expected interest payable on lease liability	38.50	69.99	21.31	129.80
Total	**134.13**	**369.63**	**41.98**	**545.74**

Maturity patterns of other financial liabilities

As at 31st March, 2023

(₹ in crores)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade payable	701.28	-	-	-	-	701.28
Payable related to capital goods	177.43	-	-	-	-	177.43
Other financial liabilities (current and non current)	95.91	-	-	-	0.47	96.38
Total	**974.62**	**-**	**-**	**-**	**0.47**	**975.09**

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As at 31st March, 2022

(₹ in crores)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade payable	531.21	-	-	-	-	531.21
Payable related to capital goods	165.44	-	-	-	-	165.44
Other financial liabilities (current and non current)	104.98	-	-	-	0.41	105.39
Total	**801.63**	**-**	**-**	**-**	**0.41**	**802.04**

46 Ind AS 115 : Revenue from contracts with customers

The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the standalone financial statements.

1. Disaggregated revenue information :

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Type of goods or service		
Sale of goods	45,896.93	33,113.71
Sale of goods on approval basis net of COGS	5.92	5.28
Other operating income	107.06	94.29
Tax	(4,176.66)	(2,860.78)
Total revenue from contract with customers	**41,833.25**	**30,352.50**
India	41,833.25	30,352.50
Outside India	-	-
Total revenue from contract with customers	**41,833.25**	**30,352.50**
Timing of revenue recognition		
Goods transferred at a point in time	41,726.19	30,258.21
Services transferred over time (Other operating income)	107.06	94.29
Total revenue from contract with customers	**41,833.25**	**30,352.50**

2. Contract balances:

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Trade receivables	246.59	230.86
Contract liabilities	14.63	6.42

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

47. Shareholding of Promoters

As at 31st March, 2023

Promoter Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
1. Mr. Radhakishan Damani	222,159,156	(72,310,918)	149,848,238	23.12%	(32.5%)
2. Mr. Gopikishan Damani	49,480,000	(13,010,988)	36,469,012	5.63%	(26.3%)
3. Mrs. Kirandevi Damani	14,000,000	(12,900,000)	1,100,000	0.17%	(92.1%)
4. Mrs. Shrikantadevi Damani	21,250,000	(14,750,000)	6,500,000	1.00%	(69.4%)
5. M/s Bright Star Investments P Ltd.	88,750,000	-	88,750,000	13.69%	0.00%
6. M/s Royal Palm Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	71.97%
7. M/s Bottle Palm Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	71.97%
8. M/s Mountain Glory Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	71.97%
9. M/s Gulmohar Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	71.97%
10. M/s Karnikar Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	71.97%
11. Mrs.Rukmanidevi Mohanlal Bagri (Promoter Group)	100,000	-	100,000	0.02%	0.00%
12. Mrs.Chanda Chandak (Promoter Group)	8,000	-	8,000	0.00%	0.00%
13. Mrs. Jyoti Varun Kabra (Promoter Group)	-	16,064,812	16,064,812	2.48%	100.00%
14. Mrs. Madhu Abhay Chandak (Promoter Group)	-	16,064,812	16,064,812	2.48%	100.00%
15. Mrs. Manjri Chandak (Promoter Group)	-	16,064,812	16,064,812	2.48%	100.00%
Total	**485,747,156**	**-**	**485,747,156**	**74.93%**	

As at 31st March, 2022

Promoter Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
1. Mr. Radhakishan Damani	222,159,156	-	222,159,156	34.30%	0.00%
2. Mr. Gopikishan Damani	49,480,000	-	49,480,000	7.64%	0.00%
3. Mrs. Kirandevi Damani	14,000,000	-	14,000,000	2.16%	0.00%
4. Mrs. Shrikantadevi Damani	21,250,000	-	21,250,000	3.28%	0.00%
5. M/s Bright Star Investments P Ltd.	88,750,000	-	88,750,000	13.70%	0.00%
6. M/s Royal Palm Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.00%
7. M/s Bottle Palm Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.00%
8. M/s Mountain Glory Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.00%
9. M/s Gulmohar Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.00%
10. M/s Karnikar Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.00%
11. Mrs. Rukmanidevi Mohanlal Bagri (Promoter Group)	100,000	-	100,000	0.02%	0.00%
12. Mrs.Chanda Chandak (Promoter Group)	8,000	-	8,000	0.00%	0.00%
Total	**485,747,156**	**-**	**485,747,156**	**74.99%**	

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

48. Ratios

Ratios	Formulae	As at 31st March, 2023 %	As at 31st March, 2022 %	% Variance	Reason for variance
a) Current Ratio (times)	Current Asset / Current Liability	4.00	3.06	31%	Ratio increase is due to fixed deposits held with banks last year reclassified to current assets.
b) Debt - Equity Ratio (times)	Total Debt / Shareholder's Equity	0.03	0.03	(11%)	
c) Debt Service Coverage Ratio (times)	Earnings available for debt service / Debt Service (Finance cost + Lease Payment + Principal Repayment)	21.29	5.64	278%	Ratio increase is on account of increased earnings in the current year.
d) Return on Equity ratio (%)	Net Profit after tax / Average Shareholder's Equity	16.80%	12.32%	36%	Ratio increase is on account of increased earnings in the current year.
e) Inventory turnover ratio(times)	Net sales / Avg Inventory	14.83	12.77	16%	
f) Trade receivables turnover ratio (times)	Net Credit sales / Avg Trade receivable	128.20	138.92	(8%)	
g) Trade payables turnover ratio (times)	Net Credit Purchases / Avg Trade payable	58.81	48.27	22%	
h) Net capital turnover ratio (times)	Net sales / Working Capital	10.45	13.45	(22%)	
i) Net profit ratio (%)	Net Profit after tax / Net Sales	6.11%	5.32%	15%	
j) Return on Capital employed (%)	Earning before interest and taxes / Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	21.50%	17.37%	24%	
k) a) Return on investment (%) (Term Deposits)	Change in market value / Average Investment	5.23%	3.94%	33%	Increase is on account of higher interest rates
b) Return on investment (%) (Mutual Funds)	Change in market value / Average Investment	5.96%	3.17%	88%	Increase is on account of higher interest rates

49 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off

(iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrars of Companies beyond the statutory period

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

(v) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended 31st March, 2023.

(ix) The Company has not provided loans, advances in the nature of loans, stood guarantee (other than corporate guarantee as disclosed in note 32), or provided security to Companies, Firms, limited liability partnerships

(x) The Company has not defaulted in repayment of loans, or other borrowings or payment of interest thereon to any lender.

(xi) The Company has not been declared willful defaulter by any bank, financial institution, government or government authority.

(xii) The quarterly returns/statements filed by the Company with the banks are in agreement with the books of account of the Company.

50 New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules,2022 dated March 23,2022 , to amend the following IND AS which are effective from April 01, 2022.

i. Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the standalone financial statements of the Company.

ii. Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2023

The amendment also adds a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition on the acquisition date.

These amendments had no impact on the standalone financial statements of the Company.

iii. Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

These amendments had no impact on the standalone financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

iv. Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it is not a first-time adopter.

v. Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the standalone financial statements of the Company as there were no modifications of the Company's standalone financial instruments during the year.

vi. Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments had no impact on the standalone financial statements of the Company as it did not have assets in scope of IAS 41 as at the reporting date.

51 Standards notified but not effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

Notes
to the Standalone Financial Statements for the year ended 31st March, 2023

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Company is currently assessing the impact of the amendments.

52 Events after the reporting period

The Company has evaluated subsequent events from the balance sheet date through 13th May, 2023, the date at which the standalone financial statements were available to be issued, and determined that there are no material items to disclose other than those disclosed above.

53 The previous year numbers have been reclassified wherever necessary.

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May, 2023

Thane, 13th May, 2023

Independent Auditor's Report

To the Members of
Avenue Supermarts Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Avenue Supermarts Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditor of components not audited by us as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Capital expenditure in respect of land and buildings ***(as described in note 1.c and 2 of the consolidated financial statements)***	
The Holding Company has incurred significant expenditure on purchase/construction of land and building as reflected by the total value of additions in property, plant and equipment and capital work in progress in notes 2 in the consolidated financial statements. The Holding Company is in the process of constructing new stores across locations for which land has been purchased and buildings are being constructed. These stores take substantial period of time to get ready for its intended use. We considered capital expenditure in respect of land and building as a Key audit matter due to significance of amount incurred on such items during the year.	Our audit procedures included the following: We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure of land and buildings. We obtained the list of land parcels purchased during the year and traced the amounts of capitalisation with the title deeds and traced the expenses capitalised along with the land cost to the underlying invoices. For samples selected, we obtained the approvals of the authorised signatory for the purchase of land parcel. We performed control testing on a sample basis for each element of capitalised costs of building and reconciliation of material performed by management including verification of underlying supporting evidence and understanding nature of the costs capitalised. We compared the total cost of addition of sample stores with management budgets. We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.
Inventory existence and allowance for inventory ***(as described in note 1.k and 1.s of the consolidated financial statements)***	
As at March 31, 2023, the carrying amount of inventories amounted to ₹ 3,243.48 crore after considering allowances for Inventory towards shrinkage and slow moving inventory of ₹ 23.85 crore. These inventories are held at the stores and distribution centres of the Group. The management undertakes the physical verification of inventory at periodic intervals during the year and shrinkages if any are recorded in the books. Basis the actual shrinkages recorded, the management estimates the expected allowance for Inventory shrinkage from the date of the last physical verification till the balance sheet date. Further, there are a number of judgements required in assessing the appropriate level of allowance for slow moving inventory. Such judgements include management's expectations of forecast inventory demand, product expiry dates and plans to dispose of inventories that are close to expiry. Considering the wide spread inventory of the Group and the judgements applied for determining the allowance, we consider the existence and allowance for inventories to be a key audit matter.	Our procedures over existence and allowance for inventory included the following: We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the Group has in relation to the inventory count process and allowance for inventory; We performed testing on the Group's controls over the inventory count process. In testing these controls we observed the inventory count process at selected store and distribution centres on a sample basis, inspected the results of the inventory count and confirmed variances were accounted for and approved by management. Assessed the stock shrinkage provision by assessing the level of inventory write downs during the period and applying the shrinkage rate as determined location wise to the year end stock. We tested on a sample basis the shrinkage rate used to calculate the provision for each store and distribution centre. We evaluated the assumptions made by management, and particularly the key assumption that in assessing stock obsolescence provisions through an analysis of inventory items by category and age and the level of inventory write downs in these categories during the period We assessed the Group's disclosures concerning this in Note 1.k and 1.s on significant accounting estimates and judgements and Note 10 Inventories to the consolidated financial statements

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of ₹ 74.76 crore as at March 31, 2023, and total revenues of ₹ 125.16 crore and net cash outflows of ₹ 0.92 crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, except that with respect to 1 subsidiary as disclosed in note 50 to the consolidated financial statements, the daily back-up of books of account was not kept for 2 days during period August 05, 2022 to March 31, 2023 as stated in Note to the consolidated financial statements

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries, incorporated in India.

vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries companies incorporated in India, hence reporting under this clause is not applicable.

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

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 23105938BGXGGP4359

Thane, May 13, 2023

Annexure 1

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Avenue Supermarts Limited ("the Holding Company")

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sr no	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Avenue E-commerce Limited	U74120MH2014PLC259234	Subsidiary	Paragraph 3(xvii)
2	Reflect Healthcare and Retail Private Limited	U52100MH2018PTC309999	Subsidiary	Paragraph 3(xvii)

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

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 23105938BGXGGP4359

Thane, May 13, 2023

Annexure 2

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Avenue Supermarts Limited ("the Holding Company")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Avenue Supermarts Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group , which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these three subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

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

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 23105938BGXGGP4359

Thane, May 13, 2023

Consolidated Balance Sheet

as at 31st March, 2023

(₹ in crores)

	Notes	As at 31st March, 2023	As at 31st March, 2022
Assets			
Non-current assets			
(a) Property, plant and equipment	2	9,725.61	7,770.46
(b) Capital work-in-progress	2	829.16	1,129.34
(c) Right -of- use assets	3	1,504.88	1,388.65
(d) Investment properties	4	8.54	9.03
(e) Goodwill		78.27	78.27
(f) Intangible assets	5	23.18	13.61
(g) Financial assets			
(i) Investments	6	0.01	0.01
(ii) Other non-current financial assets	7	108.55	1,262.70
(h) Income tax assets (net)		17.50	2.28
(i) Deferred tax assets (net)	8	1.77	1.66
(j) Other non-current assets	9	360.43	373.78
Total non-current assets		**12,657.90**	**12,029.79**
Current assets			
(a) Inventories	10	3,243.48	2,742.66
(b) Financial assets			
(i) Investments	11	202.19	5.93
(ii) Trade receivables	12	62.16	66.89
(iii) Cash and cash equivalents	13	207.15	95.12
(iv) Bank balances other than cash and cash equivalents	14	1,201.18	203.46
(v) Other current financial assets	15	316.77	127.46
(c) Other current assets	16	215.46	201.33
Total current assets		**5,448.39**	**3,442.85**
Total assets		**18,106.29**	**15,472.64**
Equity and liabilities			
Equity			
(a) Equity share capital	17	648.26	647.77
(b) Other equity	18	15,430.44	13,029.87
Equity attributable to equity holders of the Parent Company		**16,078.70**	**13,677.64**
Non-controlling interest		0.08	0.25
Total equity		**16,078.78**	**13,677.89**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(ia) Lease liability	3	476.66	507.15
(ii) Other non-current financial liabilities	19	0.47	0.41
(b) Provisions	20	6.41	4.87
(c) Deferred tax liabilities (net)	21	76.96	64.03
Total non-current liabilities		**560.50**	**576.46**
Current liabilities			
(a) Financial liabilities			
(ia) Lease liability	3	166.32	139.79
(ii) Trade payables due to :	22		
Micro and small enterprises		76.29	32.39
Other than micro and small enterprises		677.50	556.81
(iii) Other current financial liabilities	23	289.46	282.92
(b) Other current liabilities	24	121.18	58.37
(c) Provisions	25	50.87	36.44
(d) Current tax liabilities (Net)		85.39	111.57
Total current liabilities		**1,467.01**	**1,218.29**
Total equity and liabilities		**18,106.29**	**15,472.64**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May,2023

Thane, 13th May,2023

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Statement of Consolidated Profit and Loss

for the year ended 31st March, 2023

(₹ in crores)

	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income			
Revenue from operations	26	42,839.56	30,976.27
Other income	27	129.34	117.49
Total income		**42,968.90**	**31,093.76**
Expenses			
Purchase of stock-in-trade		36,884.77	26,891.77
Changes in inventories of stock-in-trade	28	(500.82)	(494.38)
Employee benefits expenses	29	746.97	616.21
Finance costs	30	67.41	53.79
Depreciation and amortisation expenses	31	638.87	498.08
Other expenses	32	2,071.61	1,464.17
Total Expenses		**39,908.81**	**29,029.64**
Profit before tax		**3,060.09**	2,064.12
Tax expense			
Current tax	33	807.70	546.33
Deferred tax charge		12.82	12.10
Adjustment of tax related to earlier years		(138.77)	13.29
Total Tax expenses		**681.75**	**571.72**
Net profit after tax		2,378.34	1,492.40
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurements loss on defined benefit plans	46	(6.44)	(6.14)
Less: Income tax effect		1.44	1.11
Net other comprehensive income not to be reclassified to profit or loss in subsequent year		**(5.00)**	**(5.03)**
Total comprehensive income for the year		**2,373.34**	**1,487.37**
Profit for the year		**2,378.34**	**1,492.40**
Attributable to:			
Equity holders of the parent		2,378.51	1,492.55
Non-controlling interests		(0.17)	(0.15)
Total comprehensive income for the year		**2,373.34**	**1,487.37**
Attributable to:			
Equity holders of the parent		2,373.51	1,487.52
Non-controlling interests		(0.17)	(0.15)
Earnings per equity share of ₹10 each: (in ₹)	42		
Basic		**36.72**	**23.04**
Diluted		**36.49**	**22.86**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May,2023

Thane, 13th May, 2023

Statement of Consolidated Cash Flows

for the year ended 31st March, 2023

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cash flow from operating activities:		
Profit before tax	3,060.09	2,064.12
Adjustments for:		
Depreciation and amortisation expenses	638.87	498.08
Finance costs	67.41	53.79
Interest income	(107.56)	(103.96)
Profit on sale of investments	(8.83)	(3.66)
Expense on employee stock option scheme	12.01	6.42
Rent income	(4.69)	(3.55)
Loss on disposal of property, plant and equipment (net)	1.74	3.85
Operating profit before working capital changes	**3,659.04**	**2,515.09**
Adjustments for:		
Increase in trade payables	164.59	11.07
Increase in current provisions	7.99	6.53
Decrease in other current financial liabilities	(7.11)	(6.91)
Increase in other current liabilities	62.81	17.64
Increase in non-current provisions	1.54	2.42
Increase/(decrease) in other non-current financial liabilities	0.06	(0.03)
(Increase)/ decrease in trade receivables	4.73	(23.31)
Increase in inventories	(500.82)	(494.38)
Increase in current investments	-	(2.98)
Increase in other non-current financial assets	(18.99)	(6.79)
Increase in other current assets	(48.71)	(48.96)
(Increase)/ decrease in other current financial assets	13.91	(37.41)
Increase in bank balances other than cash and cash equivalents	0.12	0.62
	(319.88)	**(582.49)**
Cash flow from operating activities	3,339.16	1,932.60
Direct taxes paid (net of refunds)	(708.89)	(560.25)
Net cash flow from operating activities	**2,630.27**	**1,372.35**
Cash flow from investing activities:		
Proceeds from disposal of property, plant and equipment	5.46	20.92
Realisation from Bank Deposits	37.40	1,050.00
Interest received	38.72	42.80
Gain on sale of investments	5.66	3.66
Rent income received	4.69	3.55
Purchase of property, plant and equipment/ intangible assets/investment properties	(2,211.95)	(2,410.42)
Purchase of Other Investments	(193.08)	-
Net cash flow used in investing activities	**(2,313.10)**	**(1,289.49)**
Cash flow from financing activities:		
Proceeds from of exercise of share options	14.63	-
Proceeds from share application money pending allotment	0.91	-
Proceeds from short term borrowings	-	248.00
Repayment of short term borrowings	-	(248.00)
Payment of lease liability	(153.27)	(125.45)
Interest paid on lease liability	(66.37)	(52.23)
Interest paid	(1.04)	(1.56)
Cash flow used in financing activities	**(205.14)**	**(179.24)**

Statement of Consolidated Cash Flows

for the year ended 31st March, 2023

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Net increase/(decrease) in cash and cash equivalent	112.03	(96.38)
Cash and cash equivalents at beginning of the year	95.12	191.50
Cash and cash equivalents at end of the year	207.15	95.12
Cash and cash equivalents as per above comprises of the following		
Cash and cash equivalents (Refer Note:13)	207.15	95.12
Balance as per statement of cash flows	207.15	95.12

The accompanying notes are an integral part of these Consolidated financial statements

Notes:

i) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May, 2023

Thane, 13th May, 2023

Statement of Changes in Equity

for the year ended 31st March, 2023

A. Equity share capital

	Notes	At 31st March, 2023		At 31st March, 2022	
		No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
Equity share of ₹10 each issued, subscribed and fully paid	17				
Balance as at the beginning of the year		647,774,691	647.77	647,774,691	647.77
Changes in equity share capital due to prior period errors		-	-	-	-
Restated balance at the beginning of the year		647,774,691	647.77	647,774,691	647.77
Changes in share capital during the year		489,287	0.49	-	-
Balance as the end of the year		**648,263,978**	**648.26**	**647,774,691**	**647.77**

B. Other equity

(₹ in crores)

	Notes	Share application money pending allotment	Reserve and surplus			Other Equity	Non-controlling Interest	Total
			Securities premium	Share options outstanding	Retained earnings			
Balance as at 1st April, 2021		-	5,994.57	33.03	5,508.34	11,535.94	0.40	11,536.34
Profit for the year		-	-	-	1,492.55	1,492.55	(0.15)	1,492.40
Other comprehensive income for the year		-	-	-	(5.03)	(5.03)	-	(5.03)
Share option expense	45	-	-	6.41	-	6.41	-	6.41
Balance as at 31st March, 2022			**5,994.57**	**39.44**	**6,995.86**	**13,029.87**	**0.25**	**13,030.12**
Profit for the year		-	-	-	2,378.51	2,378.51	(0.17)	2,378.34
Other comprehensive income for the year		-	-	-	(5.00)	(5.00)	-	(5.00)
Exercise of share options		-	5.52	(5.52)	-	-	-	-
Issue of share capital		-	14.14	-	-	14.14	-	14.14
Share option expense	45	-	-	12.01	-	12.01	-	12.01
Application money received		0.91	-	-	-	0.91	-	0.91
Balance as at 31st March, 2023		**0.91**	**6,014.23**	**45.93**	**9,369.37**	**15,430.44**	**0.08**	**15,430.52**

Nature and purpose of reserve

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Share options outstanding

The share options outstanding is used to recognise the grant date fair value of options issued to employees under Avenue Supermarts Limited Employee Stock Option Scheme, 2016 ,Avenue E-Commerce Limited Employee Stock Option Scheme, 2018 ,Employee Stock Option Scheme, 2020 and Employee Stock Option Scheme, 2022.

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May, 2023

Thane, 13th May, 2023

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

Corporate information

Avenue Supermarts Limited ('The Group') is a Company limited by shares and is domiciled in India. The Parent Company's registered office is at Anjaneya, Opp. Hiranandani Foundation School, Powai, Mumbai, Maharashtra India 400076. The Parent Company is primarily engaged in the business of organised retail and operates supermarkets under the brand name of "D-Mart". Its equity shares are listed in India on BSE Limited and National Stock Exchange of India Limited.

The consolidated financial statements have been recommended for approval by the audit committee and is approved and adopted by the Board in their meeting held on 13th May, 2023.

1. Summary of significant accounting policies

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules as amended from time to time and other relevant provisions of the Act

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

(i) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;

2) defined benefit plans - plan assets measured at fair value;

3) share-based payments.

(ii) Current non-current classification

The Group presents assets and liabilities in the balance sheet based on current and non-current classification. As asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle

- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle

- It is held primarily for the purpose or trading

- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle."

(iii) Rounding off amounts

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest ₹0.00 crores , except when otherwise indicated.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the holding company and its subsidiaries as at 31st March, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Notes

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- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee, and

- The ability to use its power over the investee to affect its returns Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements

- The Group's voting rights and potential voting rights

- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March, 2023. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intraGroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intraGroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). IntraGroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intraGroup transactions.

    Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

(c) Property, plant and equipment (PPE)

Freehold land is carried at historical cost. All other item of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Capital work-in-progress , property, plant and equipment is stated at cost, net of accumulated depreciation. Such cost includes the cost of replacing part of the property, plant and equipment if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, The Group depreciates them separately based on thier specific useful lifes. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recongnition criteria are satisfied. All other repairs and maintenance costs are recognised in profit or loss as incurred.

Capital work-in-progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on property, plant and equipment

Depreciation is provided to the extent of depreciable amount on written down value method (except for leasehold land which is amortised over the period of lease) over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013. Depreciation is charged on pro-rata basis for asset purchased / sold during the year.

The assets residual values, useful life and method of depreciation of PPE are reviewed and adjusted if appropriate, at the end of each reporting period.

(d) Business combinations and goodwill

The Group has accounted business combinations using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value

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of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.Intangible assets are amortised on a written down value basis over the economic useful life estimated by the management.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation on intangible assets

Amortisation is provided on straight line method over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013. Amortisation is charged on pro-rata basis for asset purchased / sold during the year.

Estimated useful life of assets are as follows:

Computer Software - 5 years, Trademarks - 5 - 10 years

(f) Investment properties

Investments in property that are not intended to be occupied substantially for use by, or in the operations of the Group, have been classified as investment property. Investment properties are measured initially at its cost including transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent cost are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying

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a valuation model recommended by the International Valuation Standards Committee.

The Group depreciates its investment properties over the useful life which is similar to that of Property, Plant and Equipment

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(g) Impairment of non financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(h) Leases

As per IND AS 116 "Leases", the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right -of- use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. "

Amortisation on right -of- use assets

Amortisation is provided on straight line method over the useful life of asset as assessed by the management.

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Amortisation is charged on pro-rata basis for asset purchased / sold during the year.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease."

Ind AS 17 also contains similar requirements for recognition of lease rental income under operating leases. The company has determined that it does not meet criteria for recognition of lease rental expense/ income on a basis other than straight-line basis.

(i) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprises cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. For the purpose of consolidated financial statement of cash flow, cash and cash equivalent consists of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of The Group's cash management.

(j) Trade receivables

Trade receivables are initially measured at transaction price excluding any financing arrangements in sale transactions of the Group.

(k) Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories, comprise costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is determined by the weighted average cost method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

(l) Financial instruments

A Financial instrument is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

Financial asset

(i) Classification

The Group classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

* those measured at amortised cost.

The classification depends on The Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, The Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of

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the financial asset. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments:

Subsequent measurement of debt instruments depends on The Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which The Group classifies its debt instruments:

* Amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to The Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

* Fair value through other comprehensive income (FVOCI): A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, The Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

* Fair value through profit and loss: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, The Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity instruments:

The Group subsequently measures all equity investments at fair value. Where The Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when The Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through the Statement of Profit and Loss are recognised in other income / other expenses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at

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FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

* The Group has transferred the rights to receive cash flows from the financial asset or

* retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default insolvency or bankruptcy of the Group or the counterparty.

(ii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(iii) Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initiation is recognised as an asset / liability based on the underlying reason for the difference. Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash transferred or liabilities assumed, is recognised in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless The Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the

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liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(iv) *Borrowing costs*

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing cost consist of interest and other cost that an entity incurs in connection with borrowing of funds.

(v) *Provisions and contingent liabilities*

Provisions are recognised when The Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of The Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

(m) Revenue Recognition

Revenue from operations is recognised to the extent that it is probable that economic benefit will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made as per IND AS 115.

Revenue from contracts with customers is recognised when the control/title of the goods or services are transferred to the customer at an amount of transaction price allocated to that performance obligation that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services excluding government duties collected on behalf of the Government.In determining the transaction price of goods sold and services rendered, the Group excludes the effect of any variable consideration on account of various discounts and schemes offered by the Group as a part of the Contract.

It is the Group's policy to sell its products to the end customers with the right of return of 7 days. Historical experience is used to estimate and provide for such returns at the time of sale.

The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Principal versus agent consideration

The inventory of third party does not pass to the Group till the product is sold. At the time of sale of such inventory, the sales value along with the cost of inventory is disclosed seprately as sale of goods on approval basis and cost of goods sold on approval basis and forms part of Revenue in the Statement of Profit and Loss. Only the net revenue earned i.e. margin is recorded as a part of revenue.

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Rental income

Rental income arising from operating lease on investment properties is accounted for on a straight line basis over lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and is included in the Statement of profit or loss due to its operating nature.

Interest income

Interest income is recognised based on time proportion basis considering the amount outstanding and using effective interest rate applicable (EIR). Interest income in included in the Other Income in the statement of Profit and Loss.

(n) Retirement and other employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Retirement benefit in the form of provident fund is a defined contribution plan. The Group has no obligation , other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the Contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date,then excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payment or a cash refund.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

Defined benefit plans

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit or loss as past service cost.

Share-based payment

Equity settled share-based payments to employees and other providing similar services

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are measured at fair value of the equity instruments at grant date.

The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight line basis over the vesting period, based on The Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period , The Group revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any is , recongised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate,with a corresponding adjustment to the shared option outstanding account.

No expense is recognised for options that do not ultimately vest because non market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Expense relating to options granted to employees of the subsidiaries under The Group's share-based payment plan, is recovered from the subsidiary. Such recovery is reduced from employee benefit expense.

(o) Foreign currency transactions

(a) Functional and presentation currency:

Items included in the financial statements of The Group are measured using the currency of the primary economic environment in which the entity operates. The Consolidated Financial statements are presented in INR, which is functional and presentational currency.

(b) Transaction and balances :

Transaction in currencies other than than entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transaction.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Non monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retransalated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(p) Recognition of income tax and deferred tax

a) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

b) Deferred tax

Deferred income tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount for financial reporting purpose at the reporting date. Deferred tax assets and liabilities are determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

(q) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity shareholder of the Group

- by the weighted average number of equity shares outstanding during the financial year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Fair value measurement

The Group measures financial instrument at fair value at each Balance sheet date.

Fair value is the price that would received to sell an assets or paid to transfer a liability in an orderly transaction between market participant at the measurment date.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and deposits, trade and other receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.

2. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

   The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

   Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

   Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

   Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(s) Significant accounting judgement, estimates and assumption

The preparation of consolidated financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying The Group's accounting policies.

Share-based payment

The Group initially measures the cost of equity settled transaction with employees using Black Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transacton requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimates also requires determination of the most appropriate inputs to the valuation model including expected life of the share option, volatility and dividend yield and making assumptions about them.For equity settled share-based payment transaction, the liability needs to be re-measured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the Statement of Profit and Loss. This requires a re-assessment of the estimates used at end of each reporting period. The assumption and models used for estimating the fair value for share-based-payment transaction are disclosed in note no 45.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

Provision for inventory

The Group has calculated the provision for inventory basis the percentage as per historical experience for inventory lying from the last inventory count date to the reporting date.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note no: 46.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker being Managing Director of The Group . The Managing Director assesses the financial performance and position of The Group as a whole, and makes strategic decisions.

(u) Cash flow

The investing and financing activities in cash flow statement do not have a direct impact on current cash flows although they do affect the capital and asset structure of an entity. The Group has disclosed these transactions, to the extent material, in notes to cash flow statement.

Notes

to the Consolidated Financial Statements as at 31st March, 2023

2 Property, plant and equipment

(₹ in crores)

	Freehold land (Refer note : 2,6)	Buildings (Refer note : 1,4,5)	Leasehold improvement	Plant and equipment	Computers	Furniture and fixtures	Vehicles	Office equipment	Electrical installations	Total
Cost										
Balance as at 1st April, 2021	2,846.66	3,023.52	81.01	343.82	119.14	333.25	3.58	49.70	247.76	7,048.44
Additions	800.66	918.70	27.27	149.30	35.07	113.44	-	24.54	82.08	2,151.06
Reclassification	43.81	-	-	-	-	-	-	-	-	43.81
Disposals	-	0.20	0.50	30.45	1.60	3.30	0.14	0.93	0.85	37.97
Balance as at 31st March, 2022	**3,691.13**	**3,942.02**	**107.78**	**462.67**	**152.61**	**443.39**	**3.44**	**73.31**	**328.99**	**9,205.34**
Additions	877.77	1,087.40	24.22	162.48	40.41	104.42	13.47	12.47	99.74	2,422.38
Disposals	-	0.54	3.13	10.44	2.88	5.95	2.13	1.25	2.69	29.01
Balance as at 31st March, 2023	**4,568.90**	**5,028.88**	**128.87**	**614.71**	**190.14**	**541.86**	**14.78**	**84.53**	**426.04**	**11,598.71**
Depreciation										
Balance as at 1st April, 2021	-	507.11	49.37	138.82	87.91	162.82	2.27	31.60	130.04	1,109.94
Charge for the year	-	144.97	14.20	52.45	24.19	53.63	0.39	11.96	38.19	339.98
Disposals	-	0.07	0.32	9.51	1.44	2.15	0.12	0.82	0.61	15.04
Balance as at 31st March, 2022	**-**	**652.01**	**63.25**	**181.76**	**110.66**	**214.30**	**2.54**	**42.74**	**167.62**	**1,434.88**
Charge for the year	-	184.72	22.54	73.55	31.57	73.24	10.77	9.06	54.14	459.59
Disposals	-	0.17	1.61	8.47	2.65	4.17	1.66	1.10	1.54	21.37
Balance as at 31st March, 2023	**-**	**836.56**	**84.18**	**246.84**	**139.58**	**283.37**	**11.65**	**50.70**	**220.22**	**1,873.10**
Net book value										
Balance as at 31st March, 2022	**3,691.13**	**3,290.01**	**44.53**	**280.91**	**41.95**	**229.09**	**0.90**	**30.57**	**161.37**	**7,770.46**
Balance as at 31st March, 2023	**4,568.90**	**4,192.32**	**44.69**	**367.87**	**50.56**	**258.49**	**3.13**	**33.83**	**205.82**	**9,725.61**

Notes

to the Consolidated Financial Statements as at 31st March, 2023

b) Capital work in progress completion schedule

1 Building includes following amounts for construction under built operate and transfer (BOT) arrangement .

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	40.98	40.98
Addition during the year	4.26	-
Gross block	45.24	40.98
Net block	31.89	29.35

2 Freehold land includes ₹595.76 Crores (31st March, 2022 : ₹475.59 Crores) being property purchased, for which mutation is pending.

3 Details of Capital work in progress-

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	1,129.34	1,019.59
Additions during the year	1,089.06	1,285.38
Transfer / Adjustment during the year	(1,389.24)	(1,175.63)
Closing Balance	829.16	1,129.34

a) Capital work in progress ageing schedule

(₹ in crores)

Particulars	Less than 1 year	1- 2 years	2- 3 years	more than 3 years	Total
Project in progress	450.27	290.84	36.37	51.68	829.16
Project temporarily suspended	-	-	-	-	-
Balance as at 31st March, 2023	**450.27**	**290.84**	**36.37**	**51.68**	**829.16**
Project in progress	786.86	308.12	26.48	7.88	1,129.34
Project temporarily suspended	-	-	-	-	-
Balance as at 31st March, 2022	786.86	308.12	26.48	7.88	1,129.34

b) All the upcoming projects of the group are within the timelines as estimated during the original plan and the actual cost of projects are within the total cost as estimated by the management of the group as on 31st March, 2023.

4 No assets are pledged as security for borrowings.

5 Building includes Net book value of plant and equipment fitting of ₹17.56 Crores (31st March, 2022 : ₹22.06 Crores).

6 Freehold Land includes one property at Bhamti Nagar, Nagpur of ₹10.65 crores as at 31st March, 2023 (31st March, 2022: ₹10.65 crores) purchased by the parent company. The parent company has filed an Appeal before Deputy Director of Land Records (DDLR) at Nagpur thereby challenging the Order (by Virtue of which Ownership of the seller is affected) passed by Superintendent of Land Records. Title deed in respect of the said property is held in the name of the Avenue Supermarts Limited.

Notes

to the Consolidated Financial Statements as at 31st March, 2023

3 Right-of-use assets

(₹ in crores)

	Land (Refer note: 1)	Building	Plant & equipment	Total
Cost				
Balance as at 1st April, 2021	**636.82**	**543.98**	**7.98**	**1,188.78**
Additions	244.69	353.61	20.24	618.54
Reclassification	(45.80)	-	-	(45.80)
Disposals	-	8.91	-	8.91
Balance as at 31st March, 2022	**835.71**	**888.68**	**28.22**	**1,752.61**
Additions	113.92	199.66	12.69	326.27
Disposals	-	44.60	-	44.60
Balance as at 31st March, 2023	**949.63**	**1,043.74**	**40.91**	**2,034.28**
Depreciaiton				
Balance as at 1st April, 2021	30.38	197.60	0.56	228.54
Reclassification	(1.99)	-	-	(1.99)
Charge for the year	10.24	131.54	0.92	142.70
Disposals		5.29		5.29
Balance as at 31st March, 2022	**38.63**	**323.85**	**1.48**	**363.96**
Charge for the year	11.87	160.20	5.72	177.79
Disposals	-	12.35	-	12.35
Balance as at 31st March, 2023	**50.50**	**471.70**	**7.20**	**529.40**
Net book value				
Balance as at 31st March, 2022	**797.08**	**564.83**	**26.74**	**1,388.65**
Balance as at 31st March, 2023	**899.13**	**572.04**	**33.71**	**1,504.88**

Notes:

1. Right -of- use Land includes following amounts paid as premium under built operate and transfer (BOT) arrangement

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gross block	13.83	13.83
Net block	12.61	12.77

2. Lease liabilities

(₹ in crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening	646.94	392.71
Recognised during the year	149.31	379.68
Accretion of interest	66.37	52.23
Repayments during the year	**(219.64)**	**(177.68)**
Closing	642.98	646.94
Non Current*	476.66	507.15
Current*	166.32	139.79

*Refer note 47 for maturity patterns of lease liability.

Notes

to the Consolidated Financial Statements as at 31st March, 2023

The following are the amounts recognised in the statement of profit or loss:

(₹ in crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation expense of right-of-use assets (Refer note: 31)	177.79	142.70
Interest expense on lease liabilities (Refer note: 30)	66.37	52.23
Expense relating to short-term leases (included in other expenses) (Refer note: 32)	3.93	1.50
Total amount recognised in the statement of profit or loss	**248.09**	**196.43**

The Group had total cash outflows for leases of ₹219.64 crores (31st March, 2022: ₹177.68 crores) and also had non-cash additions to right-of-use assets and lease liabilities of ₹212.35 crores (31st March, 2022: ₹373.85 crores).

4 Investment properties

(₹ in crores)

		As at 31st March, 2023	As at 31st March, 2022
	Cost		
	Opening balance	9.53	9.53
	Additions	-	-
	Adjustment/transfer to PPE	-	-
	Closing balance	**9.53**	**9.53**
	Depreciation		
	Opening balance	(0.50)	0.04
	Charge for the year	(0.49)	(0.54)
	Closing balance	**(0.99)**	**(0.50)**
	Net book value	**8.54**	**9.03**
	Information regarding income and expenditure of investment properties:		
(i)	**Amounts recognised in profit or loss for investment properties**		
	Rental income including contingent rent of ₹ Nil (Previous year ₹ Nil Crores)	2.39	1.78
	Direct operating expenses from property that generated rental income	0.30	0.17
	Income from investment properties before depreciation	**2.09**	**1.61**
	Depreciation	0.49	0.54
	Income from investment properties	**1.60**	**1.07**
(ii)	**Fair value**		
	Investment properties	57.11	55.67

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent.

This valuation is based on valuations performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Fair valuation is based on replacement cost method. The fair value measurement is categorised in levl 2 fair value heirachy.

Notes

to the Consolidated Financial Statements as at 31st March, 2023

5 Intangible assets

(₹ in crores)

	Computer software	Trademarks	Total
Cost			
Balance as at 1st April, 2021	71.04	0.02	71.06
Additions	10.09	-	10.09
Balance as at 31st March, 2022	**81.13**	**0.02**	**81.15**
Additions	15.72	-	15.72
Disposals	1.32	-	1.32
Balance as at 31st March, 2023	**95.53**	**0.02**	**95.55**
Amortisation			
Balance as at 1st April, 2021	48.83	0.01	48.84
Charge for the year	18.70	-	18.70
Balance as at 31st March, 2022	**67.53**	**0.01**	**67.54**
Charge for the year	6.00	-	6.00
Disposals	1.17	-	1.17
Balance as at 31st March, 2023	**72.36**	**0.01**	**72.37**
Net book value			
Balance as at 31st March, 2022	**13.60**	**0.01**	**13.61**
Balance as at 31st March, 2023	**23.17**	**0.01**	**23.18**

*Trademark amortisation - includes amount less than a lakh

6 Investments

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Other Investments		
Unquoted Equity shares		
i. Equity instruments at cost		
10,000 (31st March, 2022 : 10,000) shares of Retailer Association of India (equity shares of ₹10 each)	0.01	0.01
Total	**0.01**	**0.01**
Aggregate amount of unquoted investments	0.01	0.01
Non-current	0.01	0.01

7 Other non-current financial assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Rent deposits given	58.14	57.25
Other deposits	49.26	35.61
Margin money deposits with banks (held as lien by bank against bank guarantees)	0.75	0.97
Long-term deposits with banks with maturity period more than 12 months (Provided as security for various regulatory registrations)	0.40	0.52
Long-term deposits with banks with maturity period more than 12 months	-	1,035.21
Interest receivable on long-term deposits with banks with maturity period more than 12 months	-	133.14
Total	**108.55**	**1,262.70**

The above non-current financial assets are carried at amortised cost.

Notes

to the Consolidated Financial Statements as at 31st March, 2023

8 Deferred tax assets (net)

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Deferred tax assets on account of:		
- Depreciation	0.98	1.36
- Unabsorbed losses	0.68	-
- Others	0.04	0.08
- Employee benefits	0.07	0.24
Deferred tax Liabilities on account of:		
- Depreciation	-	0.02
Deferred tax assets (net)	**1.77**	**1.66**

Movement in deferred tax assets and deferred tax liabilities (net)	Unabsorbed losses	Employee benefits	Property Plant and Equipment	Others	Total
At 1 April 2021	-	0.24	0.68	-	0.92
Charged / (Credited) to					
Profit and Loss	-	-	0.66	0.08	0.74
At 31 March 2022	**-**	**0.24**	**1.34**	**0.08**	**1.66**
Charged / (Credited) to					
Profit and Loss	0.68	(0.17)	(0.36)	(0.04)	0.11
At 31 March 2023	**0.68**	**0.07**	**0.98**	**0.04**	**1.77**

9 Other non-current assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Capital advances	323.23	371.16
Prepaid Expenses	6.87	2.62
Balance with government authorities	30.33	-
Total	**360.43**	**373.78**

10 Inventories

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Stock-in-trade (at lower of cost and net realisable value)	3,194.40	2,709.13
Goods in transit	43.89	29.44
Stock of packing material	5.19	4.09
Total	**3,243.48**	**2,742.66**

Notes
to the Consolidated Financial Statements as at 31st March, 2023

11 Current investments

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Investment in mutual funds		
Unquoted		
NIL [31st March,2022 14,272.752] HDFC Liquid Fund - Growth	-	5.93
1,167,264.243 [31st March,2022 NIL] ICICI Prudential Overnight Fund Direct Plan Growth	141.06	-
1,529,980.554 [31st March,2022 NIL] ICICI Prudential Liquid Fund - Direct Plan - Growth	50.98	-
22,322.138 [31st March,2022 NIL] Kotak Liquid Direct Growth	10.15	-
Total	**202.19**	**5.93**
Aggregate amount of unquoted investments	202.19	5.93
Aggregate amount of impairment in the value of investment	-	-

12 Trade receivables

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Considered good		
Unsecured		
Other than related parties	62.16	66.89
Total	**62.16**	**66.89**

a)	Undisputed Trade receivables – considered good*		
	i) Less than 6 months	62.16	66.88
	ii) 6 months -1 year	-	0.01
	iii) 1-2 years	-	-
	iv) 2-3 years	-	-
	v) More than 3 years	-	-
	vi) Not Due	-	-
	Total	**62.16**	**66.89**

*Outstanding for following periods from date of transaction

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally received within the credit period.

b) There are no unbilled trade recievables, hence the same is not disclosed in ageing schedule

c) There are no disputed trade recievables, hence the same is not disclosed in ageing schedule

13 Cash and cash equivalents

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Balances with banks - In current accounts	158.48	47.43
Cash on hand	44.57	47.69
Deposit with Bank (with maturity less than 3 months)	4.10	-
Total	**207.15**	**95.12**

Notes
to the Consolidated Financial Statements as at 31st March, 2023

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Total cash and cash equivalents	207.15	95.12
Cash and cash Equivalents for cash flow purpose	**207.15**	**95.12**

14 Bank balances other than cash and cash equivalents

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Margin money deposits with bank (held as lien by bank against guarantees)	0.90	0.86
Deposits with bank	1,200.28	202.60
Total	**1,201.18**	**203.46**

15 Other current financial assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Rent deposits given	5.08	4.53
Advances recoverable in cash or in kind or in value to be received		
- Related parties (Refer note: 34)	0.11	0.09
- Others	106.88	120.13
Interest receivable	203.13	0.46
Advances to employees	1.57	2.25
Total	**316.77**	**127.46**
The above current financial assets are carried at amortised cost.	0.24	0.09
*Maximum amount outstanding during the year		

16 Other current assets

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	12.61	10.80
Advances to suppliers	82.80	95.46
Balance with government authorities	110.41	87.90
Others	9.64	7.17
Total	**215.46**	**201.33**

17 Equity share capital

(₹ in crores)

		As at 31st March, 2023	As at 31st March, 2022
A.	**Authorised**		
	750,000,000 [31st March, 2022: 750,000,000] equity Shares of ₹10 each	750.00	750.00
	Issued, subscribed and fully paid up		
	648,263,978 [31st March, 2022: 647,774,691] equity Shares of ₹10 each	648.26	647.77
		648.26	**647.77**

Notes

to the Consolidated Financial Statements as at 31st March, 2023

(₹ in crores)

		As at 31st March, 2023	As at 31st March, 2022
	Notes:		
a)	**Reconciliation of number of shares**		
	Balance at the beginning of the year		
	No. of shares	647,774,691	647,774,691
	Amount in ₹ Crores	647.77	647.77
	Issued, subscribed and paid up during the year		
	No. of shares	489,287	-
	Amount in ₹ Crores	0.49	-
	Balance at the end of the year		
	No. of shares	648,263,978	647,774,691
	Amount in ₹ Crores	648.26	647.77

The Parent Company through Qualified Institutions Placement (QIP) allotted 20,000,000 equity shares to the eligible Qualified Institutional Buyers (QIB) at a issue price of 2,049 per equity share (including a premium of ₹2,039 per Equity Share) aggregating to ₹4,098 crore on 11th February, 2020. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "SEBI ICDR Regulations"), and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder (the "Issue"). Funds received pursuant to QIP having utilise towards the object stated in the placement document and the balance as on 31st March, 2023 unutilise remain invested in deposits with scheduled commercial banks.

b) Terms and rights attached to equity shares

The Parent Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company if declares dividend would pay dividend in Indian rupees. The dividend if proposed by the Board of Directors would be subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares reserved for issue under option

Information relating to Avenue Supermarts limited Employee Stock Option Scheme, 2016, and Avenue E-Commerce Limited Employee Stock Option Scheme, 2018, Employee Stock Option Scheme, 2020 and Employee Stock Option Scheme,2022 including details of option granted, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 45.

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2023	As at 31st March, 2022
Mr. Radhakishan S. Damani	149,848,238	222,159,156
- % holding of shares	23.12%	34.30%
Mr. Gopikishan S. Damani	36,469,012	49,480,000
- % holding of shares	5.63%	7.64%
Bright Star Investments Private Limited	88,750,000	88,750,000
- % holding of shares	13.69%	13.70%

e) Refer note 53 for details of Shareholding of Promoters along with changes during the Financial Year.

DMart

Notes
to the Consolidated Financial Statements as at 31st March, 2023

18 Other equity

(₹ in crores)

		As at 31st March, 2023	As at 31st March, 2022
(a)	**Share application money pending allotment**		
	Application money received	0.91	-
	Closing balance	**0.91**	**-**
(b)	**Securities premium**		
	Opening balance	5,994.57	5,994.57
	Exercise of share options	5.52	-
	Issue of share capital	14.14	-
	Closing balance	**6,014.23**	**5,994.57**
(c)	**Share Options Outstanding**		
	Opening balance	39.44	33.03
	Share option expense	12.01	6.41
	Exercise of share options	(5.52)	-
	Closing balance	**45.93**	**39.44**
(d)	**Retained earnings**		
	Opening balance	6,995.86	5,508.34
	Net Profit for the year	2,378.51	1,492.55
	Items of other comprehensive income recognised directly in retained earnings		
	- Remeasurements of post-employment benefit obligation, net of tax	(5.00)	(5.03)
	Closing balance	**9,369.37**	**6,995.86**
	Total other equity	**15,430.44**	**13,029.87**

19 Other non-current financial liabilities

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Rent deposits taken		
Related Parties	0.06	-
Others	0.41	0.41
Total	**0.47**	**0.41**

The above non-current financial liabilities are carried at amortised cost.

20 Provisions

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity (Refer note: 46)	6.41	4.87
Total	**6.41**	**4.87**

Notes

to the Consolidated Financial Statements as at 31st March, 2023

21 Deferred tax liabilities (net)

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Deferred tax liabilities on account of:		
- Depreciation	103.34	82.67
- Others	0.91	-
Deferred tax assets on account of:		
- Employee benefits	7.34	6.57
- Others	18.28	11.25
- Unrealised profit on consolidation	1.67	0.82
Deferred tax liabilities (net)	**76.96**	**64.03**

Movement in deferred tax assets and deferred tax liabilities (net)

(₹ in crores)

	Uneralised profit on consolidation	Employee benefits	Property Plant and Equipment	Others	Total
At 1st April, 2021	**(0.71)**	**(5.58)**	**65.65**	**(8.17)**	**51.19**
Charged / (Credited) to					
Profit and Loss	(0.11)	(0.99)	17.02	(3.08)	12.84
At 31st March, 2022	**(0.82)**	**(6.57)**	**82.67**	**(11.25)**	**64.03**
Charged / (Credited) to					
Profit and Loss	(0.85)	(0.77)	20.67	(6.12)	12.93
At 31st March, 2023	**(1.67)**	**(7.34)**	**103.34**	**(17.37)**	**76.96**

22 Trade payables

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
Amounts payable to related parties (Refer Note : 34)	0.36	-
Others	753.43	589.20
Total	**753.79**	**589.20**
(a) Payable to micro and small enterprises (MSME) (Refer note 36)		
The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.		
Principal amount payable to suppliers registered under the MSMED Act and remaining unpaid as at year end	76.29	32.39
(b) Trade payables - ageing*		
(1) MSME		
i) Less than 1 year	74.85	32.28
ii) 1-2 years	-	0.08
iii) 2-3 years	0.03	0.00
iv) more than 3 years	0.01	0.03
v) Not due	1.40	-
Total	**76.29**	**32.39**

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Notes

to the Consolidated Financial Statements as at 31st March, 2023

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
(2) Others **		
i) Less than 1 year	477.82	390.11
ii) 1-2 years	1.12	8.21
iii) 2-3 years	14.15	10.03
iv) more than 3 years	0.68	5.20
v) Not due	183.73	143.26
Total	**677.50**	**556.81**

c) There are no disputed trade payables, hence the same is not disclosed in ageing schedule

*Oustanding for following periods from the date of transaction

** The ageing includes retention money payable on contractual obligation

23 Other current financial liabilities

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Escrow deposits received*	47.20	54.66
Salary and wages payable	56.60	55.98
Capital creditors **	185.66	172.01
Other payables	-	0.27
Total	**289.46**	**282.92**

* Escrow deposits represents amount received for any possible claims that may arise in future in respect of certain properties.

Payables to micro and small enterprises (Refer note 36) The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows. Principal amount payable to suppliers registered under the MSMED Act and remaining unpaid as at year end	22.71	14.87

24 Other current liabilities

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Statutory dues	95.46	46.98
Others payables	17.72	9.15
Other payables - Related Party (Refer note: 34)	0.62	0.08
Unspent corporate social responsibility expense for ongoing projects	7.38	2.16
Total	**121.18**	**58.37**

25 Provisions

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity (Refer note: 46)	16.16	7.33
Leave entitlement	34.71	29.11
Total	**50.87**	**36.44**

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

26 Revenue from operations

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of goods (Refer note: 54)	47,010.25	33,789.62
Sale of goods on approval basis	35.88	32.09
Less : Cost of goods sold on approval basis	(29.96)	(26.81)
	47,016.17	**33,794.90**
Less : Tax	(4,310.75)	(2,936.50)
Other operating income	134.14	117.87
Total	**42,839.56**	**30,976.27**

27 Other income

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on deposits and advances	107.56	103.96
Rent and amenities service income	4.69	3.55
Gain on sale of current investment	8.83	3.66
Exchange gain (net)	6.16	2.70
Miscellaneous income	2.10	3.62
Total	**129.34**	**117.49**

28 Changes in inventories of stock-in-trade

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Closing stock	3,243.48	2,742.66
Opening stock	2,742.66	2,248.28
Total	**(500.82)**	**(494.38)**

29 Employee benefits expenses

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, allowances and others	634.28	530.69
Expense on employee stock option scheme (Refer note: 45)	12.01	6.41
Contribution to provident fund and other funds	52.49	41.13
Employee welfare expenses	48.19	37.98
Total	**746.97**	**616.21**

30 Finance costs

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest expenses on lease liability (Refer note: 3)	66.37	52.23
Interest Others	0.72	1.38
Finance charges	0.32	0.18
Total	**67.41**	**53.79**

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to the Consolidated Financial Statements for the year ended 31st March, 2023

31 Depreciation and amortisation expense

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation/ amortisation on:		
- Tangible assets (Refer Note: 2)	459.59	339.98
- Right -of- use assets (Refer Note:3)	177.79	142.70
- Investment property (Refer Note: 4)	0.49	0.54
- Intangible assets (Refer Note: 5)	6.00	18.70
	643.87	**501.92**
Less : Capitalised	(5.00)	(3.84)
Total	**638.87**	**498.08**

32 Other expenses

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Contract labour charges	975.21	706.74
Rent(Refer Note: 3 & 37)	3.93	1.50
Electricity and fuel charges	314.62	207.86
Insurance	13.54	10.65
Rates and taxes	37.89	31.85
Repairs and maintenance:		
- Building	28.47	17.72
- Plant and machinery	75.23	54.47
- Others	37.65	26.92
Packing expenses	75.68	41.68
Printing & Stationery	27.61	18.55
Communication charges	8.24	6.27
Legal and professional fees	8.71	9.40
Travelling and conveyance	35.55	22.71
Directors fees	1.19	1.15
Payment to auditors		
- Audit fees	0.87	0.79
- Other services	0.01	0.01
- Reimbursement of expenses	0.01	-
Miscellaneous expenses	387.66	270.25
Expenditure towards corporate social responsibility (CSR) activities (Refer Note: 39)	37.80	31.80
Loss on sale/discardment of PPE (net)	1.74	3.85
Total	**2,071.61**	**1,464.17**

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to the Consolidated Financial Statements for the year ended 31st March, 2023

33 Tax expenses

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Tax expense recognised in the statement of Profit and Loss		
(a) Tax expense		
Current tax		
Current tax on profits for the year recognised in statement of profit and loss	807.70	546.33
Current tax on Re-measurements gains/(loss) on defined benefit plans recognised in OCI	(1.44)	(1.11)
Adjustment of tax related to earlier years	(138.77)	13.29
Total current tax expense	**667.49**	**558.51**
Deferred tax		
Increase in deferred tax		
Total deferred tax expense/(benefit)	12.82	12.10
Total tax expense	**680.31**	**570.61**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:		
Accounting profit before tax	3,060.09	2,064.12
Tax calculated at tax rates applicable to profit @ 25.168%	770.16	530.13
Permanent differences due to:		
Donations	0.04	0.08
Deduction taken for 80JJAA others	(5.61)	(4.88)
Corporate social responsibility	9.51	8.41
Interest on income tax	0.13	0.09
Fines and penalty	0.02	0.09
Deduction from income from house property	(2.24)	(1.51)
Loss on sale or discarment of asset	0.44	0.97
Adjustment of tax related to earlier years	(138.77)	13.29
Subsidiary Losses	49.47	35.75
Others	(2.84)	(11.81)
Tax recognised in the statement of profit and loss and OCI	**680.31**	**570.61**

34 Related party transactions

		Ownership interest 31st March, 2023	Ownership interest 31st March, 2022
(i)	**Subsidiary companies :**		
	Avenue Food Plaza Private Limited (AFPPL)	100.00	100.00
	Align Retail Trades Private Limited (ARTPL)	100.00	100.00
	Nahar Seth & Jogani Developers Private Limited (NSJDPL)	90.00	90.00
	Avenue E-Commerce Limited (AEL)	99.88	99.85
	Reflect Healthcare and Retail Private Limited (Formerly Reflect Wholesale and Retail Private Limited)	100.00	100.00
(ii)	**Shareholders who exercise control:**		
	Mr. Radhakishan Damani		
	Mr. Gopikishan Damani		
	Mrs. Shrikantadevi Damani		
	Mrs. Kirandevi Damani		
	Ms. Madhu Abhay Chandak		
	Ms. Jyoti Varun Kabra		
	Ms. Manjri Chandak		
	Bright Star Investments Private Limited		

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to the Consolidated Financial Statements for the year ended 31st March, 2023

		Ownership interest 31st March, 2023	Ownership interest 31st March, 2022
(iii)	**Directors and Key managerial personnel (KMP):**		
	Mr. Ignatius Navil Noronha (Managing Director and Chief Executive Officer)		
	Mr. Ramakant Baheti (Whole-time Director and Group Chief Financial Officer)		
	Mr. Elvin Machado (Executive Director)		
	Mrs. Manjri Chandak (Non Executive Director)		
	Mr. Ramesh Damani (Chairman and Independent Director)		
	Mr. Chandrashekhar B. Bhave (Independent Director)		
	Ms. Kalpana Unadkat (Independent Director)		
	Mr. Niladri Deb (Chief Financial Officer)		
	Mrs. Ashu Gupta (Company Secretary)		
(iv)	**Entities over which parties listed in (ii) and (iii) above exercise control / significant influence and transactions have taken place with them during the year**		
	7 Apple Hotels Private Limited		
	Bombay Swadeshi Stores Limited		
	Derive Trading and Resorts Private Limited		
	Damani Estates and Finance Private Limited		
	Boutique Hotels India Private Limited		
	Khaitan & Co		
	Palya Footwear Private Limited		
(v)	**Trust :**		
	Avenue Supermarts Limited Employees Group Gratuity Trust		
	DMart Foundation		

(b) Transaction with related parties

(₹ in crores)

	31st March, 2023	31st March, 2022
Remuneration to Directors/KMP *	11.05	9.28
Sitting fees to Directors	0.30	0.26
Commission to Independent Directors	0.87	0.87
Mentorship fees	₹1 only	₹1 only
7 Apple Hotels Private Limited		
Rent and amenities service income	1.66	1.37
Employee Welfare Expenses	0.42	0.04
Other Reimbursements	0.09	0.13
Capital Advance for Property, Plant and Equipment	10.30	15.00
Balances as at :		
Other receivables	0.11	0.09
Other payables	0.01	0.01
Rent deposits taken	0.06	-
Capital Advance for Property, Plant and Equipment	-	15.00
Bombay Swadeshi Stores Limited		
Employee welfare expenses (Previous year : 12,000)	0.01	0.00
Derive Trading and Resorts Private Limited		
Employee welfare expenses	0.66	0.01
Balances as at :		
Other payables	0.61	-
Damani Estates and Finance Private Limited		
Reimbursement of expenses	-	0.03
Purchase of Property, Plant and Equipment	-	146.59

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in crores)

	31st March, 2023	31st March, 2022
Avenue Supermarts Limited Employees Group Gratuity Trust		
Contribution to trust	7.27	5.00
Khaitan & Co		
Professional services	-	0.02
DMart Foundation		
Contribution to trust	7.85	11.17
Sale of goods	0.05	0.06
Boutique Hotels India Private Limited		
Employee Welfare Expenses	0.08	0.14
Balances as at :		
Other Payable	-	0.07
Palya Footwear Private Limited		
Purchase of goods	11.85	-
Balances as at :		
Trade payable	0.36	-

Compensation to Directors/KMP of The Group:

(₹ in crores)

Nature of Benefit	31st March, 2023	31st March, 2022
Short term employment benefits	10.76	9.02
Post employment benefits	0.30	0.26
Sitting fees	0.30	0.26
Commission to independent directors	0.87	0.87

Note :

1. The aforesaid amount does not include amount in respect of gratuity and leave as the same in not determinable.
2. 4,000 equity shares of ₹10/- each were allotted to Mrs. Ashu Gupta under the ESOP Scheme 2016

35 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Current Assets		
Trade receivables	246.59	230.86
Inventories	1,262.86	1,064.90
Total current assets pledged as security	**1,509.45**	**1,295.76**

At 31 March 2023, the Company had available ₹634.61 Crores (31st March, 2022: ₹635.69 Crores) of undrawn committed borrowing facilities.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

36 MSME disclosure

The details of amounts outstanding to Micro and Small enterprises under the Micro and Small Enterprises Development Act, 2006 (MSED Act), based on the available information with the Company are as under:

(₹ in crores)

		As at 31st March, 2023	As at 31st March, 2022
1	Principal amount not due and remaining unpaid	92.42	43.57
2	Principal amount due and remaining unpaid	6.58	3.69
3	Interest due on (1) above and the unpaid interest	-	-
4	Interest due and payable for the period of delay other than (3) above	-	-

37 Lease disclosure

The group has entered into agreements for taking on lease certain office/store premises, warehouses. The lease term is for period ranging from 1 year to 30 years.

Premises taken on operating lease :

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Lease rent expenses recognised in the statement of Profit and Loss account	3.93	1.50
The total future minimum lease rent payable for the non cancellable period of lease at the Balance Sheet date :		
- For a period not later than one year	-	-
- For a period later than one year and not later than 5 years	-	-
- For a period later than five years	-	-

Note:- w.e.f 1st April,2019 , IND AS 116 “Leases” supersedes IND AS 17 “Leases”. Refer Note 3 for disclosures.

38 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the group not acknowledged as debts

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Income tax matters	6.19	3.28
Indirect tax matters	37.66	25.20

It is not practicable for the group to estimate the timings of cash outflows , if any in respect of above pending resolutions of the respective proceedings.

The group has reviewed all its pending litigation and proceedings and has adequately provided for where provisions are required and disclosed in contingent liabilities where applicable in it’s financial statements. The group does not expect the outcome of these proceedings to have a materially adverse effect on it’s consolidated financial statements.

The group has process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, group has reviewed and ensured that adequate provision as required under any law/accounting standard for material foreseeable losses on such long-term contracts has been made in the books of accounts.

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to the Consolidated Financial Statements for the year ended 31st March, 2023

(b) Capital commitments

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) relating to stores under construction	2,081.64	2,703.75

39 Expenditure towards corporate social responsibility (CSR) activities

(₹ in crores)

		For the year ended 31st March, 2023	For the year ended 31st March, 2022
a)	Amount required to be spent as per Section 135 of the Act *	37.80	32.78
	Amount yet to be spent / (spent in excess) during the previous year	2.16	(0.98)
	Total amount to be spent during the year	**39.96**	**31.80**
	Amount spent during the year on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	31.68	29.64
	Amount yet to spent/ (spent in excess) during the year on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	8.28	2.16
	Amount spent during the year for corporate social responsibility (CSR) activities are in cash.		
	*Includes unspent amount of previous year.		
b)	**Nature of CSR activity**		
	i) Details of amounts spent against ongoing projects	25.58	14.92
	ii) Details of amounts spent against other than ongoing projects	6.15	13.93
	iii) Details of administrative overhead	0.77	0.54
	iv) Amount of Impact Assessment	0.08	0.25
	v) Unspent amount in relation to :	-	
	- Ongoing projects	7.38	2.16
	- Other than ongoing projects	-	-
	Total	**39.96**	**31.80**
c)	**Details of ongoing project**		
	Opening Balance		
	- With Company	(0.00)	(0.98)
	- In separate CSR unspent A/C	2.16	-
	Amount required to be spent	37.80	41.49
	Total amount to be spent during the year	**39.96**	**40.51**
	Amount spent during the year		
	- From Company bank A/C	31.68	38.40
	- From separate CSR unspent A/C	0.90	-
	Closing Balance		
	- With Company	-	(0.08)
	- In separate CSR unspent A/C	7.38	2.16

40 Segment reporting

The Group is primarily engaged in the business of retail trades through offline and online channels. There are no separate reportable segments as per IND AS 108 - Operating Segments.

41 The Group has not entered into any derivative transaction during the year. Unhedged foreign currency exposure at the end of the year is NIL.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

42 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computation:

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Earnings per share has been computed as under:		
Profit for the year as per statement of Profit and Loss (₹ in Crores) :	2,378.51	1,492.55
Weighted average number of equity shares outstanding for basic EPS	647,780,053	647,774,691
Add: Weighted average number of potential equity shares on account of employee stock option schemes	3,978,214	5,118,592
Weighted average number of equity shares outstanding for dilutive EPS	**651,758,267**	**652,893,283**
Earnings Per Share (₹) - Basic (Face value of ₹10 per share)	**36.72**	23.04
Earnings Per Share (₹) - Diluted (Face value of ₹10 per share)	36.49	22.86

43 (a) Capital risk management

For the purpose of the group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value.

The group manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The group has raised capital by issue of equity shares through an IPO in the previous year ended 31st March, 2017 and Qualified Institutional Placement (QIP) in the year ended March 31, 2020. Certain proceeds from the IPO and QIP have been used for repayment of borrowings which have significantly reduced the group's borrowings and is NIL in the current year.

The capital structure is governed by policies approved by the Board of Directors and is monitored by various matrices funding requirements are reviewed periodically.

(b) Dividends

The group has not paid any dividend since its incorporation.

44 Fair values and fair value hierarchy

The carrying amounts of trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, other financial assets, trade payables, capital creditors are considered to be same as their fair values, due to their short term nature.

The carrying value of borrowings, lease liabilities , deposits given and taken and other financial assets and liabilities are considered to be reasonably same as their fair values. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of input that were not observed inputs including counter party credit risk.

45 Share-based payments

(a) Employee stock option plan of Avenue Supermarts Limited

During the year ended 31st March, 2017, the Parent Company had instituted an Avenue Supermarts Limited Employee Stock Option Scheme, 2016 ("the Scheme") as approved by the Board of Directors dated 23rd July, 2016 for issuance of stock option to eligible employee of the Parent Company and of its subsidiaries.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

Pursuant to Avenue Supermarts Limited Employee Stock Option Scheme, 2016 Stock options convertible into 13,973,325 equity shares of ₹10/- each were granted to eligible employees at exercise price of ₹299/-. Out of the options granted, 53,28,483 options lapsed (31st March, 2022: 45,41,945) and 66,50,367 options were vested (31st March, 2022: 36,95,605) as at 31st March, 2023. Against the vested options, 41,79,492 (31st March, 2022 : 36,90,205) equity shares of ₹10/- each were allotted pursuant to exercise of options, and balance 900 (31st March, 2022 : 900) options lapsed as at 31st March, 2023.

Subject to terms and condition of the scheme, options are classified into three categories.

	Option A	Option B	Option C
No. of options	2,772,525	5,001,075	6,199,725
Method of accounting	Fair value	Fair value	Fair value
Vesting plan	9 years	6 years	2.5 years
Grant date	14th March, 2017	14th March, 2017	14th March, 2017
Exercise/Expiry date	13th June, 2026	13th June, 2023	13th December, 2019
Grant/Exercise price	₹299.00	₹299.00	₹299.00
Method of settlement	Equity - settled	Equity - settled	Equity - settled

Exercise period, would commence from the date of options are vested and will expire at the end of three months from the date of vesting .

Movement of options granted

	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	299.00	5,735,775	299.00	5,823,525
Granted during the year	299.00	-	299.00	-
Forfeited during the year	299.00	786,538	299.00	83,250
Vested during the year *	299.00	2,954,762	299.00	4,500
Closing balance		**1,994,475**		**5,735,775**

*Vested options of 66,50,367 equity shares includes 29,54,762 share options vested in FY 22-23, 4,500 share options vested in FY 21-22, 36,73,105 share options vested in FY 19-20, 14,400 share options vested in FY 18-19, 1,200 share options vested in FY 17-18 & 2,400 share options vested in FY 16-17.

The model inputs for fair value of option granted as on the grant date :

Inputs	Option A	Option B	Option C
Exercise price	₹299.00	₹299.00	₹299.00
Dividend yield	0%	0%	0%
Risk free interest rate	6.98%	7.24%	6.77%
Expected volatility	14.22%	14.22%	14.22%
Fair value per option	₹144.94	₹112.93	₹58.63
Model used	Black Scholes	Black Scholes	Black Scholes

(b) Employee stock option plan of Avenue E-Commerce Limited

During the year ended March 31, 2022, the Subsidiary Company has instituted an Avenue E-Commerce Limited Employee Stock Option Scheme, 2022 (II) ("the Scheme") as approved by the Board of Directors dated March 23, 2022 and the resolution of shareholders dated March 28, 2022 for issuance of stock option to eligible employee of the holding Company.

During the year ended March 31, 2022, the Subsidiary Company has instituted an Avenue E-Commerce Limited Employee Stock Option Scheme, 2022 ("the Scheme") as approved by the Board of Directors dated January 07, 2022 and the resolution of shareholders dated January 08, 2022 for issuance of stock option to eligible employee of the Company.

Notes
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During the year ended March 31, 2021, the Subsidiary Company has instituted an Avenue E-Commerce Limited Employee Stock Option Scheme, 2020 ("the Scheme") as approved by the Board of Directors dated September 21, 2020 and the resolution of shareholders dated September 30, 2020 for issuance of stock option to eligible employee of the Company and of its holding Company.

During the year ended March 31, 2018, the Subsidiary Company has instituted an Avenue E-Commerce Limited Employee Stock Option Scheme, 2018 ("the Scheme") as approved by the Board of Directors dated February 2, 2018 and the resolution of shareholders dated February 15, 2018 for issuance of stock option to eligible employee of the Company and of its holding company.

Subject to terms and condition of the scheme, options are classified into two categories.

Particulars	Scheme 2022 (II)		Scheme 2022	
	Option A	Option B	Option A	Option B
No. of options	960,600	1,039,400	2,377,260	1,606,840
Method of accounting	Fair value	Fair value	Fair value	Fair value
Vesting plan	9 years	6 years	9 years	6 years
Grant date	March 31, 2022	March 31, 2022	March 23, 2022	March 23, 2022
Exercise/Expiry date	June 30, 2031	June 30, 2028	June 23, 2031	June 23, 2028
Grant/Exercise price	₹ 22.35	₹ 22.35	₹ 22.35	₹ 22.35
Method of settlement	Equity - settled	Equity - settled	Equity - settled	Equity - settled

Particulars	Scheme 2020		Scheme 2018	
	Option A	Option B	Option A	Option B
No. of options	1,407,000	1,200,500	3,423,800	1,759,800
Method of accounting	Fair value	Fair value	Fair value	Fair value
Vesting plan	9 years	6 years	8 years and 2 months	5 years and 2 months
Grant date	October 01, 2020	October 01, 2020	March 15, 2018	March 15, 2018
Exercise/Expiry date	December 31, 2029	December 31, 2026	August 14, 2026	August 14, 2023
Grant/Exercise price	₹ 14.06	₹ 14.06	₹ 11.30	₹ 11.30
Method of settlement	Equity - settled	Equity - settled	Equity - settled	Equity - settled

Exercise period, would commence from the date of options are vested and will expire at the end of three months from the date of vesting.

Movement of options granted

	Scheme 2022			
	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Average exercise price per share option		Average exercise price per share option	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	22.35	2,000,000	22.35	-
Granted during the year	22.35	-	22.35	2,000,000
Exercised during the year	22.35	-	22.35	-
Forfeited during the year	22.35	265,000	22.35	-
Vested during the year	22.35	-	22.35	-
Closing balance		**1,735,000**		**2,000,000**

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	Scheme 2022			
	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	22.35	3,984,100	22.35	-
Granted during the year	22.35	-	22.35	3,984,100
Exercised during the year	22.35	-	22.35	-
Forfeited during the year	22.35	284,600	22.35	-
Vested during the year	22.35	-	22.35	-
Closing balance		**3,699,500**		**3,984,100**

Movement of options granted

	Scheme 2020			
	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	14.06	2,270,000	14.06	2,487,500
Granted during the year	14.06	-	14.06	-
Exercised during the year	14.06	-	14.06	-
Forfeited during the year	14.06	30,000	14.06	217,500
Vested during the year	14.06	-	14.06	-
Closing balance		**2,240,000**		**2,270,000**

Movement of options granted

	Scheme 2018			
	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	11.30	4,032,200	11.30	4,193,000
Granted during the year	11.30	-	11.30	-
Exercised during the year	11.30	-	11.30	-
Forfeited during the year	11.30	34,800	11.30	160,800
Vested during the year	11.30	-		-
Closing balance		**3,997,400**		**4,032,200**

The model inputs for fair value of option granted as on the grant date :

Inputs	Scheme 2020		Scheme 2018	
	Option A	Option B	Option A	Option B
Exercise price	₹ 14.06	₹ 14.06	₹ 11.30	₹ 11.30
Dividend yield	0%	0%	0%	0%
Risk free interest rate	6.34%	5.86%	7.90%	7.60%
Expected volatility	36.21%	36.21%	57.40%	58.90%
Fair value per option	₹ 14.06	₹ 14.06	₹ 11.30	₹ 11.30
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes

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to the Consolidated Financial Statements for the year ended 31st March, 2023

Inputs	Scheme 2022(II)		Scheme 2022	
	Option A	Option B	Option A	Option B
Exercise price	₹ 22.35	₹ 22.35	₹ 22.35	₹ 22.35
Dividend yield	0%	0%	0%	0%
Risk free interest rate	7.01%	6.50%	7.01%	6.50%
Expected volatility	39.16%	39.16%	39.16%	39.16%
Fair value per option	₹ 12.22	₹ 12.22	₹ 12.22	₹ 12.22
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes

Expense arising from equity settled share-based payments transactions:

(₹ in crores)

	31st March, 2023	31st March, 2022
Avenue Supermarts Limited	11.18	6.09
Align Retail Trades Private Limited	0.04	0.04
Avenue Food Plaza private Limited	0.01	-
Avenue E-Commerce Limited	0.78	0.28
Recognised in the statement of profit or loss	**12.01**	**6.41**

46 Post retirement benefit plans

As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below :

Defined Benefit Plan

The Group Company operates a gratuity plan wherein every employees entitled to the benefit equivalent to fifteen days salary last drawn for each year of service. The same is payable on termination of services or retirement whichever is earlier. The benefit vest after five years of continuous service. The gratuity paid is governed by The Payment of Gratuity Act, 1972. The Parent Company contributes to the fund based on actuarial report details of which is available in the table of investment pattern of plan asset, based on which the Parent Company is not exposed to market risk. The following table summarises the component of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for respective period.

1 Change in the present value of Defined Benefit Obligation are as follows

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Present value of benefit obligation at the beginning of the year	58.87	45.09
Interest cost	3.96	2.84
Current service cost	10.54	8.56
Past service cost	-	-
Benefit paid from the fund	(3.30)	(2.71)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions (NIL, (Previous year: 40,232/-)	-	0.00
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(2.58)	(1.58)
Actuarial (gains)/losses on obligations - due to experience	8.02	6.72
Present value of benefit obligation at the end of the year	**75.51**	**58.92**

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2 **Change in fair value of Plan Assets**

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Fair value of plan assets at the beginning of the year	46.74	42.60
Interest income	3.15	2.67
Contributions by the employer	7.27	5.00
Benefits paid from the funds	(3.15)	(2.54)
Return on plan assets, excluding interest income	(0.99)	(0.99)
Fair value of plan assets at the end of the year	**53.02**	**46.74**

3 **Change in fair value of Assets and Obligations**

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Present value of benefit obligation at the end of the year	(75.51)	(58.93)
Fair value of plan assets at the end of the year	53.02	46.73
Funded status (surplus/(deficit))	**(22.49)**	**(12.20)**
net liability is bifurcated as follows :		
Current liability	(21.39)	(11.46)
non-current liability	(1.10)	(0.74)
net (liability) / assets recognised in the balance sheet	**(22.49)**	**(12.20)**

4 **Net benefit expenses recognised during the year**

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
In the statement of profit and loss		
Current service cost	10.54	8.58
Net interest cost	0.81	0.16
Past service cost	-	-
Net cost	**11.35**	**8.74**
In other comprehensive income	-	
Actuarial (gains)/losses on obligation for the year	5.45	5.15
Return on plan assets, excluding interest income	0.99	0.99
Net (income)/expense for the year recognised in oci	**6.44**	**6.14**

5 All investment of plan asset are done in M/s Avenue Supermarts Limited Employees Group Gratuity Trust which is governed by Board of Trustees.

6 **The principal assumptions in determining gratuity defined benefit obligation for the Group are as follows**

	As at 31st March, 2023	As at 31st March, 2022
Expected return on plan assets	7.35%	6.73%
Rrate of discounting	7.35%	6.73%
Rate of salary increase	8.00%	8.00%
Rate of employee turnover	15.00%	15.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Mortality rate after employment	N.A.	N.A.

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The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the parent company's policy for plan assets management.

7 The expected contributions for Defined Benefit Plan for the future years is as follows :

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
projected benefits payable in future years from the date of reporting		
1st following year	9.48	6.89
2nd following year	9.55	6.97
3rd following year	9.30	7.19
4th following year	8.92	6.82
5th following year	8.72	6.45
Sum of years 6 To 10	32.75	25.15
Sum of years 11 and above	46.36	35.02

8 Sensitivity Analysis

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Projected benefit obligation on current assumptions	75.58	58.93
Delta effect of +1% change in rate of discounting	(3.81)	(3.11)
Delta effect of -1% change in rate of discounting	4.28	3.49
Delta effect of +1% change in rate of salary increase	4.04	3.29
Delta effect of -1% change in rate of salary increase	(3.69)	(3.00)
Delta effect of +1% change in rate of employee turnover	(0.41)	(0.49)
Delta effect of -1% change in rate of employee turnover	0.43	0.53

There has been no change from the previous year in the method and assumptions used in preparing the sensitivity analysis.

These plans typically exposed the group company to actuarial risks such as interest risk, salary risk, investment risk, asset liability matching risk and mortality risk.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:
Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

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to the Consolidated Financial Statements for the year ended 31st March, 2023

Asset liability matching risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance companies

47 Financial risk management

Financial risk management objectives and policies

The group's financial principal liabilities comprises borrowings, lease liability, trade payables and other payables. The main purpose of these financial liabilities to finance the group's operation. The group's main financial assets includes trade and other receivable, cash and cash equivalent, other bank balances derived from its operations.

In addition to risks inherent to our operations, we are exposed to certain market risks including change in interest rates and fluctuation in currency exchange rates.

A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivable) and from its financial activities including deposits with banks and financial institution.

Credit risk from balances with banks is managed by the group's treasury department in accordance with group's policy.

The group operates on business model of primarily cash and carry along with sales to Subsidiary and credit risk from receivable perspective is not significant.

B) Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. Processes and policies related to such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(₹ in crores)

	As at 31st March, 2023			
	0-1 years	1-5 years	beyond 5 years	Total
Lease Liability	166.32	456.99	19.67	642.98
Expected interest payable on Lease Liability	59.84	87.45	21.73	169.02
Total	**226.16**	**544.44**	**41.40**	**812.00**

(₹ in crores)

	As at 31st March, 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Lease liability	139.79	486.48	20.67	646.94
Expected interest payable on Lease Liability	61.40	106.97	21.31	189.68
Total	**201.19**	**593.45**	**41.98**	**836.62**

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Maturity patterns of other financial liabilities

(₹ in crores)

	As at 31st March, 2023					
	Overdue/ payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade payable	753.79	-	-	-	-	753.79
Payable related to capital goods	185.66	-	-	-	-	185.66
Other financial liabilities (current and non current)	103.80	-	-	-	0.47	104.27
Total	**1,043.25**	**-**	**-**	**-**	**0.47**	**1,043.72**

(₹ in crores)

	As at 31st March, 2022					
	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade payable	589.20	-	-	-	-	589.20
Payable related to capital goods	172.01	-	-	-	-	172.01
Other financial liabilities (current and non current)	222.48	-	-	-	0.41	222.89
Total	**983.69**	**-**	**-**	**-**	**0.41**	**984.10**

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48 For disclosures mandated by Schedule III of Companies Act, 2013, by way of additional information, refer below:

Name of the entity	As at 31st March, 2023 Net assets i.e. total assets minus total liabilities		For the year ended 31st March, 2023 Share in Profit and loss		For the year ended 31st March, 2023 Share in Other comprehensive income		For the year ended 31st March, 2023 Share in total comprehensive income	
	As a % of consolidated net assets	(₹ in Crores)	As a % of consolidated profit & loss	(₹ in Crores)	As a % of consolidated other comprehensive income	(₹ in Crores)	As a % of consolidated total comprehensive income	(₹ in Crores)
Parent								
Avenue Supermarts Limited	98.33%	16,502.53	107.22%	2,556.40	85.83%	(4.22)	107.27%	2,552.18
Subsidiaries								
1 Align Retail Trades Private Limited	0.97%	160.81	0.97%	23.08	0.00%	-	0.97%	23.08
2 Avenue Food Plaza Private Limited	0.16%	26.44	(0.09)%	(2.03)	2.37%	(0.12)	(0.09)%	(2.15)
3 Nahar Seth & Jogani Developers Private Limited	0.03%	4.64	0.03%	0.61	0.00%	-	0.03%	0.61
4 Avenue E-Commerce Limited	0.51%	86.65	(8.13)%	(193.72)	11.80%	(0.58)	(8.17)%	(194.30)
5 Reflect Wholesale and Retail Private Limited	0.01%	1.94	(0.01)%	(0.14)	0.00%	-	(0.01)%	(0.14)
Subtotal		**16,783.01**		**2,384.20**		**(4.92)**		**2,379.30**
Inter company elimination and consolidation adjustments		(704.23)		(5.86)		(0.08)		(5.96)
Grand total		**16,078.78**		**2,378.34**		**(5.00)**		**2,373.34**
Minority interest		0.08		(0.17)		-		(0.17)

Name of the entity	As at 31st March, 2022 Net assets i.e. total assets minus total liabilities		For the year ended 31st March, 2022 Share in Profit and loss		For the year ended 31st March, 2022 Share in Other comprehensive income		For the year ended 31st March, 2022 Share in total comprehensive income	
	As a % of consolidated net assets	(₹ in Crores)	As a % of consolidated profit & loss	(₹ in Crores)	As a % of consolidated other comprehensive income	(₹ in Crores)	As a % of consolidated total comprehensive income	(₹ in Crores)
Parent								
Avenue Supermarts Limited	98.52%	13,924.11	108.31%	1,616.17	63.55%	(3.20)	108.47%	1,612.97
Subsidiaries								
1 Align Retail Trades Private Limited	0.84%	117.53	1.15%	17.15	1.02%	(0.05)	1.15%	17.10
2 Avenue Food Plaza Private Limited	0.20%	28.58	0.02%	0.31	0.79%	(0.04)	0.02%	0.27
3 Nahar Seth & Jogani Developers Private Limited	0.03%	4.03	0.04%	0.55	0.00%	-	0.04%	0.55
4 Avenue E-Commerce Limited	0.41%	59.52	(9.52)%	(142.07)	34.84%	(1.75)	(9.67)%	(143.82)
5 Reflect Wholesale and Retail Private Limited	0.00%	0.08	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Subtotal		**14,133.85**		**1,492.10**		**(5.04)**		**1,487.07**
Inter company elimination and consolidation adjustments		(455.96)		0.30		0.01		0.30
Grand total		**13,677.89**		**1,492.40**		**(5.03)**		**1,487.37**
Minority interest		0.25		(0.15)		-		(0.15)

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49 Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group have not advanced or loaned or invested funds to any other personor entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group have not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Group have not revalued its property, plant and equipment (including right-of-use assets) during the year ended 31st March,2023.

(ix) The Group have not provided loans, advances in the nature of loans, stood guarantee, or provided security to Companies, Firms, limited liability partnerships

(x) The Group have not defaulted in repayment of loans, or other borrowings or payment of interest thereon to any lender.

(xi) The Group have not been declared willful defaulter by any bank, financial institution, government or government authority.

(xii) The quarterly returns/statements filed by the Group with the banks are in agreement with the books of account of the Group.

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50 Backup of Accounts

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Group is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Group has a defined process to take daily back-up of books of account maintained electronically which is in compliance with the relevant provisions of the Companies (Accounts) Rules, 2014 (as amended). During the period, for 1 subsidiary we observed that for 2 days backup failed due to technical reasons which was thereafter subsequently rectified the next day by the Subsidiary.

51 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1st April, 2022. The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules,2022 dated March 23,2022 , to amend the following IND AS which are effective from April 01,2022.

i. Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the consolidated financial statements of the Group.

ii. Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendment also adds a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition on the acquisition date.

These amendments had no impact on the consolidated financial statements of the Group.

iii. Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

These amendments had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

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iv. Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Group as it is not a first-time adopter.

v. Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

vi. Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments had no impact on the consolidated financial statements of the Group as it did not have assets in scope of IAS 41 as at the reporting date."

52 New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Company is currently assessing the impact of the amendments.

53. Shareholding of Promoters

As at 31st March, 2023

Promoter Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
1. Mr. Radhakishan Damani	222,159,156	(72,310,918)	149,848,238	23.12%	(32.5%)
2. Mr. Gopikishan Damani	49,480,000	(13,010,988)	36,469,012	5.63%	(26.3%)
3. Mrs. Kirandevi Damani	14,000,000	(12,900,000)	1,100,000	0.17%	(92.1%)
4. Mrs. Shrikantadevi Damani	21,250,000	(14,750,000)	6,500,000	1.00%	(69.4%)
5. M/s Bright Star Investments P Ltd.	88,750,000	-	88,750,000	13.69%	0.00%
6. M/s Royal Palm Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	72.0%
7. M/s Bottle Palm Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	72.0%
8. M/s Mountain Glory Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	72.0%
9. M/s Gulmohar Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	72.0%
10. M/s Karnikar Private Beneficiary Trust	18,000,000	12,955,494	30,955,494	4.78%	72.0%
11. Mrs. Rukmanidevi Mohanlal Bagri (Promoter Group)	100,000	-	100,000	0.02%	0.0%
12. Mrs. Chanda Chandak (Promoter Group)	8,000	-	8,000	0.00%	0.0%
13. Mrs. Jyoti Varun Kabra (Promoter Group)	-	16,064,812	16,064,812	2.48%	100.0%
14. Mrs. Madhu Abhay Chandak (Promoter Group)	-	16,064,812	16,064,812	2.48%	100.0%
15. Mrs. Manjri Chandak (Promoter Group)	-	16,064,812	16,064,812	2.48%	100.0%
Total	**485,747,156**	**-**	**485,747,156**	**74.93%**	

Notes
to the Consolidated Financial Statements for the year ended 31st March, 2023

As at 31st March, 2022

Promoter Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
1. Mr. Radhakishan Damani	222,159,156	-	222,159,156	34.30%	0.0%
2. Mr. Gopikishan Damani	49,480,000	-	49,480,000	7.64%	0.0%
3. Mrs. Kirandevi Damani	14,000,000	-	14,000,000	2.16%	0.0%
4. Mrs. Shrikantadevi Damani	21,250,000	-	21,250,000	3.28%	0.0%
5. M/s Bright Star Investments P Ltd.	88,750,000	-	88,750,000	13.70%	0.0%
6. M/s Royal Palm Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.0%
7. M/s Bottle Palm Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.0%
8. M/s Mountain Glory Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.0%
9. M/s Gulmohar Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.0%
10. M/s Karnikar Private Beneficiary Trust	18,000,000	-	18,000,000	2.78%	0.0%
11. Mrs.Rukmanidevi Mohanlal Bagri (Promoter Group)	100,000	-	100,000	0.02%	0.0%
12. Mrs.Chanda Chandak (Promoter Group)	8,000	-	8,000	0.00%	0.0%
Total	**485,747,156**	**-**	**485,747,156**	**74.99%**	

54 Ind AS 115 : Revenue from Contracts with Customers

The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the consolidated financial statements.

1. Disaggregated revenue information :
Set out below is the disaggregation of the Group's revenue from contracts with customers:

(₹ in crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Type of goods or service		
Sale of goods	47,010.25	33,789.62
Sale of goods on approval basis net of COGS	5.92	5.28
Other operating income	134.14	117.87
Tax	(4,310.75)	(2,936.50)
Total revenue from contract with customers	**42,839.56**	**30,976.27**
India	42,839.56	30,976.27
Outside India	-	-
Total revenue from contract with customers	**42,839.56**	**30,976.27**
Timing of revenue recognition		
Goods transferred at a point in time	42,705.42	30,858.40
Services transferred over time (Other operating income)	134.14	117.87
Total revenue from contract with customers	**42,839.56**	**30,976.27**

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2023

2. Contract balances:

(₹ in crores)

	As at 31st March, 2023	As at 31st March, 2022
Trade receivables	62.16	66.89
Contract liabilities	17.72	9.15

55. Events after the reporting period

The Group has evaluated subsequent events from the balance sheet date through 13th May, 2023 the date at which the consolidated financial statements were available to be issued, and determined that there are no material items to disclose other than those disclosed above.

56 The previous year numbers have been reclassified wherever necessary.

As per our report of even date

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number 324982E/E300003

Ignatius Navil Noronha
Managing Director and
Chief Executive Officer
DIN: 01787989

Ramakant Baheti
Whole-time Director and
Group Chief Financial Officer
DIN: 00246480

per **Vikram Mehta**
Partner
Membership No. : 105938

Niladri Deb
Chief Financial Officer

Ashu Gupta
Company Secretary

Thane, 13th May,2023

Thane, 13th May,2023

Notice of the 23rd Annual General Meeting

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of Avenue Supermarts Limited will be held on Thursday, 10th August, 2023 at 11:00 a.m. IST through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts:

a) To receive, consider and adopt the standalone audited financial statements of the Company for the financial year ended 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon;

b) To receive, consider and adopt the consolidated audited financial statements of the Company for the financial year ended 31st March, 2023 together with the Reports of Auditors thereon;

2. Retire by Rotation:

To appoint a Director in place of Mr. Ramakant Baheti (DIN: 00246480), who retires by rotation and being eligible, offers himself for re-appointment;

SPECIAL BUSINESS:

3. Re-appointment of Mr. Ramakant Baheti (DIN: 00246480) as Whole-time Director of the Company:

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the said Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ramakant Baheti (DIN: 00246480) be and is hereby re-appointed as Whole-time Director of the Company, who shall be liable to retire by rotation, for a period of five years with effect from 1st May, 2024 to 30th April, 2029 on such terms and conditions as set out in the Explanatory Statement annexed to this Notice, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions on recommendation of Nomination and Remuneration Committee, without further reference to the members of the Company, in such manner as may be agreed to between the Board of Directors and Mr. Ramakant Baheti; subject to the provisions of Schedule V of the Companies Act, 2013

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

4. Re-appointment of Mr. Elvin Machado (DIN: 07206710) as Whole-time Director of the Company:

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the said Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Elvin Machado (DIN: 07206710) be and is hereby re-appointed as Whole-time Director of the Company, who shall be liable to retire by rotation, for a period of 3 (three) years with effect from 10th June, 2024 to 9th June, 2027 on such terms and conditions as set out in the Explanatory Statement annexed to this Notice, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions on recommendation of Nomination and Remuneration Committee, without further reference to the members of the Company, in such manner as may be agreed to between the Board of Directors and Mr. Elvin Machado; subject to the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

5. To approve material related party transactions for sale/ purchase of goods, materials and assets between the Company and Avenue E-Commerce Limited:

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

"**RESOLVED THAT** pursuant to the provisions of Section 188 and all other relevant provisions of the Companies Act, 2013 ("Act"), if any, and the rules framed thereunder, the applicable law and the Regulation 23 of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including, any statutory modification(s) or amendment thereto or re-enactment thereof; the Memorandum and Articles of Association of the Company; and other applicable statutory provisions and regulations, if any, as amended from time to time including any statutory modification(s) or re-enactment(s) thereof and the Company's Policy on Related Party Transactions ("RPT"), basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company and subject to such other necessary registrations, consents, permissions, approvals and sanctions required, if any, from any authorities under any laws or regulations or guidelines, approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorised Committee constituted by the Board) for executing and/or renewing contracts/transactions or continuing the obligations under previous contracts/agreements for sale/purchase of goods, materials and assets between the Company and Avenue E-Commerce Limited (hereinafter referred to as "AEL"), (a subsidiary of the Company and a 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations), for a period from date of this meeting till the date of next Annual General Meeting and up to a maximum aggregate value of ₹29,000,000,000 (Rupees Two Thousand Nine Hundred crore only) plus applicable taxes, in the ordinary course of business of the Company and at arm's length basis on such terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between the Company and AEL.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to enter into the above-mentioned contract/transaction/arrangement and to execute, deliver and perform all such transaction documents, contracts, deeds, undertakings and subsequent modifications thereto; to file applications and make representations in respect thereof and seek the requisite approvals from the relevant authorities and third parties, including governmental authorities to suitably inform and apply to all the concerned authorities, including in respect of the requirements of the Central and/or State Government(s) and/or local authorities; and to take all necessary steps in the matter as it may deem necessary, desirable or expedient, to give effect to the above resolution and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers or authorities herein conferred by this resolution to any Committee of Directors and/or Director(s) and/or official(s) of the Company/ or any other Officer(s)/Authorised Representative(s) or any other person(s) so authorised by it, or to engage any advisor, consultant, agent or intermediary as deemed necessary by the Board in accordance with applicable laws and to do all such acts, deeds, matters and things and also to execute such documents, writings etc., as may be considered necessary or expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorised by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

6. To approve material related party transaction for further investment in the share capital of Avenue E-Commerce Limited:

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

"**RESOLVED THAT** pursuant to the provisions of Companies Act, 2013 ("Act"), and the rules framed thereunder, the applicable law and the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including, any statutory modification(s) or amendment thereto or re-enactment thereof; the Memorandum and Articles of Association of the Company; and other applicable statutory provisions and regulations, if any, as amended from time to time including any statutory modification(s) or re-enactment(s) thereof and the Company's Policy on Related Party Transactions ("RPT") basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company and subject to such other necessary registrations, consents, permissions, approvals and sanctions required, if any, from any authorities under any laws or regulations or guidelines and, approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorised Committee constituted by the Board) for further investment in the share capital of Avenue E-Commerce Limited (hereinafter referred to as "AEL") (a subsidiary of the Company and a 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations), for a period from date of this meeting till the date of next Annual General Meeting and up to a maximum aggregate value of ₹3,500,000,000 (Rupees Three Hundred and Fifty crore only), in the ordinary course of business of the Company and on such terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between the Company and AEL.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to enter into the above-mentioned contract/transaction/arrangement and to execute, deliver and perform all such transaction documents, contracts, deeds, undertakings and subsequent modifications thereto; to file applications and make representations in respect thereof and seek the requisite approvals from the relevant authorities and third parties, including governmental authorities to suitably inform and apply to all the concerned authorities, including in respect of the requirements of the Central and/or State Government(s) and/or local authorities; and to take all necessary steps in the matter as it may deem necessary, desirable or expedient, to give effect to the above resolution and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers or authorities herein conferred by this resolution to any Committee of Directors and/or Director(s) and/or official(s) of the Company/ or any other Officer(s)/Authorised Representative(s) or any other person(s) so authorised by it, or to engage any advisor, consultant, agent or intermediary as deemed necessary by the Board in accordance with applicable laws and to do all such acts, deeds, matters and things and also to execute such documents, writings etc., as may be considered necessary or expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorised by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

7. To approve Avenue Supermarts Limited Employee Stock Option Scheme 2023 ("ESOP Scheme 2023") for grant of Options to eligible employees of the Company under the ESOP Scheme 2023:

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

"RESOLVED THAT pursuant to Section 62 (1)(b) of the Companies Act, 2013 ("**Companies Act**"), Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 6 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions for the time being in force and as may be modified from time to time, and other laws, rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred herein as the "**Applicable Laws**"), the memorandum of association and articles of association of Avenue Supermarts Limited ("**Company**"), and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the board of directors of the Company ("**Board**") and pursuant to the recommendation of the Nomination and Remuneration Committee of the Company ("**NRC**") and the Board, the approval of the members be and is hereby accorded for the adoption of the Avenue Supermarts Limited Employee Stock Option Scheme 2023 ("**ESOP Scheme 2023**") by the Company, authorising the Board/Committee, to exercise its powers, including the powers conferred by this resolution, to create, grant, offer, issue and allot employee stock options to eligible employees under the ESOP Scheme 2023, the salient features of which are furnished in the explanatory statement to this notice, on such terms and conditions as provided in the ESOP Scheme 2023 and as may be fixed or determined by the NRC.

RESOLVED FURTHER THAT the maximum number of employee stock options to be granted to eligible employees under one or more tranches and on such terms and conditions as provided in the ESOP Scheme 2023 shall not exceed 1,500,000 (Fifteen Lacs) employee stock options, corresponding to 1,500,000 (Fifteen Lacs) equity shares of ₹10 (Rupees Ten only) each fully paid up on the payment of requisite exercise price to the Company.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee, the Board and any other committee authorised by the Board be and is hereby severally authorised to issue and allot Equity Shares upon exercise of the options from time to time in accordance with the Scheme and such Equity Shares shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, split/ consolidation of shares, change in capital structure, merger/ demerger, the outstanding employee stock options/ equity shares, granted/to be granted, under the ESOP Scheme 2023 shall be suitably adjusted for such number of employee stock options/equity shares, and/or the exercise price, as may be required.

RESOLVED FURTHER THAT in case the equity shares are either sub-divided or consolidated, then the number of equity shares to be transferred or issued and allotted on exercise of Stock Options and the exercise price of Stock Options shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of ₹ 10/- per equity share bears to the revised face value of the equity shares of the Company, after such sub-division or consolidation, without affecting any other rights or obligations of the Option grantees under the ESOP Scheme.

RESOLVED FURTHER THAT any one of Directors of the Company and/ or Company Secretary be and is hereby authorised to take requisite steps for listing of the equity shares allotted under the ESOP Scheme 2023 on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB & SE Regulations and other applicable laws.

RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the ESOP Scheme 2023 and generally for giving effect to these resolutions, the Board and NRC be and are hereby severally authorised, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose including authorising or directing to appoint merchant bankers and such other advisors, consultants or representatives, being incidental to implementation and administration of the ESOP Scheme 2023 as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard and with power to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, and to make variations or alterations in the ESOP Scheme 2023, to the extent permissible under applicable law and under SEBI SBEB & SE Regulations."

8. To approve Avenue Supermarts Limited Employee Stock Option Scheme 2023 ("ESOP Scheme 2023") for grant of employee stock options to the eligible employees of subsidiary(ies) company(ies) of Avenue Supermarts Limited:

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

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") read with the Rules notified thereunder, and pursuant to the applicable provisions of Regulation 6 and other applicable provisions of the Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations 2021, as may be modified from time to time read with all the circulars and notifications issued thereunder ("**SEBI SBEB & SE Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the relevant provisions of the Memorandum of Association and the Articles of Association of Avenue Supermarts Limited ("**Company**"), and such other rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred herein as the "**Applicable Laws**"), and subject to any approvals, permissions and sanctions of any / various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company ("**Board**")/ Nomination and Remuneration Committee of the Company ("**NRC**"), the approval of the members of the Company be and is hereby accorded to introduce, offer, grant issue and allot employee stock options to eligible employees of the Company's subsidiaries (present or future) under the 'Avenue Supermarts Limited Employee Stock Option Scheme 2023' ("**ESOP Scheme 2023**") referred to in resolution no. 7 of this Notice, the salient features of which are furnished in the explanatory statement to this notice and to grant such employee stock options to eligible employees of the Company's subsidiaries (present or future) on such terms and conditions as provided in the ESOP Scheme 2023.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee, the Board and any other committee authorised by the Board be and is hereby severally authorised to issue and allot Equity Shares upon exercise of the options from time to time in accordance with the Scheme and such Equity Shares shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, split/ consolidation of shares, change in capital structure, merger/ demerger, the outstanding employee stock options/ equity shares, granted/to be granted, under the ESOP Scheme 2023 shall be suitably adjusted for such number of employee stock options/equity shares, and/or the exercise price, as may be required.

RESOLVED FURTHER THAT in case the equity shares are either sub-divided or consolidated, then the number of equity shares to be transferred or issued and allotted on exercise of Stock Options and the exercise price of Stock Options shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of ₹ 10/- per equity share bears to the revised face value of the equity shares of the Company, after such sub-division or consolidation, without affecting any other rights or obligations of the Option grantees under the ESOP Scheme.

RESOLVED FURTHER THAT any one of Directors of the Company and/ or Company Secretary be and is hereby authorised to take requisite steps for listing of the equity shares allotted under the ESOP Scheme 2023 on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB & SE Regulations and other applicable laws.

RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the ESOP Scheme 2023 and generally for giving effect to these resolutions, the Board and NRC be and are hereby severally authorised, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose including authorising or directing to appoint merchant bankers and such other advisors, consultants or representatives, being incidental to implementation and administration of the ESOP Scheme 2023 as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard and with power to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, and to make variations or alterations in the ESOP Scheme 2023, to the extent permissible under applicable law and under SEBI SBEB & SE Regulations."

By order of the Board of Directors of
Avenue Supermarts Limited

Ashu Gupta
Company Secretary
Membership No.: FCS 10736

Place: Thane
Date: 15th July, 2023

Registered Office:
Anjaneya CHS Limited, Orchard Avenue
Opp. Hiranandani Foundation School,
Powai, Mumbai – 400 076
CIN: L51900MH2000PLC126473
Tel No.: 022-40496500
E-mail ID: investorrelations@dmartindia.com
Website: www.dmartindia.com

NOTES:

1. Pursuant to the General Circular Nos. 20/2020 dated 5th May, 2020, 02/2022 dated 5th May, 2022 and 10/2022 dated 28th December, 2022 issued by the Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 issued by SEBI (collectively referred to as 'Circulars'), companies are allowed to hold Annual General Meeting through VC/OAVM 2023 without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the 23rd AGM of the Company is being held through Video Conferencing (VC)/Other Audio Visual Means (OAVM). The deemed venue for the 23rd AGM shall be the Registered Office of the Company.

2. Since this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

3. Participation of Members through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.

4. Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 and as per the Listing Regulations, concerning resolutions vide item No. 3 to 8 in the Notice of this Annual General Meeting is annexed hereto and forms part of this Notice.

5. Statement giving details of the Directors seeking appointment and re-appointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standard on General Meeting ("SS-2").

6. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at e-mail address:investorrelations@dmartindia.com at least seven days prior to the date of Annual General Meeting. The same shall be replied suitably by the Company.

7. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to investorrelations@dmartindia.com from their registered e-mail address.

8. Members holding shares of the Company as on Thursday, 3rd August, 2023, shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

9. As per the provisions of Section 72 of the Act, facility for making nomination is available to Individuals holding shares in the Company. Members holding shares in physical form who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members may download the Nomination Form from the Company's website at www.dmartindia.com. Members holding shares in demat mode should file their nomination with their Depository Participant for availing this facility.

10. In compliance with the Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company's Registrar and Share Transfer Agent/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.dmartindia.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL https://www.evoting.nsdl.com

11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.dmartindia.com. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.

12. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent, Link Intime (India) Private Limited.

Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Share Transfer Agent.

13. SEBI has mandated furnishing of PAN, KYC and nomination details by all shareholders holding shares in physical form. In accordance with the SEBI circular, the folios wherein any one of the cited details/documents are not available, on or after 1st October 2023, shall be frozen. The forms for updating the same are available at https://www.dmartindia.com/investor-relationship. In view of the above, we urge the shareholders holding shares in physical form to submit the Investor Service Request form along with the supporting documents to the Company's Registrar and Share Transfer Agent, Link Intime (India) Private Limited. Shareholders who hold shares in dematerialised form and wish to update their PAN, KYC and nomination details are requested to contact their respective Depository Participants.

14. **Instructions for remote e-Voting and e-voting during the AGM:**

    a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has availed services of National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.

    b) The remote e-voting period commences on Saturday, 5th August, 2023 (9.00 a.m. IST) to Wednesday, 9th August, 2023 (5.00 p.m. IST)). During this period members of the Company, holding shares as on the cut-off date of Thursday, 3rd August, 2023, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

    c) The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

    d) The details of the process and manner for remote e-voting are explained herein below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and E-mail ID in their demat accounts in order to access e-Voting facility.

Login method for Individual members holding securities in demat mode is given below:

Type of members	Login Method
Individual Members holding securities in demat mode with NSDL	Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. NSDL Mobile App is available on
Individual Members holding securities in demat mode with CDSL	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website HYPERLINK "http://www.cdslindia.com" www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on HYPERLINK "http://www.cdslindia.com" www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 – 4886 7000 and 022 – 2499 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login Method for e-Voting and joining virtual meeting for members other than Individual members holding securities in demat mode and members holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

4. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your e-mail ID is not registered, please follow steps mentioned below in process for those members whose e-mail IDs are not registered.

5. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the checkbox.

7. Now, you will have to click on "Login" button.

8. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those members whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of member, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by e-mail to investorrelations@dmartindia.com or to Link Intime (India) Private Limited at rnt.helpdesk@linkintime.co.in

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to investorrelations@dmartindia.com or to Link Intime (India) Private Limited at rnt.helpdesk@linkintime.co.in. If you are an Individual members holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode.

3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-Voting facility.

The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on 022 – 4886 7000 or 022 – 2499 7000 or send a request to Mr. Amit Vishal, Asst. Vice President - NSDL at evoting@nsdl.co.in.

General Guidelines for members

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to hsk@rathiandassociates.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

Other instructions

1. The Company has appointed Mr. Himanshu S. Kamdar (Membership No.: FCS 5171), Partner of M/s. Rathi & Associates, Practicing Company Secretaries, as scrutiniser (the 'Scrutiniser') for conducting the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.

2. The members who have cast their vote by remote e-voting may attend the meeting through VC/OAVM but shall not be entitled to cast their vote again.

3. A person, whose name is recorded in the register of members or in the register of beneficial owners as on the cut-off date, Thursday, 3rd August, 2023 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.

4. Any person holding shares in physical form and non-individual members, who acquires shares of the Company and becomes a Member of the Company after sending of Notice and holding shares as of the cut-off date i.e. Thursday, 3rd August, 2023, may obtain the login ID and password by sending a request at evoting@nsdlco.in. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com. In case of Individual Members holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual members holding securities in demat mode."

5. The Scrutiniser shall after the conclusion of voting at the AGM, will count the votes cast at the meeting through e-voting and thereafter unblock the votes cast through remote e-voting and shall not later than two working days of the conclusion of the AGM, make a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

6. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company www.dmartindia.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange Limited of India and BSE Limited, where the shares of the Company are listed.

Instructions for Members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system.

2. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join Meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.

3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

4. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800 1020 990/1800 224 430 or contact Mr. Amit Vishal, Asst. Vice President – NSDL or Ms. Soni Singh, Assistant Manager – NSDL at evoting@nsdl.co.in.

6. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send request from their registered e-mail address mentioning their name, demat account number/folio number, e-mail id, mobile number at investorrelations@dmartindia.com from Friday, 4th August, 2023 (9:00 a.m. IST) to Monday, 7th August, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3:

The members of the Company through Postal Ballot on 6th March, 2019 had approved re-appointment of Mr. Ramakant Baheti (DIN: 00246480) as a Whole-time Director of the Company for a period of 5 (five) years w.e.f. 1st May, 2019 and payment of remuneration during his tenure. His term as Whole-time Director shall expire on 30th April, 2024.

Mr. Ramakant Baheti, Whole-time Director of the Company and designated as a Group Chief Financial Officer of the Company has the requisite qualification, skills, experience and expertise in specific functional areas, which is beneficial to the Company and considering his contribution in overall growth and performance of the Company, the Nomination and Remuneration Committee recommended and the Board of Directors of the Company approved at their respective meetings held on 13th May, 2023, his reappointment as a Whole-time Director of the Company, for a further period of 5 (five) years with effect from 1st May, 2024, and payment of the remuneration to him for the said tenure.

The re-appointment of Whole-time Director of the Company shall require approval of the members by way of passing of Ordinary Resolution pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013.

Mr. Baheti is not disqualified in terms of Section 164 of the Act and has given his consent to act as the Whole-time Directors & Group CFO of the Company. He satisfies all the conditions as set out in Section 196(3) of the Act and Part I of Schedule V to the Act, for being eligible for his re-appointment.

He has requisite qualification, skills, experience and expertise in specific functional areas, which is beneficial to the Company and considering his contribution in overall growth and performance of the Company, the Board recommends passing the resolution at Item No. 3 of the Notice as an Ordinary Resolution by the Members.

The terms and conditions of his re-appointment are broadly stated as under:

(i) Fixed remuneration: The Board of Directors of the Company in consultation with the Nomination and Remuneration Committee and Mr. Ramakant Baheti, may from time to time, fix the remuneration within a range of ₹2 crore to ₹3 crore per annum.

(ii) Variable remuneration: He shall be entitled to incentive pay in accordance with the Company's Policy as may be amended from time to time.

(iii) Perquisites:

   a) Leave/Leave Encashment on cessation of service, as per Rules of the Company.

   b) Other benefits, schemes, privileges and amenities as per the Company's policy.

The Board of Directors shall be authorised to give annual increments to the aforesaid remuneration, as may be deemed appropriate, which shall be merit based taking into account other relevant factors and in accordance with the limits specified under the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard.

The draft letter of appointment containing terms and conditions of the said re-appointment shall be open for inspection by the Members through electronic mode.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Ramakant Baheti under Section 190 of the Companies Act, 2013. The required details as per the Secretarial Standards ("SS-2") and Regulation 36(3) of the Listing Regulations, is provided at Annexure A of this Notice.

Except Mr. Ramakant Baheti, none of the Promoters, Directors, Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

ITEM NO. 4:

The members of the Company at its Annual General Meeting held on 1st September, 2020 had approved re-appointment of Mr. Elvin Machado as a Whole-time Director of the Company for a period of 3 years w.e.f. 10th June, 2021 and payment of remuneration during his tenure. His term as Whole-time Director shall expire on 9th June, 2024.

Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors of the Company, at their meeting held on 13th May, 2023, approved his re-appointment as a Whole-time Director, for a further period of 3 (three) years with effect from 10th June, 2024, and payment of the remuneration to him.

The re-appointment of Whole-time Director of the Company shall require the approval of the members by way of passing of Ordinary Resolution pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies

Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013.

Mr. Elvin Machado is not disqualified in terms of Section 164 of the Act and has given his consent to act as the Whole-time Director of the Company. He satisfies all the conditions as set out in Section 196(3) of the Act and Part I of Schedule V to the Act, for being eligible for his re-appointment.

He has requisite qualification, skills, experience and expertise in specific functional areas which will be beneficial to the Company. Accordingly, the Board recommends passing the resolution at Item No. 4 of the Notice as an Ordinary Resolution by the Members.

The terms and conditions of his re-appointment are broadly stated as under:

(i) Fixed remuneration: The Board of Directors of the Company in consultation with the Nomination and Remuneration Committee and Mr. Elvin Machado, may, from time to time, may fix the remuneration within a range ₹1 crore to ₹1.3 crore per annum.

(ii) Variable remuneration: He shall be entitled to incentive pay subject to a maximum of ₹30 lakh per annum in accordance with the Company's Policy as may be amended from time to time.

(iii) Stock Options: He shall be entitled to stock options granted/ to be granted under the Employee Stock Option Schemes as applicable. The perquisite value of stock options that may be exercised by him shall be in addition to the remuneration mentioned above.

(iv) Perquisites:

a) Leave/Leave Encashment on cessation of service, as per Rules of the Company.

b) Other benefits, schemes, privileges and amenities as per the Company's policy.

The Board of Directors shall be authorised to give annual increments to the aforesaid remuneration, as may be deemed appropriate, which shall be merit based taking into account other relevant factors and in accordance with the limits specified under the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard.

The draft letter of appointment containing terms and conditions of the said re-appointment shall be open for inspection by the Members through electronic mode.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Elvin Machado under Section 190 of the Companies Act, 2013. The required details as per the Secretarial Standards ("SS-2") and Regulation 36(3) of the Listing Regulations, is provided at Annexure A of this Notice.

Except Mr. Elvin Machado, none of the Promoters, Directors, Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

ITEM NO. 5 and 6

The members of the Company at the Annual General Meeting held on 17th August, 2022 had accorded omnibus approval for entering into Material Related Party Transaction (RPTs) with Avenue E-Commerce Limited, Subsidiary Company and a 'Related Party' as per Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for sale/purchase of goods, materials and assets between the Company and Avenue E-Commerce Limited (AEL) and further investment in share capital of AEL for a period from the date of Annual General Meeting (hereinafter referred to as "AGM") held on 17th August, 2022 till the date of ensuing AGM i.e. 10th August, 2023.

The Board of Directors based on recommendation of the Audit Committee at their meeting held on 13th May, 2023, have accorded approval to enter into and/or continue with contracts/transactions previously entered into/to be entered into, with AEL (whether individual transaction or transactions taken together or series of transactions or otherwise) for sale/purchase of goods, materials and assets between the Company and Avenue E-Commerce Limited (AEL) and further investment in share capital of AEL for a period from the date of ensuing AGM till the date of next AGM.

The Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no Company shall enter into transaction with a Related Party except with the consent of the Board and members of the Company, where such transactions are not in ordinary course of business or on arm's length basis.

The transactions with the related party as set out in Item No. 5 and 6 are at arm's length and in the ordinary course of business of the Company. Further, pursuant to the Listing Regulations and Regulation 23 of the Listing Regulations, material transactions (including material modifications as defined by the audit committee) with related parties shall require prior approval of members of the

Company through an ordinary resolution. A Material Related Party Transaction means a transaction entered into/to be entered into with a related party, individually or taken together with previous transactions during a financial year, exceeds ₹10,000,000,000 (Rupees One Thousand crore only) or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity, whichever is lower.

Since the aggregate value of transactions with AEL is expected to exceed threshold limit of ₹10,000,000,000/- (Rupees One Thousand crore only) during the year, the Company hereby proposes to seek member's approval for the above-mentioned material related party transactions by way of an Ordinary Resolution as per provisions of Regulation 23 of Listing Regulations.

AEL is engaged in the business of online and multi-channel grocery retail under the brand name of DMart Ready. Customers of AEL can view and purchase a broad range of grocery and household products through mobile app and web site. AEL offer customers the choice of picking up their online orders from any of the designated Pick-Up Points or get them delivered at the customer's doorstep. At many Pick-Up Points, AEL also offer a select range of merchandise available for instant purchase.

AEL completed 6 years of service in the e-commerce space in January 2023. During the financial year 2022-23, it expanded its service coverage to include 10 more cities - Chandigarh, Jaipur, Sanand, Anand, Belagavi, Chennai, Vishakhapatnam, Bhilai, Raipur and Ghaziabad. Its current service footprint includes a total of 22 cities. AEL also operates a small format grocery store under the brand name, DMart miniMAX. Starting from two DMart miniMAX stores at the beginning of the Financial Year, AEL added 13 more miniMAX stores this year. The relevant information pertaining to transactions with AEL as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021 is given below:

Sr. No.	Particulars	Details			
1.	Name of the related party	Avenue E-Commerce Limited			
2.	Nature of Relationship	Subsidiary Company			
3.	Details of Transaction	Type, material terms and particulars of the proposed transaction	Tenure of the proposed transactions	Amount	Justification as to why the related party transaction is in the interest of the Company
	Sale/purchase of goods, materials and assets between the Company and AEL;	Sale/purchase of goods, materials and assets at landed cost of material plus markup up to 3% (three per cent) (net)	Omnibus approval for a period from the date of this meeting till the date of next Annual General Meeting	Up to ₹29,000,000,000 (Rupees Two Thousand Nine Hundred crore Only) plus applicable taxes	AEL is able to service online customers of DMart with a compelling price proposition by buying merchandise (and assets) from the Company, where ASL recovers all costs of such procured items and a markup up to 3% (three per cent) to negate any negative impact on its P&L. This serves as a sustainable procurement model to leverage buying efficiencies utilising economies of scale at no additional cost to ASL.
	Further investment in share capital of AEL	Investment in share capital of AEL on preferential basis	Omnibus approval for a period from the date of this meeting till the date of next Annual General Meeting	Up to ₹3,500,000,000 (Rupees Three Hundred and Fifty crore Only)	The investments will be made from funds earmarked by the Company to support AEL for expanding online business based on valuation received from registered valuers. No indebtedness is/will be incurred for making investment in the shares of AEL. AEL shall utilise said funds for its operational and working capital requirements.
	Aggregate Value	₹3,250 crore (Rupees Three Thousand Two Hundred and Fifty crore only)			

Sr. No.	Particulars	Details
	% to Annual Consolidated Turnover of the Company that is represented by the value of the proposed transaction.	7.58%
	% to Annual Turnover of AEL on standalone basis that is represented by the value of the proposed transaction.	147.59%

The proposed related party transactions between the Company and AEL are purely for the purpose of furthering the main business activities ensuring that it would be in the best interest of the Company and towards achieving synergies and economies of scale; reduce operational costs and strengthen sustainability.

Apart from Mr. Ignatius Navil Noronha, Mr. Ramakant Baheti and Mrs. Manjri Chandak, who are Directors on the Board of the Company and of AEL and Mr. Niladri Deb, who is a Key Managerial Personnel of the Company and of AEL, no other Promoter, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested, financially or otherwise, in the said resolution.

All entities falling under definition of related party of the Company shall abstain from voting irrespective of whether the individual/entity is party to the particular transaction or not. The Board of Directors recommends the resolution set forth in Item Nos. 5 and 6 for approval of the members as an Ordinary Resolution.

ITEM NO. 7 and 8

Based on the recommendations and approvals of the Nomination and Remuneration Committee ("**NRC**") and the Board of Directors ("**Board**") at their meeting held on 15th July, 2023, a proposal for approval and adoption of the Avenue Supermarts Limited Employee Stock Option Scheme 2023 ("**ESOP Scheme 2023**") is being placed before the members of the Avenue Supermarts Limited ("**Company**") in terms of Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**").

The Company intends to implement the ESOP Scheme 2023 with an objective to provide an incentive to reward and motivate employees and enable them to participate in the long-term financial growth of the Company. The term Company shall have the same meaning as defined under the ESOP Scheme 2023 i.e. Avenue Supermarts Limited and where the context requires, its subsidiary companies (present or future).

In terms of Regulation 6 of SEBI SBEB & SE Regulations, for issue of equity shares to the employees of the Company, the approval of the existing members by way of special resolution is required. Further, as per Regulation 6(3) (c) of SEBI SBEB & SE Regulations, approval of the members by way of separate special resolution is also required for grant of employee stock options to the employees of the subsidiary(ies) of the Company (present or future).

Accordingly, the resolutions contained at Item Nos. 7 and 8 set out in the notice are being placed for approval of the shareholders of the Company.

The salient features and other details of the ESOP Scheme 2023 as required pursuant to Regulation 6(2) of SEBI SBEB & SE Regulations are as under:

(a) **Brief Description of the ESOP Scheme 2023:**

The objectives of the ESOP Scheme 2023 are inter alia, to provide an incentive to reward and motivate employees and enable them to participate in the long-term financial growth of the Company.

The ESOP Scheme 2023 intends to grant employee stock options ("**Options**") to the eligible employees of the Company and its subsidiary companies, which entitles them to receive equity shares on exercise of vested Options. The ESOP Scheme 2023 shall be administered and implemented by the Nomination and Remuneration Committee of the Company ("**NRC**").

(b) **Total number of employee stock options to be offered and granted:**

A maximum of 1,500,000 (Fifteen Lakh) Options may be offered and granted under the ESOP Scheme 2023, which on exercise would entitle not more than 1,500,000 (Fifteen Lakh only) equity shares of ₹ 10 (Rupees Ten only) each of the Company, which may be adjusted for any corporate action(s) in terms of the ESOP Scheme 2023.

(c) Identification of classes of employees entitled to participate and beneficiaries in the ESOP Scheme 2023:

The following classes of employees/ directors (present and future employees) shall be entitled to participate in the ESOP Scheme 2023:

(i) an employee of the Company as designated by the Company, who is exclusively working in, or outside, India; or

(ii) a director of the Company, whether whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or

(iii) an employee as defined in sub-clauses (i) or (ii) above, of a Group company including its Subsidiary, in India or outside India —

but excludes –

(i) an employee who is a promoter or belongs to the promoter group,

(ii) a director who, either himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Shares of the Company; and

(iii) independent directors appointed in terms of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company proposes to grant Options to employees who are in General Management ('G') grade and who are in employment of the Company as on the cut-off date and such other employees, as defined in the ESOP Scheme 2023 and as determined by the NRC.

(d) Requirements of vesting and period of vesting:

The vesting period shall be between 1 (one) year and 9 (nine) years from the date of grant of the Options as determined by the NRC and set forth in the grant letter. In the event of death or permanent incapacity of the grantee, the Options shall vest immediately.

As per the ESOP Scheme 2023, the vesting will be subject to the grantees meeting various performance parameters and grades as applicable at the time of vesting of Options and as determined by the NRC.

Vesting of Options granted to the employees may expire or lapse or forfeit or accelerate (as the case maybe) in the following circumstances:

(i) In case of the death of an option grantee while in employment of the Company, all the unvested Options granted shall vest in its nominee(s)/ legal heir(s)/ successor(s) immediately on the date of death and may be exercised by them during the exercise period, failing which all the unexercised Options shall lapse irrevocably and the rights thereunder shall be extinguished.

Nomination of a person by an option grantee as its nominee for the ESOP Scheme 2023 shall be compulsory and shall be undertaken in the manner prescribed for the same by the NRC. In case of an option grantee who has not nominated any person(s), the Options shall be exercisable by the legal heir(s)/ successor(s) of such grantee during the exercise period, provided however that the legal heir(s)/ successor(s) shall be required to furnish to the Company all such documents and indemnities as may be required by the Company to prove the succession to the assets of the deceased option grantee. In case the proof of succession is not provided to the Company within 90 (ninety) days from the date of death of the option grantee/ such further time as the NRC may permit, the Options shall lapse and shall be available for grant by the NRC to General Management (G) grade employees as it may deem fit in its absolute discretion.

(ii) In case of permanent incapacity, all unvested Options as on the date of permanent incapacitation shall immediately vest on that day. The Options would be exercisable only during the exercise period.

(iii) In the event of cessation of employment due to superannuation/ retirement, the option grantee will continue to hold all vested Options and the option grantee can exercise such Options during the exercise period. Subject to completion of 1 (one) year from the grant date, the unvested Options granted to the option grantee as on the date of superannuation/ retirement shall immediately vest on that day. The Options would be exercisable only during the exercise period. However, the holding of vested Options and vesting of unvested Options will be permissible only if the option grantee does not carry on or engages in, directly or indirectly, any business which competes directly or indirectly with the whole or part of the business of the Company or any activity related to the business of the Company.

(iv) Subject to the provisions of the ESOP Scheme 2023, upon an option grantee discontinuing to be in employment of the Company due to: (a) resignation, or (b) termination of services of the employee with cause, by the Company, any unvested Options shall stand cancelled and the vested Options will be required to be exercised within the exercise period.

(v) All vested Options shall lapse if the applicable exercise price is not paid in accordance with the prescribed parameters, as the case may be, within the exercise period.

(vi) The NRC shall have the power to cancel all or any of the Options granted under the ESOP Scheme 2023, if required under law or an order of the court or for any other reason as noted in writing. In such cases, no compensation shall be payable to the option grantee for such cancelled options.

(e) Maximum period within which the Options shall be vested:
The vesting period shall be between 1 (one) year and 9 (nine) years from the date of grant of the Options as determined by the NRC and set forth in the grant letter.

(f) Exercise price or pricing formula:
The exercise price shall not be lesser than 85% to the closing market price of shares on the Recognised Stock Exchange having higher trading volume on the date of grant subject to Applicable Laws and as approved and adopted by the NRC. The Exercise Price so determined shall be compliant with the accounting policies as set out in Regulation 15 of the SBEB & SE Regulations, including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.

(g) Exercise period and process of exercise/acceptance of offer:

(i) Exercise period: The exercise period for exercise of any vested Option shall be 3 (three) months from the date of vesting as provided in the grant letter. Provided, however, that in the event of death or permanent incapacity or cessation of employment due to superannuation/ retirement, vested options shall be exercisable during the exercise period provided in the grant letter or any other period as may be determined by the NRC.

(ii) Exercise process: The Options will be exercisable by the employees by way of an application to the Company accompanied by payment of the Exercise Price in such manner and on execution of such documents, as may be prescribed from time to time. Upon exercise of Options in compliance with the ESOP Scheme 2023, the grant letter and the letter of vesting, the Board/ NRC thereof shall make an allotment of shares to the option grantee in compliance with applicable law.

(iii) Separation from employment: Options can be exercised as per provisions outlined below:

(i) Death: In case of the death of an option grantee while in employment of the Company, all the unvested Options grantee shall Vest in its nominee(s)/ legal heir(s)/ successor(s) immediately on the date of death and may be exercised by them during the exercise period, failing which all the unexercised Options shall lapse irrevocably and the rights thereunder shall be extinguished. Unvested options shall vest immediately but shall be exercisable only during the exercise period in accordance with the ESOP Scheme 2023.

(ii) Permanent incapacity: In case of permanent incapacity, all unvested Options as on the date of permanent incapacitation shall immediately vest on that day. The Options would be exercisable only during the exercise period.

(iii) Retirement/ superannuation: In the event of cessation of employment due to superannuation/ retirement, the option grantee will continue to hold all vested Options and the option grantee can exercise such Options during the exercise period. Subject to completion of 1 (one) year from the grant date, the unvested Options granted to the option grantee as on the date of superannuation/ retirement shall immediately vest on that day. The Options would be exercisable only during the exercise period. However, the holding of vested Options will be permissible only if the option grantee does not carry on or engages in, directly or indirectly, any business which competes directly or indirectly with the whole or part of the business of the Company or any activity related to the business of the Company. The decision of the NRC will be final, conclusive and binding.

(iv) Resignation: Subject to the provisions of the ESOP Scheme 2023, upon an option grantee discontinuing to be in employment of the Company due to resignation of the option grantee, any unvested Options shall stand cancelled and the vested options will be required to be exercised within the period determined by the NRC.

(v) Termination for cause: Subject to the provisions of the ESOP Scheme 2023, upon an option grantee discontinuing to be in employment of the Company due to Cause, any unvested Options shall stand cancelled and the vested options will be required to be exercised within the period determined by the NRC. Further, the NRC may determine, at its sole discretion, whether any action would constitute a cause in terms of the ESOP Scheme 2023.

(h) The appraisal process for determining the eligibility of employees for the ESOP Scheme 2023:
The eligibility of the employees will depend upon meeting necessary performance parameters and other considerations as determined by the Company and the NRC and the number of years of employment of the employees with the Company.

Further, the granting and vesting of Options will also be made on the basis of various performance parameters as applicable at the relevant stage and as determined by the NRC.

(i) **Maximum number of Options to be offered and issued per employee and in aggregate:**

A maximum of 1,500,000 (Fifteen Lakh) Options may be granted under the ESOP Scheme 2023, and total number of shares that can be issued under the ESOP Scheme 2023 is 1,500,000 (Fifteen Lakh), with each such Option conferring a right upon the option grantee to apply for one equity share of the Company, which may be adjusted for any corporate action(s) in terms of the ESOP Scheme 2023.

The maximum number of Options to be granted to an eligible employee under the ESOP Scheme 2023 shall not exceed 1,500,000 (Fifteen Lakh) Options, which on exercise would entitle not more than 1,500,000 (Fifteen Lakh) equity shares of ₹ 10 (Rupee Ten only) each of the Company.

(j) **Maximum quantum of benefits to be provided per employee under the ESOP Scheme 2023:**

The maximum quantum of benefits to the eligible employees under the ESOP Scheme 2023 will depend upon the price of the equity shares of the Company considered for the purpose of grant of Options and the market price of the equity shares of the Company on the date of exercise of Options. However, as provided above, the maximum number of Options to be granted to an eligible employee under the ESOP Scheme 2023 shall not exceed 1,500,000 (Fifteen Lakh) Options and consequently 1,500,000 (Fifteen Lakh) shares of the Company.

(k) **Route of the ESOP Scheme implementation:**

The NRC shall be responsible for the administration and superintendence of the ESOP Scheme 2023 and will be administered by the NRC.

(l) **Source of acquisition of shares under the ESOP Scheme:**

The ESOP Scheme 2023 involves new issue of shares by the Company in compliance with the SEBI SBEB & SE Regulations and other applicable laws.

(m) **The amount of loan to be provided for implementation of the ESOP Scheme 2023 by the Company to the trust, its tenure, utilisation, repayment terms, etc.:**

Not applicable.

(n) **Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the ESOP Scheme 2023:**

Not applicable.

(o) **A statement to the effect that the Company shall conform to the accounting policies specified in Regulation 15:**

The Company shall follow the accounting policies specified in Regulation 15 of the SEBI SBEB & SE Regulations. In addition, the Company shall disclose such details as required under the applicable laws.

(p) **The method which the Company shall use to value its Options:**

The Company shall use the Fair Value Method for valuation of the Options granted, in accordance with the accounting standard on share-based payments and Guidance note prescribed by the ICAI, including any changes that may be prescribed from time to time.

(q) **Declaration:**

In case the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value, shall be disclosed in the Board's report and the impact of this difference on profits and on Earnings Per Share ("EPS") of the Company shall also be disclosed in the Boards' report.

(r) **Period of Lock-in:**

The shares arising out of exercise of vested Options shall not be subject to any lock-in restriction except such restrictions as prescribed under the applicable laws.

(s) **Terms and conditions for buyback, if any, of specified securities covered under these regulations:**

Not applicable.

The resolutions and the terms stated therein as also the terms stated in this Explanatory Statement herein above shall be subject to the guidelines/ regulations issued/to be issued by statutory authorities in that behalf and the Board (the NRC and/or director(s) and/ or officer(s) of the Company, to whom any power may be delegated by the Board in this regard) shall have the sole and absolute authority to modify the terms hereinabove in case of any subsequent changes in law.

A draft copy of the Avenue Supermarts Limited Employee Stock Option Scheme 2023 ("ESOP Scheme 2023") is available for inspection at the Company's Registered Office during official hours on all working days (excluding Saturdays, Sundays and Public Holidays) till the date of passing of this resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the Resolutions stated in Item Nos. 7 and 8 except to the extent of their shareholding in the Company and the benefits that may be granted to them under the ESOP Scheme 2023.

By order of the Board of Directors of
Avenue Supermarts Limited

Ashu Gupta
Company Secretary
Membership No.: FCS 10736

Place: Thane
Date: 15th July, 2023

Registered Office:
Anjaneya CHS Limited, Orchard Avenue
Opp. Hiranandani Foundation School,
Powai, Mumbai – 400 076
CIN: L51900MH2000PLC126473
Tel No.: 022-40496500
E-mail ID: investorrelations@dmartindia.com
Website: www.dmartindia.com

ANNEXURE-A

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

1. Mr. Ramakant Baheti

Age	50 years
Date of appointment on the Board	2nd January, 2006
Qualifications	B.Com and Chartered Accountant
Nature of expertise & experience	Mr. Ramakant Baheti is a Chartered Accountant from the Institute of Chartered Accountants of India and holds a graduation degree in Commerce from Maharishi Dayanand Saraswati University, Ajmer. He has 25 years of experience in finance.
Relationship with other Director/Key Managerial Personnel	Not related to any Director/Key Managerial Personnel
Terms and conditions of appointment/ re-appointment	It is proposed to re-appoint Mr. Ramakant Baheti as a Whole-time Director, for a further period of 5 (five) years with effect from 1st May, 2024 and as mentioned in resolution no. 3 of the Notice convening this Meeting read along with Explanatory Statement thereto.
Remuneration last drawn	Refer to Directors' Report and Corporate Governance Report forming part of the Annual Report
Remuneration proposed to be paid	As per the Resolution No. 3 of the Notice convening this Meeting read along with Explanatory Statement thereto.
Number of meetings of the Board attended during the financial year (2022-23)	6
Directorships held in other companies	• Avenue E-Commerce Limited • Damani Estates and Finance Private Limited • Trishala Realty Private Limited • Nahar Seth and Jogani Developers Private Limited • Habitat Micro Build India Housing Finance Company Private Limited • Reflect Healthcare & Retail Private Limited • Smt. Saraswati Devi Shivkishan Damani Foundation
Memberships/Chairmanships of committees of other companies	• Avenue E-Commerce Limited Audit Committee – Member Nomination and Remuneration Committee – Member Finance & Operations Committee – Chairman ESOP Committee – Chairman • Habitat Micro Build India Housing Finance Company Private Limited Risk Management Committee – Member Audit Committee – Member Customer Service and Grievance Redressal Mechanism Committee – Member Resource Committee – Member
No. of shares held in the Company	2,568,450 equity shares of the Company as on 31st March, 2023

2. Mr. Elvin Machado

Age	56 years
Date of appointment on the Board	10th June, 2015
Qualifications	Graduation in Economics from St. Xavier's College, University of Mumbai and M.A. (Part I) from Mumbai University
Nature of expertise & experience	Mr. Elvin Machado completed his Graduation from St. Xavier's College, Mumbai in the year 1987 majoring in Economics and later completed M.A. (Part I) from Mumbai University. After graduation, he worked as a "Statistician" with a Pharmaceutical Company. In 1988, he joined FMCG giant HLL, now Hindustan Unilever Limited, as a Trainee Territory Sales in-charge and was promoted as Officer subsequently. Thereafter, he was posted at Lever House (HO) as Trade Marketing Executive from where he supervised and monitored work in many locations across India. At Unilever, his last posting was as "Branch Operations Manager" at Kolkata Branch. After 18 years of stint with Unilever, he joined Avenue Supermarts Limited in 2007 as General Manager-Operations. In the capacity of GM-Operations, he headed the Mumbai Circle. With a successful stint in Mumbai, he went on to Head the Gujarat Circle for two and half years and thereafter, he was positioned in Mumbai for 4 years to take care of "Real Estate Acquisition" of the Company. Subsequently, he was appointed on the Board as Whole-time Director of the Company. He has completed 16 years with Avenue Supermarts Limited, working across various verticals and now he is part of the Central Leadership Team of Business Development and Projects.
Relationship with other Director/Key Managerial Personnel	Not related to any Director/Key Managerial Personnel
Terms and conditions of appointment/ re-appointment	It is proposed to re-appoint Mr. Elvin Machado as a Whole-time Director, for a further period of 3 (three) years with effect from 10th June, 2024 and as mentioned in resolution no. 4 of the Notice convening this Meeting read along with Explanatory Statement thereto.
Remuneration last drawn	Refer to Directors' Report and Corporate Governance Report forming part of the Annual Report
Remuneration proposed to be paid	As per the Resolution No. 4 of the Notice convening this Meeting read along with Explanatory Statement thereto.
Number of meetings of the Board attended during the financial year (2022-23)	6
Directorships held in other companies	Nil
Memberships/Chairmanships of committees of other companies	Nil
No. of shares held in the Company	289,900 equity shares of the Company as on 31st March, 2023


DMart

DMart

REGISTERED OFFICE
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