

# Avenue Supermarts Limited

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

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

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30<sup>th</sup> July, 2018

To,

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

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

BSE Scrip Code: 540376

NSE Scrip Symbol: DMART

**Sub: Proceedings of the Board Meeting held on 30<sup>th</sup> July, 2018**

Dear Sir /Madam,

With reference to the captioned subject, we hereby inform you that the Board of Directors of the Company at its meeting held on July 30, 2018, inter-alia other matters, has approved the following :

1. The Standalone Un-audited Financial Statement for the quarter and three months ended on 30<sup>th</sup> June, 2018 along with the Limited Review Report issued by S R B C & Co LLP, Chartered Accountants, Statutory Auditors of the Company in accordance with the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) and the same is attached herewith as ‘Annexure A’.
2. The appointment of Ms. Kalpana Unadkat (DIN: 02490816) as an Additional Director (Independent Category) of the Company for a period of 5 (five) years commencing from July 30, 2018, subject to approval of shareholders of the Company. The brief profile of Ms. Kalpana Unadkat is attached herewith as ‘Annexure B’.

We affirm that Ms. Kalpana Unadkat is not debarred from holding the office of Director by virtue of any order of Securities and Exchange Board of India or any other such authority.

The Company proposes to seek appointment of Ms. Kalpana Unadkat as an Independent Director of the Company in the ensuing 18<sup>th</sup> Annual General Meeting of the Company scheduled to be held on August 28, 2018. The addendum to the Notice of 18<sup>th</sup> Annual General Meeting proposing her appointment would be sent to members in accordance with the provisions of the section 160 of the Companies Act, 2013 read with Rule 13 of the Companies (Appointment and qualification of Directors) Rules, 2014.



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Pursuant to Regulation 32(1) of the Listing Regulations, please note that there is no deviation/variation in the utilization of proceeds as mentioned in the objects stated in the Prospectus dated March 14, 2017, in respect of the Initial Public Offering of the Company.

The said meeting commenced at 1.00 P.M. and concluded at 4.15 P.M.

Kindly take the same on your record and acknowledge.

Thanking you.

Yours faithfully,

For Avenue Supermarts Limited



Ashu Gupta

Company Secretary & Compliance Officer



Encl: As above




**Limited Review Report**

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of Avenue Supermarts Limited ('the Company') for the quarter ended June 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (IndAS 34) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (IndAS 34) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The comparative Ind AS financial information of the Company for the corresponding quarter ended June 30, 2017 were reviewed by the predecessor auditor, who expressed an unmodified opinion on those financial information on July 22, 2017.

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

  
per Vijay Maniar  
Partner  
Membership No.: 36738  
Place of Signature: Mumbai  
Date: July 30, 2018





		Standalone			
Sr.No.	Particulars	Quarter ended 30th June, 2018	Quarter ended 31st March, 2018	Quarter ended 30th June, 2017	Year ended 31st March, 2018
		(Unaudited)	(Audited) (Note 6)	(Unaudited)	(Audited)
1	<b>Income</b>				
	a) Revenue from operations	4,559.42	3,809.96	3,598.12	15,008.89
	b) Other income	14.25	14.91	22.88	72.64
	<b>Total income</b>	<b>4,573.67</b>	<b>3,824.87</b>	<b>3,621.00</b>	<b>15,081.53</b>
2	<b>Expenses</b>				
	a) Purchases of stock-in-trade	3,926.45	3,369.47	3,041.35	12,862.76
	b) Change in inventories of stock-in-trade	(79.10)	(126.27)	0.64	(213.88)
	c) Employee benefits expense	76.96	72.42	64.00	276.56
	d) Finance costs	10.02	13.18	24.33	59.41
	e) Depreciation and amortisation expense	40.33	46.51	33.71	154.65
	f) Other expenses	212.43	199.87	188.96	746.12
	<b>Total expenses</b>	<b>4,187.09</b>	<b>3,575.18</b>	<b>3,352.99</b>	<b>13,885.62</b>
3	<b>Profit before tax</b>	<b>386.58</b>	<b>249.69</b>	<b>268.01</b>	<b>1,195.91</b>
4	<b>Tax expenses</b>				
	Current tax	134.11	93.24	91.79	417.17
	Deferred tax charge	1.95	(10.63)	1.45	(5.45)
	Tax in respect of earlier years	(0.09)	(0.02)	-	(0.49)
	<b>Net profit after tax</b>	<b>250.61</b>	<b>167.10</b>	<b>174.77</b>	<b>784.68</b>
5	Other comprehensive income (net of tax)	(0.15)	0.27	0.20	(0.52)
	<b>Total comprehensive income</b>	<b>250.46</b>	<b>167.37</b>	<b>174.97</b>	<b>784.16</b>
6	Paid-up equity share capital (Face Value - ₹10/- per share)	624.08	624.08	624.08	624.08
7	Reserves (excluding revaluation reserves)				4,018.63
8	Earnings per share (of ₹10/- each) (not annualised for the quarter):				
	a) Basic in ₹	4.02	2.68	2.80	12.57
	b) Diluted in ₹	3.96	2.64	2.76	12.41

**Notes :**

- The above financial results have been prepared in accordance with Indian Accounting Standards ("IND AS -34 " Interim Financial Reporting") as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended thereafter.
- The above financial results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on 30th July, 2018.
- The limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been completed by the auditors of the Company.
- The Company had completed the Initial Public offering (IPO) of fresh issue of 62,541,806 equity shares of ₹ 10 each at an issue price of ₹ 299 per share. The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) w.e.f. 21st March, 2017. Use of IPO proceeds is summarised as below

(₹ in Crores, unless otherwise stated)

Particulars	Planned as per prospectus	Utilisation upto 30th June, 2018	Balance as at 30th June, 2018
Towards repayment / payment of NCDs / Term loans	1,080.00	899.00	181.00
Construction and purchase of fit outs for new stores	366.60	144.93	221.67
Towards general corporate purpose (including transaction cost of IPO)	423.40	423.05	0.35
<b>Total</b>	<b>1,870.00</b>	<b>1,466.98</b>	<b>403.02</b>

IPO proceeds which remain unutilised as at 30th June, 2018, were invested in deposits with scheduled commercial banks and in monitoring agency accounts.

- The Company has instituted an Avenue Supermarts Limited Employee Stock Option Scheme, 2016 ("the Scheme") as approved by the Board of Directors for issuance of stock option to eligible employee of the Company and of its subsidiaries. Pursuant to the said Scheme, Stock options convertible into 13,973,325 equity shares of ₹ 10/- each were granted to eligible employees at an exercise price of ₹ 299/- being the price at which fresh issue of shares were made in IPO. Out of the total options granted, 1,187,400 options lapsed (31st March, 2018 : 978,750) and 12,600 options were vested (31st March, 2018 : 3,600) till the end of quarter 30th June, 2018. No options have been exercised as at 30th June, 2018.
- The figures of the March 2018 quarter are the balancing figures between audited figures in respect of the full financial year up to 31st March, 2018 and the unaudited year-to-date figures up to 31st December, 2017 being the date of the end of the third quarter of the financial year which were subjected to limited review.
- Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1st April, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no adjustments required to the retained earnings at 1st April, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.
- The Company is engaged in the business of retail trades through offline channels. There are no separate reportable segments as per IND AS 108 - Operating Segments.
- Previous year / quarter figures are regrouped and rearranged wherever necessary.

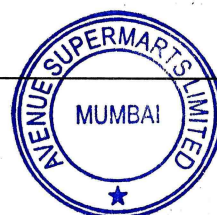
For and on behalf of the Board of Directors of  
Avenue Supermarts Limited

Place: Thane  
Date: 30th July, 2018

**SIGNED FOR IDENTIFICATION**  
**BY**



**S R B C & CO LLP**  
**MUMBAI**


  
Ignatius Navil Noronha  
CEO & Managing Director

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## ANNEXURE B

### Brief Profile of Ms. Kalpana Unadkat

Ms. Kalpana Unadkat is a solicitor and a partner at the Mumbai office of Khaitan & Co. Prior to joining Khaitan & Co., she worked at the London office of Ashurst LLP for 10 years. While working in London, she played a key role in building the India practice with a team that included lawyers in Germany, Milan, Paris, and Singapore. Since returning to Mumbai in 2008, she specialises in cross border joint ventures and mergers & acquisitions. Ms. Kalpana's focus is on representing corporates and their boards on strategic matters. She helps clients in a broad range of complex corporate transactions, such as mergers, acquisitions, divestitures, joint ventures, spin-offs, etc.

Ms. Kalpana has a consultative and collaborative style. She regularly acts for international companies and is widely recognised as one of the leading lawyers. Ms. Kalpana is a well-recognized expert on diversity and leadership development. Her passion is to reform corporate Governance principles to increase the number of women in decision making. She has led several workshops and advises clients on board effectiveness, particularly around issues of corporate governance, leadership, organisational climate, and decision-making. Her clients benefit from her vast knowledge, particularly regarding disclosures, board and committee structure and composition, executive compensation, and compliance policies and corporate governance matters.

She has been awarded "women super achiever award" and "women lawyer of the Year – 2017" for corporate governance. She has published numerous articles and is a frequent speaker at conferences. Best known for her co-authored of the research "Women on Board", Ms. Kalpana is a go-to lawyer for boards and general counsels in relation to corporate governance matters. She has been frequently quoted in newspapers on corporate governance and M&A deals in India.

Ms. Kalpana is a Chairperson of Confederation of Indian Industry (IWN - Indian Women Network) – Maharashtra and is a member of industry committees on corporate governance and is also an independent director on board of public companies. Apart from being a board member, she is also a member of several committees including Corporate Governance and Prevention of Sexual Harassment.

Ms. Kalpana Unadkat is not related to any of the Directors of the Company.





# **D<sup>\*</sup>Mart**

## **AVENUE SUPERMARTS LIMITED**

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**Total Revenue up by 26.7% at Rs. 4,559 Crore**

**PAT up by 43.4% at Rs. 251 Crore**

**For the Quarter ended June 30, 2018 (Q1 FY19):**

- Total Revenue stood at Rs.4,559 Crore, up by 26.7% y-o-y
- EBITDA of Rs. 423 Crore; y-o-y growth of 39.4%
- PAT at Rs. 251 Crore; y-o-y growth of 43.4%
- Basic EPS for Q1 FY19 stood at Rs. 4.02, as compared to Rs.2.80 for Q1 FY18
- 2 Stores were added in the Q1 FY19

**Mumbai, July 30, 2018:** Avenue Supermarts Ltd. (ASL), one of the largest food & grocery retailers in India, today declared its financial results for the quarter ended June 30, 2018.

Total Revenue for the quarter ended June 30, 2018 stood at Rs. 4,559 crore, as compared to Rs. 3,598 crore in the same period last year. ASL's Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in Q1 FY19 stood at Rs. 423 crore, as compare to Rs. 303 crore in the corresponding quarter of last year. The company's EBITDA margin improved from 8.4% in Q1 FY18 to 9.3% in Q1 FY19.

The Company reported Net Profit of Rs. 251 crore for Q1 FY19, as compared to Rs. 175 crore in the corresponding quarter of last year. The company's PAT margin improved from 4.8% in Q1 FY18 to 5.5% in Q1 FY19.

Basic Earnings per share (EPS) for Q1 FY19 stood at Rs. 4.02, as compared with Rs. 2.80 for Q1 FY18.

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

Commenting on the financial performance of the company **Mr. Neville Noronha, CEO & Managing Director, Avenue Supermarts Limited**, said, “This quarter has seen slightly lower gross margins which is a result of our conscious effort to maintain or bring down prices for consumers across categories. Improved Profit after Tax (PAT) for the quarter is due to better operational performance and lower impact of interest cost as compared to last year June quarter. Q1 PAT tends to be better than full year results and hence must not be seen as a reflection of the entire year trend.”

**About Avenue Supermarts Limited:** ([www.dmartindia.com](http://www.dmartindia.com); BSE: 540376; NSE: DMART)

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

The Company opened its first store in Mumbai, Maharashtra in 2002. As of June 30, 2018, the Company had 157 stores with Retail Business Area of 5 million sq. ft. across Maharashtra, Gujarat, Daman, Andhra Pradesh, Karnataka, Telangana, Tamil Nadu, Madhya Pradesh, Rajasthan, NCR, Chhattisgarh and Punjab.

**For More Information, Please Contact:**

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Mr. Shahab Sheikh

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